

A WORD FROM THE MANAGING DIRECTOR...

ABOUT US

Mewar Hitech is committed to excellence in quality of its equipment and takes pride in on dedication 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 high quality equipment to meet customer requirement. We provide professional advice to our customers and find innovative solutions to their specific requirements. We pledge to serve our customers with best services always and to deliver the world-class crushing, screening and customization size reduction equipment.

We provide full technical service to assist our clients to select the most appropriate crusher and associated equipment and implement the project with most suitable machine configuration that will serve their purpose. Our Crusher machine products and associated services can help our clients to operate more efficiently while promoting a successful and most reliable infrastructure.

We commit three guarantees: Repair, Replace and Return. We also commit three assurances: Assurance of product quality of our equipment, credible contracts and excellent service.

100% IN-HOUSE & HITECH MANUFACTURING FACILITY

Out crossing different components and assembling it, is a common method in crushing industry by many companies, there for most of the time these manufacturers cannot maintain the quality of their products, and that is why At Mewar Hitech we have our complete 100% in-house manufacturing facility with Hitech manufacturing process, and with special quality control team to insure its customers the best engineered and best quality crushers.

QUALITY POLICY

Mewar hitech pays special attention to quality aspect. The materials that are used for manufacturing of its equipments are tested first, before they are used in manufacturing of equipment. Our MD, Mr. CS Rathore personally monitors quality control of equipment manufactured by us.



MEWAR HITECH EXPERTIZED

We have qualified and experienced workmen, who are committed to our business philosophy. Mewar Hitech has strong teams of highly qualified and experience engineers/technicians /draftsmen & professional commercial staff, who assist in pre-selection, timely supply of high quality equipment at competitive prices as well as provide after sales assistance and required spare parts as well. Our dedicated and expertise staff works in a cohesive & collaborative manner which has resulted in our rapid growth. We are working closely with our customers and with our innovative and R&D based approach, we provide best and affordable solutions to our customers. This has resulted in a host of satisfied customers, who have given us repeated orders.

OUR PRODUCTS

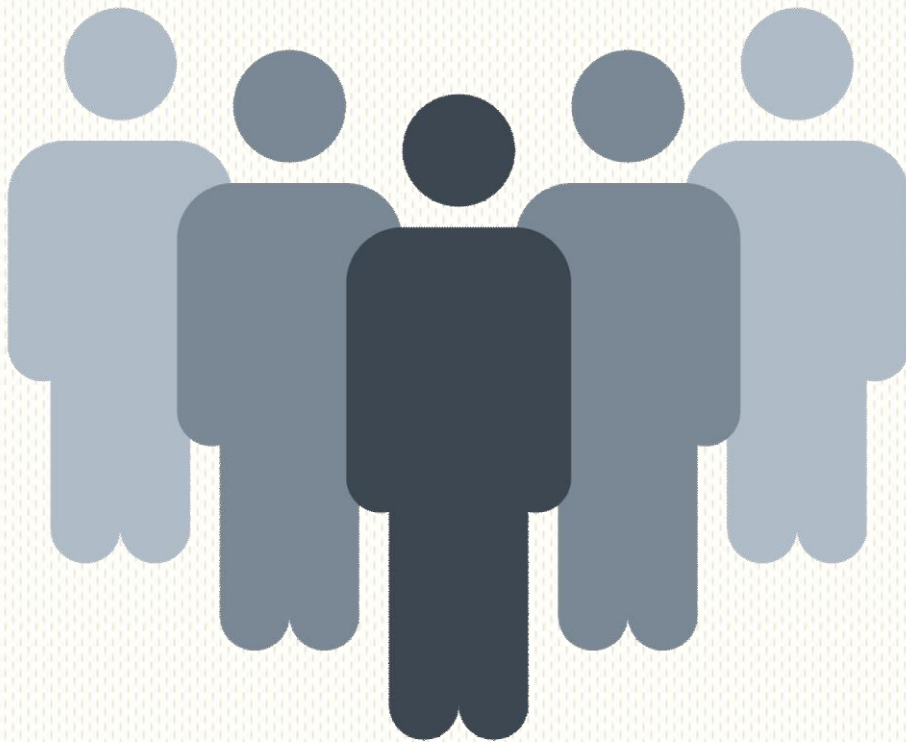
- ✓ Jaw Crusher
- ✓ Cone Crusher
- ✓ Roll Crusher
- ✓ Mobile Crusher
- ✓ Horizontal Shaft Impactor
- ✓ Vertical Shaft Impactor
- ✓ Vibro Feeder
- ✓ Vibrating Screen
- ✓ Sand Washer
- ✓ Material Handling Equipment
- ✓ Rock Breaker
- ✓ Turnkey Plants
- ✓ Spare Parts & Service

We invite you to give us an opportunity to introduce any of our equipment to your project, specifically selected to match your exact requirements. We also provide a range of services including planning for plant including designing, manufacturing, installation, networking, after sales service and consultancies.

OUR TEAM

Mewar Hitech takes pride in its well qualified and professional team of 500 skilled, semi-skilled labor force and 100 other staff members. The team is highly motivated and works in congenial atmosphere with the top management. They undergo training programs and are well-versed with the latest trends in the industry.

We provide prompt service to resolve technical issues. As soon as we get request, our service engineer attends the issue and reach within 48 hours anywhere in India and within a week to any place in the world.



BOARD OF DIRECTORS

Shri. Chattar Singh Hari Singh Rathore	Chairman And Managing Director
Smt. Reena Rathore	Whole Time Director
Shri. Vaibhav Singh Rathore	Whole Time Director Cum CFO
Shri. Mahendra Singh Singhvi	Independent Director
Shri. Munish Chandra Goyal (w.e.f. 16/07/2018)	Independent Director
Shri . Ajit Singh Rathore (w.e.f. 16/07/2018)	Independent Director

COMPANY SECRETARY AND COMPLIANCE OFFICER

Miss. RIMIKA TALESARA

REGISTRAR AND SHARE TRANSFER AGENT

BIGSHARE SERVICES PVT. LTD

E-3 Ansa Industrial Estatesaki Vihar Road, Saki Naka 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 HITECH



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



MEWAR HITECH ENGINEERING LIMITED

BLOOD DONATION CAMP AND OTHER DONATIONS



YEARLY ACHIEVEMENTS





MEWAR HITECH ENGINEERING LIMITED

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

CIN: U29299RJ2006PLC022625

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

E-mail: accounts@kingsoncrusher.com | Website: www.mewarhitech.com

Notice

Notice is hereby given that the 12th Annual General Meeting of the members will be held on Saturday, 29th Day of September, 2018 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 and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2018 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Vaibhav Singh Rathore (DIN: 03438743), as Director of the Company, who will retire by rotation and being eligible and offer himself for reappointment.
3. To consider the ratification of Statutory Auditor of the Company, and in this connection, to pass, with or without modification(s) the following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendation of Audit Committee and Board of Directors, Company ratifies the appointment of M/s Sagar Golchha & Co., Chartered Accountants, Udaipur (Firm Registration No. 007755C), Statutory Auditor of the Company to hold office from this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held in the calendar year 2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors of the Company, on the recommendation of the Audit Committee.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special 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. Munish Chandra Goyal (**DIN:00370703**), who was appointed as an Additional Director (Non -Executive Independent Director) and who shall hold office of Additional Director up to the date of this Annual General Meeting and being eligible, 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."

5. 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. Ajit Singh Rathore (**DIN: 08178802**), who was appointed as an Additional Director (Non -Executive Independent Director) and who shall hold office of Additional Director up to the date of this Annual General Meeting and being eligible, 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."

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

"Resolved that pursuant to the Provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Amendment) Act, 2015, read with applicable Rules under the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to SEBI (LODR) Regulations, 2015 including any amendment, modification or re-enactment thereof, consent of Company be and is hereby accorded to the Board of Directors to enter into any contract or arrangements which are classified as related party transactions under Companies Act, 2013, SEBI (LODR) Regulations, 2015 and respective accounting standards issued by The Institute of Chartered Accountants of India (including any amendments thereof), with the related party(ies) as defined under Companies Act, 2013, SEBI (LODR) Regulations, 2015 and respective accounting standards issued by The Institute of Chartered Accountants of India (including any amendments thereof) viz. Shri Chattar Singh Hari Singh Rathore, promoter and Managing Director and his relatives and entities in which Shri Chattar Singh Hari Singh Rathore is interested, Smt. Reena Rathore, promoter and Wholetime Director and her relatives and entities in which Smt. Reena Rathore is interested and Shri Vaibhav Singh Rathore, promoter, Wholetime Director & CFO and his relatives and entities in which Shri Vaibhav Singh Rathore is interested, with respect to the transactions entered into or to be entered into with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying property of any kind, leasing of property of any kind, availing or rendering of any services, appointment of any agent for purchase or sale of goods, materials, services or property; appointment to any office or place of profit in the Company, its subsidiary, if any, or associate company, underwriting the subscription of any securities or derivatives thereof, of the company., or reimbursement towards any transaction or any other transaction of whatever nature with related parties for an amount not exceeding 25 Crores (Rupees Twenty Five Crores) at any point of time."

“Resolved further that the Board of Directors of the Company and/or Audit Committee is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to do all acts, deeds, things as may be necessary proper or expedient to give effect to this resolution.”

Date : 04.09.2018

Place: Udaipur

For & on behalf of the Board of Directors

Mewar Hitech Engineering Limited

CIN: U29299RJ2006PLC022625

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 special business set out in the Notice is annexed.
- 2)
 - (a) A member entitled to attend the meeting and vote at the meeting is entitled to appoint a proxy. 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.
- 3) 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.
- 4) 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.

- 5) 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 **Sunday, 23rd September, 2018 to Saturday, 29th September, 2018 (both days inclusive)** for the purpose of Annual General Meeting of the Company.
- 6) 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 12th AGM, Annual Report 2018, 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 2018 are being sent by the permitted mode.
- 7) Members may note that the notice of the 12th AGM, the Annual Report 2018 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
- 8) A route map showing directions to reach the venue of the 12th AGM of the Company is given as per the requirement of the "Secretarial Standards - 2" on General Meetings.
- 9) 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 12th AGM of the Company.
- 10) 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.
- 11) 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.
- 12) 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.
- 13) The members desirous of obtaining any information with regard to the audited annual accounts of the Company for the financial year 2017-2018 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.
- 14) 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.



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 Website: 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.

Date : 04.09.2018

Place: Udaipur

For & on behalf of the Board of Directors

Mewar Hitech Engineering Limited

CIN: U29299RJ2006PLC022625

Sd/-

(Rimika Talesara)

Company Secretary

M. No. A43461

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

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

ITEM NO. 4:

Mr. Munish Chandra Goyal (DIN: 00370703) was appointed as Additional Director (Non - Executive Independent Director) on the Board of the Company pursuant to the provisions of Section 149 and 161 and 152 of the Companies Act, 2013 ("the Act") read with 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) and he hold office as Additional Independent Director of the Company up to the date of this Annual General Meeting of the Company. The Company has received a notice in writing along with deposit of requisite amount under Section 160 of the Act, from Mr. Munish Chandra Goyal proposing his candidature for the office of Director of the Company.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, appointed Mr. Munish Chandra Goyal as Independent Directors of the Company, 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.

Pursuant to Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") Mr. Munish Chandra Goyal has given a declaration stating that he meets the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Munish Chandra Goyal fulfills the conditions specified in the Act and its respective Rules made thereunder for appointment of Independent Director and is independent of the management. Mr. Munish Chandra Goyal is not disqualified from being appointed as Directors in terms of Section 164 of the Act and he has given his consent to act as Director.

In compliance with the provisions of Section 149, 152, 160 read with Schedule IV of the Act, the appointment of Mr. Munish Chandra Goyal as an Independent Director of the Company is now being placed before the Members for their approval by way of special resolution as he has attained the age of Seventy five years. The terms and conditions for appointment of Mr. Munish Chandra Goyal as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Your Directors therefore, recommend the passing of the resolution proposed at Item No. 4 of the Notice. Except Mr. Munish Chandra Goyal, none of other Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

ITEM NO. 5:

Mr. Ajit Singh Rathore (DIN: 08178802) was appointed as Additional Director (Non -Executive Independent Director) on the Board of the Company pursuant to the provisions of Section 149, 161 and 152 of the Companies Act, 2013 ("the Act") read with 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) and he hold office as Independent Director of the Company up to the date of this Annual General Meeting of the Company. The Company has received a notice in writing along with deposit of requisite amount under Section 160 of the Ac, from Mr. Ajit Singh Rathore proposing his candidature for the office of Director of the Company.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, appointed Mr. Ajit Singh Rathore as Independent Director of the Company, 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.

Pursuant to Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) Mr. Ajit Singh Rathore has given a declaration stating that he meets the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Ajit Singh Rathore fulfills the conditions specified in the Act and its respective Rules made thereunder for appointment of Independent Director and is independent of the management. Mr. Ajit Singh Rathore are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In compliance with the provisions of Section 149, 152, 160 read with Schedule IV of the Act, the appointment of Mr. Ajit Singh Rathore as an Independent Director of the Company is now being placed before the Members for their approval by way of ordinary resolution. The terms and conditions for appointment of Mr. Ajit Singh Rathore as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Your Directors therefore, recommend the passing of the resolution proposed at Item No. 5 of the Notice. Except Mr. Ajit Singh Rathore, none of other Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

ITEM NO. 6:

In terms of Section 188 of the Companies Act, 2013 and Companies (Amendment) Act, 2015, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, a Company shall not enter into any contract or arrangement with a related party for transactions for amounts exceeding the threshold limits prescribed under Rule 15 referred above except with the prior approval of the Company by a resolution.

In terms of SEBI (LODR) Regulations, 2015, all material Related Party Transactions (transactions exceeding ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company) shall require prior approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

The Company proposes to continue entering into contracts and arrangements with the Shri Chattar Singh Hari Singh Rathore, promoter and Managing Director and his relatives and entities in which Shri Chattar Singh Hari Singh Rathore is interested, Smt. Reena Rathore, promoter and Wholetime Director and his relatives and entities in which Smt. Reena Rathore is interested and Shri Vaibhav Singh Rathore, promoter, Wholetime Director & CFO and their relatives and entities in which Shri Vaibhav Singh Rathore is interested, in the ordinary course of business. with respect to the transactions entered into or to be entered into with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying property of any kind, leasing of property of any kind, availing or rendering of any services, appointment of any agent for purchase or sale of goods, materials, services or property;

appointment to any office or place of profit in the Company, its subsidiary, if any, or associate company, underwriting the subscription of any securities or derivatives thereof, of the company., or reimbursement towards any transaction or any other transaction of whatever nature with related parties for an amount not exceeding 25 Crores (Rupees Twenty Five Crores) at any point of time.

Thus the approval of the shareholders of the Company is requested for the material related party transactions which would be entered into by the Company with Shri Chattar Singh Hari Singh Rathore, promoter and Managing Director and his relatives and entities in which Shri Chattar Singh Hari Singh Rathore is interested, Smt. Reena Rathore, promoter and Wholetime Director and his

relatives and entities in which Smt. Reena Rathore is interested and Shri Vaibhav Singh Rathore, promoter, Wholetime Director & CFO and his relatives and entities in which Shri Vaibhav Singh Rathore is interested, in the ordinary course of business for an amount not exceeding 25 Crores (Rupees Twenty Five Crores) at any point of time.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No. 4 of the Notice. Shri Chattar Singh Hari Singh Rathore, Managing Director, Smt. Reena Rathore, Wholetime Director and Shri Vaibhav Singh Rathore, Wholetime Director & CFO and their relatives are may be deemed to be interested in the resolution set out respectively at Item No. 4 of the Notice, to the extent of their equity shareholding interest, if any, and Directorship in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

MEWAR HITECH ENGINEERING LIMITED

1, Hawa Magri, Industrial Area Sukher, Udaipur (Raj.)

CIN: U29299RJ2006PLC022625

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

E-mail: accounts@kingsoncrusher.com; Website: 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:

Name of the Director	Vaibhav Singh Rathore	Munish Chandra Goyal	Ajit Singh Rathore
Director Identification Number	03438743	00370703	08178802
Date of Birth	03/04/1990	04.08.1937	14.08.1951
Age	28	81	67
Date of Appointment	24.02.2016	16.07.2018	16.07.2018
Brief resume of the Director including Qualification, nature of expertise in specific functional areas	MBA has expertise in Marketing.	M.Com LLB MBA Retired IAS Officer	Graduated from NDA, Pune and served Indian Army for 37 years and thereby retired at present.
No. of shares held in the Company	67,840	NIL	18,000
Directorships and Committee memberships held in other companies	Director in 1 company - Mewar Marmo Engineering Pvt. Ltd.	Director in 1 company - Phosphate (India) Pvt. Ltd.	NIL
Inter-se relationships between Directors, Manager and KMPs	Son of Mr. Chattar Singh Hari Singh Rathore and Mrs. Reena Rathore	NO	N
Nationality	INDIAN	INDIAN	INDIAN
No. of Board Meetings held during the Year	7	N.A. (As appointed after 31.03.2018)	N.A. (As appointed after 31.03.2018)
No. of Board meetings attended during the year.	7	N.A. (As appointed after 31.03.2018)	N.A. (As appointed after 31.03.2018)
Remuneration sought to be paid	12,00,000/-	5,000/-	5,000/-
Remuneration Last drawn	12,00,000/-	N.A. (As appointed after 31.03.2018)	N.A. (As appointed after 31.03.2018)

Date : 04.09.2018

Place: Udaipur

For & on behalf of the Board of Directors

Mewar Hitech Engineering Limited

CIN: U29299RJ2006PLC022625

Sd/-

(Rimika Talesara)

Company Secretary

M. No. A43461

MEWAR HITECH ENGINEERING LIMITED

1, Hawa Magri, Industrial Area Sukher, Udaipur (Raj.)

CIN: U29299RJ2006PLC022625

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

E-mail: accounts@kingsoncrusher.com; **Website:** 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 12th Annual General Meeting of the Members of Mewar Hitech Engineering Limited held on Saturday, 29th September, 2018 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 HITECH ENGINEERING LIMITED

1, Hawa Magri, Industrial Area Sukher, Udaipur (Raj.)

CIN: U29299RJ2006PLC022625

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

E-mail: accounts@kingsoncrusher.com; **Website:** 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

CIN	U29299RJ2006PLC022625	
Name of the Company	MEWAR HITECH ENGINEERING LIMITED	
Registered Office	1, Hawa Magri, Industrial Area, Sukher, Udaipur (Raj.)	
Name of the member (s)		
Registered Address		
E-mail ID		
Folio No /Client ID		DP ID

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

1. Name : Address
E-mail Id : Signature:

Or failing him

2. Name : Address
E-mail Id : Signature:

or failing him

3. Name : Address.....
E-mail Id : Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018 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:

Resolution No.	Resolutions
Ordinary Business	
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 st March, 2018 together with the reports of the Board of Directors and Auditors thereon.

2.	Appointment of a Director in place of Vaibhav Singh Rathore (DIN: 03438743), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3.	Ratification of the appointment of Statutory Auditor of the Company and fixing their remuneration.
Special Business	
4.	Appointment of Mr. Munish Chandra Goyal as Independent Director of the Company
5.	Appointment of Ajit Singh Rathore as Independent Director of the Company
6.	Approval of Related Party Transactions

Signed this..... day of....., 2018

Signature of shareholder

AFFIX
REVENUE
STAMP

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 HITECH ENGINEERING LIMITED

1, Hawa Magri, Industrial Area Sukher, Udaipur (Raj.)

CIN: U29299RJ2006PLC022625

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

E-mail: accounts@kingsoncrusher.com; **Website:** www.mewarhitech.com

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!1s0x0:0xbc53356bee8b18f8!8m2!3d24.6450188!4d73.7202273?hl=en-US>



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E-mail: accounts@kingsoncrusher.com; Website: www.mewarhitech.com

DIRECTOR'S REPORT

To The Members,

The Director's have great pleasure in presenting the 12th Annual Report of our Company together with the audited accounts for the year ended 31st March 2018.

1. FINANCIAL PERFORMANCE

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

Particulars	(Amount in Rs.)	
	For the financial year ended 31 st March, 2018 (Rs.)	For the financial year ended 31 st March, 2017 (Rs.)
Business Income	62,03,34,167	37,00,72,261
Other Income	39,14,038	45,98,884
Total Income	62,42,48,205	37,46,71,145
Profit before depreciation & taxation	3,39,21,320	2,10,20,617
Less: Depreciation	1,15,18,176	1,17,89,123
Less: Taxation	99,98,761	43,56,667
Profit after taxation	1,24,04,383	48,74,827
Balance brought forward from the previous year	1,74,03,414	1,25,28,286
Total balance carried to Balance Sheet	1,24,04,383	48,74,827

2. OPERATION AND STATE OF COMPANY'S AFFIARS:

The Company has generated Rs. 62,03,34,167/- as revenue from operations in the current financial year. The Board of Directors of the Company had evolved and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally.

3. DIVIDEND:

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

4. CHANGES IN THE NATURE OF BUSINESS:

There is no change in the nature of business in comparison to immediate preceding year.

The Company in its Extra-ordinary General Meeting held on Monday, 20th August, 2018 for change in its main object clause of the MoA of the Company to carry on business of KPO, BPO, 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 this Report.

8. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of provisions of Section 134 (3) (c) 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 ended on March 31, 2018 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.

9. CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 Corporate Social Responsibility is 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:

Following companies are the associate companies of Mewar Hi Tech Engineering Ltd. as Mr. Chattar Singh Rathore, Mrs. Reena Rathore and Mr. Vaibhav Singh Rathore are holding the posts of directors in these following 2 companies.

- a) Mewar Marmo Engineering Pvt. Ltd.
- b) Mewar Technocast Pvt. Ltd.

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:

All material related party transactions entered into by the Company with the material related parties during the year under review has been examined and approved by the Audit Committee and Board of Directors. The Company shall place respective resolution before shareholders for their approval during this Annual General Meeting. Details of all material transactions have been disclosed in financial statements of the Company annexed with this Annual Report.

The Form AOC – 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure to this report.

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

During the financial year Vaibhav Singh 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.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has Independent Directors on the Board and also one women Director as per requirement of Companies Act, 2013.

Shri Pratap Singh Talesara & Shri. Virendra Prakash Rathi has resigned from the post of Independent Directorship w.e.f. 20/03/2018 and the Company has appointed Mr. Munish Chandra Goyal & Mr. Ajit Singh Rathore as an Independent Director w.e.f. 16/07/2018.

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).

17. INTERNAL AUDITORS

The Board has appointed M/s Shailesh Jain & Associates, Chartered Accountants (Firm Registration Number: 003988C) as an Internal Auditors of the Company for the year ended 31st March, 2019 under the provisions of Companies Act, 2013 and he has completed the Internal Audit as per the scope defined by the Audit Committee.

18. STATUTORY AUDITORS

M/s Sagar Golchha & Co., Chartered Accountants (Firm Registration Number: 007755C), Chartered Accountants being eligible offer themselves for ratification of appointment at the ensuing Annual General Meeting of the Company to hold office from the conclusion of this Annual General Meeting till the AGM to be held for financial year ending on 31st March, 2019. In this regard, the Company has received a certificate from the auditors in accordance with the provisions of Section 141 of the Companies Act, 2013.

19. SECRETARIAL AUDITOR

M/s Deepak Vijaywargey & Associates, Practicing Company Secretary, Udaipur was appointed as the Secretarial Auditor of the Company for the financial year 2017-2018 by the Board of Directors pursuant to provisions of Companies Act, 2013 and rules there under. Secretarial audit

report as provided by M/s Deepak Vijaywargey & Associates, Practicing Company Secretary is annexed to this Report as **Annexure- I**.

20. **QUALIFICATIONS IN AUDIT REPORTS**

There are no qualifications, reservations or adverse remarks or disclaimer made—

- (a) By the Statutory Auditor in his audit report; and There are some qualifications, reservations or adverse remarks or disclaimer made-
- (b) By the Company Secretary in Practice in his secretarial audit report;
 - 1. During the period under review Company had not appointed Internal Auditor. However Company has appoint Internal Auditor for the year 2018-2019 on 27.08.2018.
 - 2. During the period under review Company had not finalized and filed their audited balance sheet & profit & loss account for the financial year 2016-2017 upto the specified date hence a penalty notice was issued by BSE.
 - 3. During the period under review Company has not filed their Annual Report and annual return with Registrar of Companies for the financial year 2016-2017 till date.

21. **BOARD MEETINGS**

During the financial year 2017-2018, the Board of Directors met 7 times. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

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

The composition of the Nomination & Remuneration Committee & Audit Committee is stated in the Corporate Governance Report. All the recommendations of the Audit Committee were accepted by the Board during the financial year 2017-18.

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, 2017.

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

- (a) **Conservation of Energy:** The Company's operations are not energy-intensive and involves 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.52031704 during the year and Rs. 649636 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:

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure in the prescribed Form MGT-9, which forms part of this report.

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 2017-18.

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 Statutory Auditors in their Audit Reports. But there were some qualifications, reservations or adverse remarks made by the Company Secretary in their Secretarial Report.

In connection with the Secretarial Audit Report's observations, it is clarified by the Board of Directors as under:

1. As it was the first year of the Company after getting listed, the Company was unaware of the compliance in respect of Internal Auditor appointment. Further, after knowing the Company has appointed Internal Auditor for the Financial Year 2018-19 in Board Meeting held on 27.08.2018
2. As it was the first year of the Company after getting listed, the Company was unaware of the compliance in respect of submission of financial statements to BSE.
3. Unknowingly the company has forgotten to submit the annual returns and financial statement to ROC and same will be complied with at the earliest.

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 2017-18 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. 3.18 per share as at March 31st 2018 as against Rs. 1.25 per share as at March 31st 2017.

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 : 04.09.2018

Place: Udaipur

For & on behalf of the Board of Directors

Mewar Hitech Engineering Limited

CIN: U29299RJ2006PLC022625

Sd/-

(Rimika Talesara)

Company Secretary

M. No. A43461

Sd/-

(Chattar Singh Rathore)

Managing Director

DIN: 01748904



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 2017-2018

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 Obligation 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.

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in SEBI (LODR), Regulations, 2015 as applicable to the Company is set out below:

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), Regulations 2015

Composition & Category of Directors:

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

Three is Independent Director

Two Whole Time Directors

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 31st March, 2018, 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 Chattar Singh Hari Singh Rathore,	Managing Director	07	02	0	0
Smt. Reena Rathore	Whole Time Director	07	01	0	0
Shri Vaibhav Singh Rathore	Whole Time Director cum CFO	07	01	0	0
Shri Mahendra Singh Singhvi	Independent Director	07	06	0	0
Shri Pratap Singh Talesara	Independent Director	07	05	0	0
Shri Virendra Prakash Rathi	Independent Director	07	03	0	0

Note: Shri Pratap Singh Talesara & Shri. Virendra Prakash Rathi has resigned from the post of independent directorship w.e.f. 20/03/2018 and the Company has appointed Mr. Munish Chandra Goyal & Mr. Ajit Singh Rathore as an Independent Director w.e.f. 16/07/2018 which is after the end of F.Y. 2017-18 but before the date of signing of report.

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.

Appointment of Independent Directors

The Company had 3 (three) Independent Directors, Shri Mahendra Singh Singhvi, Shri Pratap Singh Talesara & Shri. Virendra Prakash Rathi on its Board during the year, who are not liable to retire by rotation. Formal letters of appointment were issued to the Independent Directors in terms of the provisions of the Companies Act, 2013.



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.

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 24/06/2017 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:

Name	Category	Designation
Shri Virendra Prakash Rathi	Non- Executive & Independent Director	Member
Shri Pratap Singh Talesara	Non- Executive & Independent Director	Member
Shri Mahendra Singh Singhvi	Non- Executive 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

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 Virendra Prakash Rathi	Non- Executive & Independent Director	Member
Shri Pratap SinghTalesara	Non- Executive & Independent Director	Member
Shri Mahendra Singh Singhvi	Non- Executive 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.

Director's/KMP Remuneration

Sr. No.	Name	Amount of remuneration
1.	Shri Chattar Singh Hari Singh Rathore (Managing Director)	24,00,000/- P.A.
2.	Smt. Reena Rathore (Whole time Director)	6,00,000/- P.A.
3.	Shri Vaibhav Rathore (Whole time Director cum CFO)	12,00,000/- P.A.
4.	Miss Rimika Talesara (Company Secretary)	1.20.000/- 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 31st March, 2018.

Details of shareholding of Directors as on 31st March, 2018:

The shareholding details of the Directors as at March 31st 2018 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 2017-2018.

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 31st March, 2018 is 3192400 Shares i.e. 81.78% 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 2017-2018, 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 31st March 2018, 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
2016-17	30th September, 2017	11.00 A.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).
2015-16	30 th September, 2016	01.00 P.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.)
2014-15	30 th September, 2015	10:00 A.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).

- Only one Special Resolution was passed in the meetings by the shareholders in the AGM held for the Financial year (2016-17).
- Extraordinary General Meeting was held during the year 2017-18.
- There was no resolution passed by the shareholders through postal ballot, in the financial year 2017-18

14. GENERAL SHAREHOLDER INFORMATION

Day, Date and Time	Saturday, 29 September 2018, at 11:00 A.M
Venue	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).

- **Financial Year** : 01st April, 2017 to 31st March, 2018
- **Date of Book Closure** : 23 September, 2017 to 29 September, 2017 (both days Inclusive)
- **Listing on Stock Exchange** : BSE Limited
25th 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** : Bigshare 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, 2018, affirmed compliance with the Code of Conduct as applicable to them.

Date : 04.09.2018

Place: Udaipur

For & on behalf of the Board of Directors

Mewar Hitech Engineering Limited

CIN: U29299RJ2006PLC022625

Sd/-

(Rimika Talesara)

Company Secretary

M. No. A43461

Sd/-

(Chattar Singh Rathore)

Managing Director

DIN: 01748904



CEO/CFO CERTIFICATION

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

To,
The Board of Directors

Mewar Hitech Engineering Limited

We, Chattar Singh Hari Singh Rathore, Managing Director and Vaibhav Singh Rathore, Whole Time Director cum CFO of Mewar Hitech 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.

Date : 04.09.2018
Place: Udaipur

For & on behalf of the Board of Directors
Mewar Hitech Engineering Limited
CIN: U29299RJ2006PLC022625

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

Sd/-
(Chattar Singh Rathore)
Managing Director
DIN: 01748904

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Mewar Hitech Engineering Limited,
Udaipur (Raj.)

We have examined the compliance of conditions of corporate governance by **Mewar Hitech Engineering Limited** ("the Company"), for the year ended on 31st March, 2018 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.

Date: 04.09.2018

Place: Udaipur

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

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



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 2017-18. Our performance for the year underlines the effectiveness of our resilient and differentiated business model that is anchored by the strength of the Mewar Hitech 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 31st March, 2018

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:

CIN	U29299RJ2006PLC022625
Registration Date	08.06.2006
Name of the Company	MEWAR HITECH ENGINEERING LIMITED
Category/Sub-Category of the Company	COMPANY LIMITED BY SHARES/INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office and contact detail	1 HAWA MAGRI INDUSTRIAL AREA SUKHER UDAIPUR RAJASTHAN- 313001
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED 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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
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	Applicable 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-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2014400	--	2014400	51.60 %	2014400	--	2014400	51.60%	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	116000	--	116000	2.97%	116000	--	116000	2.97%	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A)	2130400	--	2130400	54.57 %	2130400	--	2130400	54.57%	--
B. Public Shareholding									
1. Institution	--	--	--	--	--	--	--	--	--
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	90000	--	90000	2.31%	30000	--	30000	0.77%	(1.54)%
ii) Overseas	--	--	--	--	--	--	--	--	--

b) Individuals	-	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	365750	42400	408150	10.46%	288000	42400	330400	8.46%	--
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	486000	668800	1154800	29.58%	732000	668800	1400800	35.88%	6.3%
c) Others (specify)									
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	120250	--	120250	3.08%	12000	--	12000	0.31%	(2.77)%
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	1062000	711200	1773200	45.42%	1062000	711200	1773200	45.42%	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	1062000	711200	1773200	45.42%	1062000	711200	1773200	45.42%	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	-	--	--	-	--
Grand Total (A+B+C)	3192400	711200	3903600	100%	3192400	711200	3903600	100%	--



(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 total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	REENA RATHORE	8,94,000	22.9%	--	8,94,000	22.9%	--	--
2.	CHATTAR SINGH HARI SINGH RATHORE	628560	16.10%	--	628560	16.10%	--	--
3.	CHATTAR SINGH HARI SINGH RATHORE	360000	9.22%	--	360000	9.22%	--	--
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%	--	--
	Total	2130400	54.57%	--	2130400	54.57%	--	--

(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	2130400	54.57%	2130400	54.57%
REENA RATHORE	8,94,000	22.9%	8,94,000	22.9%
CHATTAR SINGH HARI SINGH RATHORE	628560	16.10%	628560	16.10%
CHATTAR SINGH HARI SINGH RATHORE	360000	9.22%	360000	9.22%
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%
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	THERE IS NO CHANGES IN THE SHAREHOLDING DURING THE YEAR			
At the end of the year	2130400	54.57%	2130400	54.57%
REENA RATHORE	8,94,000	22.9%	8,94,000	22.9%
CHATTAR SINGH HARI SINGH RATHORE	628560	16.10%	628560	16.10%
CHATTAR SINGH HARI SINGH RATHORE	360000	9.22%	360000	9.22%
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%



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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the Year i.e. 01.04.2017		Change in shareholding			Shareholding at the end of the Year i.e. 31.03.2018	
		No. of shares hold	% of holding	Increase/ decrease in shareholding & Reason	Date	No. of Shares	No. of shares hold	% of holding
1.	Smt. Rajshree Ranawat	216000	5.53%	-	-	-	216000	5.53%
2.	Shri Shivraj Singh Shaktawat	204000	5.23%	Increase (Transfer)	7-Apr-17	6000	444000	11.37%
					14-Apr-17	12000		
					21-Apr-17	6000		
					14-Jul-17	132000		
					28-Jul-17	18000		
					1-Sep-17	24000		
					2-Mar-18	42000		
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	18000	0.46%	Increase (Transfer)	2-Mar-18	12000	48000	1.23%
					16-Mar-18	18000		
8.	Rajendra Singh Panwar	44000	1.13%	-	-	-	44000	1.13%
9.	Sh.Suresh Bansawal	36000	0.92%	-	-	-	36000	0.92%
10.	Sh. Sanjay Goyal	32000	0.82%	-	-	-	32000	0.82%

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%
CHATTAR SINGH HARI SINGH RATHORE	628560	16.10%	628560	16.10%
VAIBHAV SINGH RATHORE	67840	1.74%	67840	1.74%
MAHENDRA SINGH SINGHVI	--	--	--	--
PRATAP SINGH TALESARA	--	--	--	--
VIRENDRA PRAKASH RATHI	--	--	--	--

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):	THERE IS NO CHANGES IN THE SHAREHOLDING DURING THE YEAR			
At the end of the year				
REENA RATHORE	894000	22.9%	8,94,000	22.9%
CHATTAR SINGH HARI SINGH RATHORE	628560	16.10%	628560	16.10%
VAIBHAV SINGH RATHORE	67840	1.74%	67840	1.74%
MAHENDRA SINGH SINGHVI	--	--	--	--
PRATAP SINGH TALESARA	--	--	--	--
VIRENDRA PRAKASH RATHI	--	--	--	--
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
Indebtedness at the beginning of the financial year				
i) Principal Amount	110750471	55060247	--	165810718
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	110750471	55060247	--	165810718
Change in Indebtedness during the financial year				
* Addition	66162501	1507504	--	67670005
* Reduction	10344089	40492018	--	50836107
Net Change	55818412	(38984514)	--	16833898
Indebtedness at the end of the financial year				
i) Principal Amount	166568883	16075733	--	182644616
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	166568883	16075733	--	182644616



VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri Chattar Singh Hari Singh	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	2400000	600000	1200000	4200000
	(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-	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
	Total (A)	2400000	600000	1200000	4200000
	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	--	--	--	--	--
	Total (1)	--	--	--	--	--
2	Other Non-Executive Directors	--	--	--	--	--
	Fee for attending board committee meetings	--	--	--	--	--
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	--	--	--	--	--
	Total Managerial Remuneration	--	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--	--

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	--	Ms Rimika Talesara	--	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	120000	--	120000
	(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	--	--	--	--
	Total	--	120000	--	120000

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Date : 04.09.2018
Place: Udaipur

For & on behalf of the Board of Directors
Mewar Hitech Engineering Limited
CIN: U29299RJ2006PLC022625

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

Sd/-
(Chattar Singh Rathore)
Managing Director
DIN: 01748904

Sd/-
(Vaibhav Singh Rathore)
WTD cum CFO
DIN: 03438743

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis. **Nil**
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	Shri Chattar Singh Hari Singh Rathore, Director
	Nature of contracts/arrangements/transaction	Director remuneration
	Duration of the contracts/arrangements/transaction	5 Years
	Salient terms of the contracts or arrangements or transaction including the value, if any	24,00,000/-
	Date of approval by the Board	23.07.2018
	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Chattar Singh Hari Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Interest paid by company
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	7,35,235/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Chattar Singh Hari Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Unsecured Loan (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	94,00,194/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Chattar Singh Hari Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Unsecured Loan (Dr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,00,00,000/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Vaibhav Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Director remuneration
c)	Duration of the contracts/arrangements/transaction	5 Years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	12,00,000/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Vaibhav Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Interest paid by company
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	3,31,475/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shri Vaibhav Singh Rathore, Director
b)	Nature of contracts/arrangements/transaction	Unsecured Loan (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	31,80,962/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil



SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Smt. Reena Rathore, Director
b)	Nature of contracts/arrangements/transaction	Director remuneration
c)	Duration of the contracts/arrangements/transaction	5 Years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	6,00,000/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Smt. Reena Rathore, Director
b)	Nature of contracts/arrangements/transaction	Interest paid by company
c)	Duration of the contracts/arrangements/transaction	N/A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	18,38,818/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Smt. Reena Rathore, Director
b)	Nature of contracts/arrangements/transaction	Unsecured Loan (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	2,75,67,750/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
g)	Name (s) of the related party & nature of relationship	Smt. Reena Rathore, Director
h)	Nature of contracts/arrangements/transaction	Unsecured Loan (Dr.)
i)	Duration of the contracts/arrangements/transaction	N.A.
j)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,08,57,400/-
k)	Date of approval by the Board	23.07.2018
l)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mewar Technocast P.Ltd, Sister concern & Shareholder
b)	Nature of contracts/arrangements/transaction	Purchase/Sale Return
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	15,38,39,128/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mewar Technocast P.Ltd, Sister concern & Shareholder
b)	Nature of contracts/arrangements/transaction	Office Rent
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	6,00,000/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mewar Technocast P.Ltd, Sister concern & Shareholder
b)	Nature of contracts/arrangements/transaction	Rent on Plant & Machinery
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	4,02,000/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mewar Technocast P.Ltd, Sister concern & Shareholder
b)	Nature of contracts/arrangements/transaction	Fund Transfer (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	4,08,85,050/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil



SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mewar Technocast P.Ltd, Sister concern & Shareholder
b)	Nature of contracts/arrangements/transaction	Fund Transfer (Dr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	18,01,25,757/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VSR Rocks Engineering, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Unsecured loan (Dr)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	44,56,981/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	VSR Rocks Engineering, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Unsecured loan (Cr)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,26,98,809/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
g)	Name (s) of the related party & nature of relationship	VSR Rocks Engineering, Director's Proprietorship Firm & Shareholder
h)	Nature of contracts/arrangements/transaction	Interest
i)	Duration of the contracts/arrangements/transaction	N.A.
j)	Salient terms of the contracts or arrangements or transaction including the value, if any	9,28,558/-
k)	Date of approval by the Board	23.07.2018
l)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Interest
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	6,11,713/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Fund Transfer (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	22,68,205/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Fund Transfer (Dr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	4,83,568/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Purchase / Sale Return
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	10,81,831/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil



SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Unsecured loan (Cr)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	2,15,35,132/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kingson Hi Tech Industries, Director's Proprietorship Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Unsecured loan (Dr)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,07,72,686/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Rathore Infra, Director's Partnership Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Purchase/Sale Return
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	80,46,852/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
g)	Name (s) of the related party & nature of relationship	Rathore Infra, Director's Partnership Firm & Shareholder
h)	Nature of contracts/arrangements/transaction	Fund Transfer (Dr.)
i)	Duration of the contracts/arrangements/transaction	N.A.
j)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,75,72,004/-
k)	Date of approval by the Board	23.07.2018
l)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Rathore Infra, Director's Partnership Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Fund Transfer (Cr.)
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1,55,27,088/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Rathore Infra, Director's Partnership Firm & Shareholder
b)	Nature of contracts/arrangements/transaction	Interest
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	21,209/-
e)	Date of approval by the Board	23.07.2018
f)	Amount paid as advances, if any	Nil





SAGAR GOLCHHA & Co.

CHARTERED ACCOUNTANTS

Office: 10, GULAB BAAG MAIN GATE ROAD, UDAIPUR-313001

Ph. 0294-2416108, 09829401815, e-mail: casagarit@yahoo.in

INDEPENDENT AUDITOR'S REPORT

To the Members Of Mewar Hitech Engineering Limited, Udaipur

Report on the Financial Statements

We have audited the accompanying financial statements of **Mewar Hitech Engineering Limited, Reg. Off :-- 1- Hawa Magri, Industrial Area, Sukher, Udaipur** ("the Company"), which comprise the Balance Sheet as at 31st March , 2018, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the

Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss and its cash flow for the year ended on that date. **[Subject to comments in Note-1 & 2 of Accounting Policy & Note On Account]**

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 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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 23, 2018

For: SAGAR GOLCHHA & CO.
Chartered Accountants
Firm Registration No: 007755C

Sd/-
[CA. Sagar Golchha]
M.No.- 076797

The Annexure – A referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited, . Udaipur on the financial statements for the year ended 31 March 2018, 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 Hitech Engineering Limited** (“the Company”) as of 31 March 2018 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.



Contd.....The Annexure – A referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited. , Udaipur on the financial statements for the year ended 31 March 2018, we report that:

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 2018, 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

Dated: July 23, 2018

For: SAGAR GOLCHHA & CO.

Chartered Accountants

Firm Registration No: 007755C

Sd/-

[CA. Sagar Golchha]

M.No: 076797

Proprietor

The Annexure – B referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited on the financial statements for the year ended 31 March 2018, 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 2018, 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 31.03.2018 (Rs.)
Factory Land	26.06.2008	Araji No.1863/414 Area 0.21 Hectare	With Corporation Bank	11264470/-
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 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.



Contd.....The Annexure – B referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited on the financial statements for the year ended 31 March 2018, we report that:

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.
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, Service Tax, Excise, 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 2018 for a period of more than six months from the date they became payable.

S. No.	Nature of dues	Amount outstanding as on 31.03.2018	Amount Pending more than six months	Related period	Remarks
1	Fringe Benefits	59024	59024	FY 10-11	
2	TDS	1268652	--	FY 17-18	
3	ESI Payable	250852	--	FY 17-18	
4	PF Payable	451423	--	FY 17-18	
5	GST (Net)	10509213	--	FY 17-18	
6	Excise	3956703	3956703	FY 16-17	
7	CST Payable	319150	319150	FY 15-16	
8	VAT	64399	--	FY 17-18	
9	Service Tax	833662	833662	FY 16-17	
10	Income Tax For A.Y. 2018-19 [Provision made in books]	7500000	5625000	15 th June 2017 & 15 th Sept, 2017, 15 th Dec 2017	Tax was to be payable in advance

Contd.....The Annexure – B referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited on the financial statements for the year ended 31 March 2018, we report that:

- 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	478050	2012-13	CIT-appeal, Udaipur
Income Tax	Tax and interest	779980	2013-14	CIT-appeal, Udaipur
Income Tax	Tax and interest	125330	2014-15	Demand raised by AO
VAT	Declaration Forms and others	5170989	2013-14 and back years	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.



Contd.....The Annexure – B referred to in our Independent Auditors’ Report to the members of the Mewar Hitech Engineering Limited on the financial statements for the year ended 31 March 2018, we report that:

- 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

Dated: July 23, 2018

For: SAGAR GOLCHHA & CO.

Chartered Accountants

Firm Registration No: 007755C

Sd/-

[CA. Sagar Golchha]

M.No: 076797

Proprietor

BALANCE SHEET AS AT MARCH 31, 2018

PARTICULARS	NOTE	2017-18 (Rs.)	2016-17 (Rs.)
<u>EQUITY & LIABILITIES:</u>			
(1) <u>SHARE HOLDERS FUNDS:</u>			
(a) Share Capital	2.01	39,036,000	39,036,000
(b) Reserves & Surplus	2.02	68,999,796	56,595,413
(2) <u>SHARE APPLICATION MONEY</u>	2.03	0	0
(3) <u>NON CURRENT LIABILITIES:</u>			
(a) Long Term Borrowings	2.04	72,036,834	64,293,140
(b) Deferred Tax Liabilities (Net)		787,832	787,832
(4) <u>CURRENT LIABILITIES:</u>			
(a) Short Term Borrowings	2.05	110,607,782	101,517,578
(b) Trade Payables	2.06	184,375,110	217,302,427
(c) Other Short Term Liabilities	2.07	7,136,488	13,031,146
(d) Short Term Provisions	2.08	31,697,528	22,590,728
		TOTAL	TOTAL
		514,677,370	515,154,265
<u>ASSETS:</u>			
(1) <u>NON CURRENT ASSETS:</u>			
(a) <u>FIXED ASSETS</u>			
Tangible Assets	2.09	78,567,044	73,795,347
(b) Non Current Investments	2.10	1,688,712	1,588,712
(c) Long Term Loans & Advances	2.11	1,605,682	3,294,027
(2) <u>CURRENT ASSETS:</u>			
(a) Inventories	2.12	269,865,050	327,111,530
(b) Trade Receivables	2.13	124,172,425	86,841,715
(c) Cash & Cash Equivalents	2.14	4,595,514	1,747,889
(d) Short Term Loans & Advances	2.15	11,341,837	13,982,643
(3) <u>MISC EXPENDITURE</u>	2.16	22,841,107	6,792,402
(To the extent not to be W/off or Adjusted)			
		TOTAL	TOTAL
		514,677,370	515,154,265
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 & 2		

In terms of our audit report on even date.

For: M/s SAGAR GOLCHHA & Co.

CHARTERED ACCOUNTANTS
FIRM REG. NO. - 007755C

[CA Sagar Golchha]
Proprietor
[M.N.076797]
Udaipur, 23rd July 2018

FOR : MEWAR HITECH ENGINEERING LTD.

Sd/- Sd/-
Vaibhav Singh Rathore [C.S.Rathore]
DIN-03438743 DIN - 01748904
(Whole Time Director cum CFO) (Director)

Sd/- Sd/-
Rimika Talesara [Reena Rathore]
Company Secretary DIN - 01748907
(Whole time Director)



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

<u>PARTICULARS</u>	<u>NOTE</u>	<u>2017-18 (Rs.)</u>	<u>2016-17 (Rs.)</u>
I. INCOME			
(a) Revenue From Operations	2.17	620,334,167	370,072,261
(b) Other Income	2.18	3,914,038	4,598,884
<u>Total Revenue(a&b)</u>		624,248,205	374,671,145
II. EXPENDITURE			
(a) Raw Material Consumed	2.19	475,063,640	259,338,026
(b) Changes In Inventories	2.20	5,751,520	-22,061,105
(c) Manufacturing & Direct Expenses	2.21	39,176,776	38,381,065
(d) Employee Benefit Expenses	2.22	18,304,329	20,517,758
(e) Finance Cost	2.23	22,284,331	25,706,286
(f) Depreciation	2.09	11,518,176	11,789,123
(g) Other Expenses	2.24	29,746,289	31,768,498
<u>Total Expenses (a to g)</u>		601,845,061	365,439,651
III. PROFIT BEFORE TAX	(I-II)	22,403,144	9,231,494
IV. TAX EXPENCES			
(a) Income Tax Current Year Provision		7,500,000	2,100,000
(b) Income Tax Related to Earlier Year		2,498,761	2,256,667
V. PROFIT FOR THE YEAR	(III-IV)	12,404,383	4,874,827
VI. EARNING PER EQUITY SHARE		3.18	1.25
Basic & Diluted			
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 & 2		

In terms of our audit report on even date.

For: M/s SAGAR GOLCHHA & Co.

CHARTERED ACCOUNTANTS

FIRM REG.NO. - 007755C

[CA Sagar Golchha]

Proprietor

[M.N.076797]

Udaipur, 23rd July 2018

FOR : MEWAR HITECH ENGINEERING LTD.

Sd/-

Vaibhav Singh Rathore

DIN-03438743

(Whole Time Director cum CFO)

Sd/-

[C.S.Rathore]

DIN - 01748904

(Director)

Sd/-

Rimika Talesara

Company Secretary

Sd/-

[Reena Rathore]

DIN - 01748907

(Whole time Director)

MEWAR HITECH ENGINEERING LIMITED, UDAIPUR
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

S.No.	Particulars	For the Year Ended 31-03-2018		For the Year Ended 31-03-2017	
A	Cash flow from operating activities				
	Net profit before tax and extraordinary items		22,403,144		9,231,494
	Adjustment for:				
1	Depreciation	11,518,176		11,789,123	
2	Financial Expenses	22,284,331		25,706,286	
3	Other Incomes	0		-	
4	Interest Received	-		-	
			33,802,507		37,495,409
	Operating Profit Before Working Capital Changes		56,205,651		46,726,903
	Adjustment for:				
1	(Increase)/Decrease in Trade receivables	(37,330,709)		(27,236,331)	
2	(Increase) / Decrease in Inventory	57,246,480		(87,653,218)	
3	(Increase) / Decrease in Short term loan & Advances	2,640,806		843,803	
4	(Increase) / Decrease in other Current assets	-		-	
5	Increase / (Decrease) in Creditors	(32,927,317)		82,575,849	
6	Increase / (Decrease) in Other Current Liabilities	-5,894,658		(1,502,553)	
7	Increase / (Decrease) in Short term Provisions	9,106,800		11,181,603	
8	Income Tax Paid	-9,998,761		(4,356,667)	
9	Tax Adjustments			-	
			(17,157,360)		(26,147,514)
	Add:- Extra ordinary - MICSE. EXP		-16,048,705		1,358,481
	Net Cash From Operating Activities total (A)		22,999,586		21,937,870
B	<u>Cash Flow from Investing activities</u>				
1	Purchase of Fixed assets	(16,289,873)		(11,311,962)	
2	Proceeds from Sale of Fixed Assets				
3	(Increase) / Decrease in Investments	-100,000		(459,467)	
4	(Increase) / Decrease in long term loans & Advs.	1,688,345		693,791	
5	Interest Received	0		-	
			(14,701,528)		(11,077,638)
	Net Cash Flow from Investing Activities (B)		(14,701,528)		(11,077,638)
C	<u>Cash Flow from Financing Activities</u>				
1	Increase in Loans	16,833,898		(10,242,284)	
2	Financials Expenses	(22,284,331)		(25,706,286)	
3	Capital	0		23,364,000	
4	Dividend Tax Paid			-	
			(5,450,433)		(12,584,569)
	Net Cash flow from Financing Activities (C)		(5,450,433)		(12,584,569)
	Increase / (Decrease) in Cash and Cash Equivalents (A)+ (B)+ (C)		2,847,625		(1,724,337)
	Net increase / Decrease in Cash and Cash Exquivalents		2,847,625		(1,724,337)
	Cash and Cash Equivalents (Opening)		1,747,889		3,472,225
	Cash and Cash Equivalents (Closing)		4,595,514		1,747,889
			2,847,625		(1,724,337)
	Cash and Cash equivalent comprises:				
	Cash in Hand		731765		745,080
	Cash at Bank in current account and deposit A/c		3863749		1,002,809
			4,595,514		1,747,889



NOTES TO THE BALANCE SHEET:**2017-18 (Rs.)** **2016-17 (Rs.)****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, 2018 and March 31, 2017 is set out below

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Rs.	No. of Shares	Rs.
Shares at the beginning	3,903,600	39,036,000	2,841,600	28,416,000
Add : Shares issued	0	0	1,062,000	10,620,000
Add : Bonus Shares issued	0	0	0	0
Shares at the end	3,903,600	39,036,000	3,903,600	39,036,000

NOTE- 2.02**RESERVES & SURPLUS**

SECURITY PREMIUM				
Opening Balance		39,192,000		
Add: On Share Issued during the year		0	39,192,000	39,192,000
PROFIT & LOSS				
Opening Balance		17,403,413		
Add : Net Profit for the year		12,404,383		
			29,807,796	17,403,413
		TOTAL	68,999,796	56,595,413

NOTE- 2.03**SHARE APPLICATION MONEY:**

			0	0
		TOTAL	0	0

NOTE- 2.04**LONG TERM BORROWINGS****(A) SECURED****Term Loans from Banks**

Corp Bank T/L Rs.210 Lac A/c No.130005		4,200,004		
[First charge on Factory Land & Building Present & future and hyp. of P&M and other moveable assets excluding those finance by				
Less : Current Maturity		4,200,004	0	4,282,884

(b) Loan from Others

Arun Bapana			0	21,156
Fatehlal Harkawat			200,000	200,000
Rassawala Enterprises (Udaipur)			0	6,459
Shree Balaji Construction (Jodhpur)			3,543,885	3,131,232
Shiv Singh Rathore (Rawatbhata)			223,400	223,400
Shiv Singh Rathore			0	252,048
Shakti Singh Sarangdevot			0	252,048
Tulsiram Dangi			0	571,802

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

Kingson Hi -Tech Industries			2,910,748	13,122,652
Mr. Vaibhav Singh Rathore			0	2,882,636
Mrs. Reena Rathore			0	15,055,414
Shri Chattar Singh Rathore			8,528,345	7,433,494
Rathore Infra			0	2,044,916
V.S.R Rocks Engineering			0	7,406,126
		TOTAL (B)	16,075,733	55,060,247
		TOTAL (A+B)	72,036,834	64,293,140

NOTE- 2.05**SHORT TERM BORROWINGS****SECURED****From Banks**

Corporation Bank C.C A/c - 560101000094698 [W.C. Loan]			97,982,782	101,517,578
Corporation Bank A/c No-571111000001793 [Inland Bill discount]			12,625,000	0
		TOTAL	110,607,782	101,517,578

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.

2017-18 (Rs.) **2016-17 (Rs.)**

NOTE- 2.06**TRADE PAYABLE****Trade Creditors**

More Than 180 Days				
Less Than/Equal to Rs. 1 Lac			2,117,455	1,280,709
More Than Rs 1 Lac			22,661,770	16,701,761
Less Than 181 Days				
Less Than/Equal to Rs. 1 Lac			3,917,337	4,124,178
More Than Rs 1 Lac			88,202,590	82,219,521
(As per Statement-1)				

Advance From Customers

More Than 180 Days				
Less Than/Equal to Rs. 1 Lac			1,000,936	2,365,652
More Than Rs 1 Lac			17,351,206	40,242,081
Less Than 181 Days				
Less Than/Equal to Rs. 1 Lac			579,976	1,363,050
More Than Rs 1 Lac			48,543,840	69,005,474
(As per Statement-2)				
		TOTAL	184,375,110	217,302,427



LONG TERM BORROWINGS (A)

Dewan Housing Finance Corporation Ltd		54,997,492		
<i>[Mortgage Loan against H.No. 3C, Ambavgarh, Udaipur owned by Director Mrs.Reena Rathore & Sh.Sh.C.S.Rathore]</i>				
Less : Current Maturity		1,459,991	53,537,501	0
HDFC Bank Ltd.Auto Loan		0		
<i>[Agt Hyp. of Maruti Swift RJ27 CE 1724]</i>				
Less : Current Maturity		0	0	214,102
Axis Bank Ltd.-Auto Loan		0		
<i>[Agt Hyp. of Honda City Car RJ27 CE 3311]</i>				
Less : Current Maturity		0	0	319,672
Axis Bank Ltd.-Auto Loan		0		
<i>[Agt Hyp. of Maruti Swift RJ27 CE 2888]</i>				
Less : Current Maturity		0	0	204,207
Reliance Capital Ltd. C E Loan		0		
<i>[Agt Hyp. of CNC Cutting Machine Multitherm]</i>				
Less : Current Maturity		0	0	79,638
HDFC Bank Ltd. Auto Loan		0		
<i>[Agt Hyp. of Mercedes-Refinance RJ27 CC 3311]</i>				
Less : Current Maturity		0	0	115,592
ICICI Bank Ltd. Auto Loan		22,659		
<i>[Agt Hyp. of Hyundai Creta RJ27 CC 3311]</i>				
Less : Current Maturity		22,659	0	1,054,198
Small Industrial Development Bank of India		3,011,600		
<i>[Agt Hyp. of VTL Machine 500mm]</i>				
Less : Current Maturity		588,000	2,423,600	2,962,600
		TOTAL (A)	55,961,101	9,232,893

(B) UNSECURED**(a) Term Loans from Banks*****[Loan against promisory note, PDC]***

HDFC Bank Ltd (Business Loan -20 Lakh)		0		
Less : Current Maturity		0	0	204,165
Bajaj Finance Ltd (Business Loan -35 Lakh)		0		
Less : Current Maturity		0	0	275,343
Fullerton India credit Co.Ltd (Business Loan - 30.44 Lakh)		1,535,189		
Less : Current Maturity		865,834	669,355	1,535,189
Tata Capital Financial Services Ltd. (Business Loan - 35 Lakh)		0		
Less : Current Maturity		0	0	275,391
Capital First Ltd. (Business Loan -40 Lakh)		0		
Less : Current Maturity		0	0	166,776

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	459,467
		TOTAL	1,688,712	1,588,712

NOTE- 2.11**LONG TERM LOANS & ADVANCES**

(Secured Considered Good)				
(a) Other Advances				
Ayojan			0	300,000
Azizul Rehman-Belgaum (Broker)			0	50,000
Birendra Nehpal			15,000	15,000
Chundawat Mining-Pali			0	1,500,000
Meenakshi Property			400,000	400,000
Narendra Gehlot-Contractor			105,747	0
Ram Naresh Yadav-Contrator			98,000	0
Prafull Mehta			0	42,092
Shivraj Singh Ji Saktawat			761,753	761,753
Skylark Studio			100,000	100,000

NOTE- 2.11, Contd.....**LONG TERM LOANS & ADVANCES**

(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 Sales Tax Department			10,000	10,000
Security Deposit with UPRVUNL-Panki			72,273	72,273
		TOTAL	1,605,682	3,294,027

NOTE- 2.12**INVENTORIES**

Raw Material			50,015,900	101,510,860
Stock at B.R.O. (Under Trial)			0	956,250
Work In Progress / Finished Goods			219,849,150	224,644,420
		TOTAL	269,865,050	327,111,530

Inventories are valued and certified by the Management.



NOTE- 2.07
OTHERSHORTTERMLIABILITIES

Current Maturities of Long Term Debt			
HDFC Bank Ltd (Excavator-Refinance)		0	632,113
HDFC Bank Ltd. Auto Loan (Mercedes-Mortgage)		0	423,495
HDFC Bank Ltd. Auto Loan (Mercedes)		0	164,762
HDFC Bank Ltd. (Loan on Alto Car)		0	61,534
Reliance Capital Ltd. C E Loan (DG Set)		0	611,407
Corp Bank T/L Rs.210 Lac A/c No.130005		4,200,004	4,200,000
Capital First Ltd.(Business Loan)		0	1,805,435
ICICI Bank Ltd. (Creta)		22,659	258,402
HDFC Bank Ltd (Business Loan)		0	742,406
Bajaj Finance Ltd (Business Loan)		0	729,376
Fullerton India Credit Co Ltd. (Business Loan)		865,834	724,173
Tata Capital Ltd.(Business Loan)		0	730,249
Small Industrial Development Bank of India		588,000	588,000
Reliance Capital Ltd. C E Loan (CNC Machine)		0	943,738
HDFC Bank Ltd. (Swift)		0	112,017
Axis Bank Ltd. Auto Loan (Honda City)		0	212,123
Axis Bank Ltd. Auto Loan (Swift)		0	91,916
Dewan Housing Finance Corporation Ltd		1,459,991	0
	TOTAL	7,136,488	13,031,146

NOTE-2.08

2017-18 (Rs.) 2016-17 (Rs.)

SHORT TERM PROVISIONS

Audit & Legal Fee Payable		131,320	115,000
Bonus Payable		1,244,525	1,254,088
Civil Wages Payable		45,460	58,794
CST Recovered		319,150	0
Director Remuneration Payable		269,193	893,200
ESI Payable		250,852	146,800
Excise Duty Payable		3,956,703	2,631,746
FBT Payable		59,024	59,024
GST Payable		10,491,186	0
GST Payable - Belgaum Branch		18,027	0
Inland Bill Discount-Bank		0	6,600,000
Interest Payable to financial Institutions		58,286	137,039
Outstanding Expenses		6,952	0
P.F. Payable		451,423	503,593
Penalty Payable (Excise Duty)		0	204,703
Provision for Taxation for the Year		7,500,000	2,100,000
S.D. Against C Form (Not to Deposit)		32,941	31,854
Salary Payable		3,035,381	2,592,783
Service Tax Payable		833,662	1,284,441
Loan to Staff & Workers		90,545	0
TCS Payable		17,854	221,169
TDS Payable		1,268,652	1,763,030
Vat Payable - Assam Branch		41,837	41,837
Vat Payable - Belgaum Branch		22,562	51,316
Vat Payable - Jhansi Branch		0	9,873
Wages Payable		1,551,993	1,890,438
	TOTAL	31,697,528	22,590,728

NOTE- 2.13**TRADE RECEIVABLES**

(Secured Considered Good)

(a) Trade Debtors

More Than 180 Days				
Less Than/Equal to Rs. 1 Lac			1,595,285	1,041,521
More Than Rs 1 Lac			54,848,038	63,554,768
Less Than 181 Days				
Less Than/Equal to Rs. 1 Lac			1,203,364	1,984,435
More Than Rs 1 Lac			57,129,613	12,126,637
(As per Statement-3)		TOTAL (a)	114,776,299	78,707,361

(b) Advance to Suppliers

More Than 180 Days				
Less Than/Equal to Rs. 1 Lac			1,164,305	668,182
More Than Rs 1 Lac			5,237,986	522,518
Less Than 181 Days				
Less Than/Equal to Rs. 1 Lac			1,100,158	423,901
More Than Rs 1 Lac			1,893,677	6,519,753
(As per Statement-4)		TOTAL (b)	9,396,126	8,134,354
		TOTAL (a+b)	124,172,425	86,841,715

NOTE-2.14**2017-18 (Rs.) 2016-17 (Rs.)****CASH & CASH EQUIVALENTS**

(a) Balance With Banks				
Corporation Bank C/A 059701601000259			2,933,007	308,074
Corporation Bank C/A 059701601000489			5,141	470,336
HDFC Bank Ltd. C/A 22422320000031			924,566	164,424
SBBJ Bank C/A 3398			272	16,173
State Bank of India C/A 9075			764	43,802
		TOTAL (a)	3,863,749	1,002,809
(b) Cash in Hand		TOTAL (b)	731,765	745,080
		TOTAL (a+b)	4,595,514	1,747,889



NOTE- 2.15

(a) Loans & Advances to others				
Advance Against Expenses to Staff/worker			33,957	-7,150
Abdul Gaffur (Erection Contractor)			0	245,000
Advance Against Salary/Wages			64,037	148,494
Advance Against Travelling			72,011	1,019,024
Anil Kumar Singh			0	140,000
Ashraf Sekh			0	190,000
Bank Charges Recoverable			0	442,400
Baswaraj Ranuji-Contractor			0	29,500
Chandragupt Singh Chauhan			0	70,475
Loan to Staff & Workers			0	44,088
Prepaid Expenses			127,718	191,988
Prepaid Insurance			173,894	163,853
Pantomath Capital Advisors P.Ltd			234,618	234,618
Pradeep Kumar Danga			213,750	50,000
Rajesh Tondon			0	100,000
Sushil Dhar (Broker)			0	20,000
Sanjeev Sharma			117,262	20,629
Thomas Cook India P Ltd			100,000	100,000
Income Tax For Stay -A.Y.2013-14			100,000	100,000
Income Tax For Stay Of Penalty-A.Y.2010-11			400,000	300,000
Margin Money With HDFC Bank Ltd.-MD			0	13,801
			TOTAL (a)	1,637,247
				3,616,720

SHORT TERM LOANS & ADVANCES

(b) Security Deposits				
EMD with MOIL Ltd.			74,900	36,900
EMD with Software Technology Parks of India			500,000	250,000
EMD with UPRVUNL-Kasimpur			26,000	26,000
EMD With UPRVUNL-Obra			143,400	143,400
Fixed Deposit with Bank Against B.G/LC			0	715,022
Input Cenvat Receivable (Capital)			0	534,473
Input Excise Duty RM			0	798,076
Input Sales Tax/VAT			8,264,099	6,528,498
Input Service Tax Receivable			0	485,695
Security Deposit (Belgaum Godown)			0	20,000
Security Deposit (Belgaum Office/Room)			0	45,000
Security Deposit (LPG Belgaum)			1,700	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			10,000	10,000
Security Deposit with MSC Agency Ind.P. Ltd			20,000	20,000
Security Deposit With RSMML			19,000	145,495
Security Deposit with SAIL			13,333	13,333
TCS Receivable (F.Y. 2016-17)			0	14,760
TDS on Interest recoverable from NBFC			176,595	179,914
TDS Receivable (F.Y. 2015-16)			77,518	77,518
TDS Receivable (F.Y. 2016-17)			9,972	39,033
TDS Receivable (F.Y. 2017-18)			84,677	0
Vat Receivable - Jhansi Branch			18,911	16,621
			TOTAL (b)	9,704,590
				10,365,923
			TOTAL (a+b)	11,341,837
				13,982,643

NOTE- 2.19**RAW MATERIAL CONSUMED**

Opening Stock		101,510,860		
Add: Purchases		423,568,680		
		525,079,540		
Less: Closing Stock		50,015,900	475,063,640	259,338,026
		TOTAL	475,063,640	259,338,026

NOTE-2.20**2017-18 (Rs.) 2016-17 (Rs.)****INCREASE/(DECREASE) IN FINISHED GOODS / WIP**

Opening Stock			225,600,670	203,539,565
Closing Stock at H.O.		210,118,370		
Stock at Assam Branch		810,866		
Stock at Jhansi Branch		8,412,364		
Stock at Belgaum Branch		259,282		
Stock at Neemuch Branch		248,268	219,849,150	225,600,670
		TOTAL	5,751,520	-22,061,105

NOTE- 2.21**MANUFACTURING & DIRECT EXPENSES**

Diesel & Fuel			575,162	1,062,442
Discount & Rebate			640,043	419,127
Excise on FOC born by Co.			609,149	1,329,377
Erection & Installation Charges			1,349,787	1,724,476
Freight Inward			5,599,098	5,661,567
Freight Outward, Loading & Unloading Charges			3,092,593	5,115,169
Job Work Charges			6,143,076	3,110,507
Power Expenses			363,702	107,642
Repair & Maintenance (Direct)			1,895,224	1,378,275
Wages to Workers			18,906,531	18,463,033
Weightment Charges			2,410	9,450
		TOTAL	39,176,776	38,381,065

NOTE- 2.22**EMPLOYEE BENEFIT EXPENSES**

Bonus to employees			1,245,365	1,209,513
Employer Contribution towards ESI			942,878	773,823
Employer Contribution towards PF			2,703,988	2,478,793
Leave Encashment			117,480	236,235
Salary to Staff			7,665,904	8,939,009
Staff & Labour Welfare Expenses			607,489	932,002
Allowance & Perquisites to Staff			5,021,225	5,948,383
		TOTAL	18,304,329	20,517,758



NOTE- 2.16**MISCELLANEOUS EXPENDITURES**

[Not to be written off or adjusted]				
Deferred Expenditure		6,792,402		
Add:-Incurred during the year R & D and Business Promotion exp.		19,341,317		
Less : 1/10 W/off		3,292,612	22,841,107	6,792,402
		TOTAL	22,841,107	6,792,402

NOTES TO THE PROFIT & LOSS STATEMENT:**2017-18 (Rs.) 2016-17 (Rs.)****NOTE- 2.17****REVENUE FROM OPERATIONS**

Supplies of Products				
Supplies of Finished Goods		541,807,313	341,317,814	
Supplies of Finished Goods (Export)		85,039,283	38,482,766	
Supplies (Under Trade)		11,937,561	38,601,011	
Supplies at Branches		173,422	6,936,006	
Supplies of Services				
Job Work Income		13,204,593	6,265,310	
		652,162,172	431,602,907	
Less : Excise Duty		15,094,634	41,218,084	
Less :- Sales Return		16,733,371	20,133,635	
Less :- Sales Return against Non Excisable Goods		0	178,927	
		TOTAL	620,334,167	370,072,261

NOTE- 2.18**OTHER INCOME**

Foreign Exchnage Gain/Loss		616,326	83,334.00
Security deposit of staff forfeited		526,828	27,313
Interest Income		0	252,060
Income from Industrial Training Programme		29,600	0
Misc Income		0	100,708
Rental Income - Plant & Machinery		1,500,000	1,175,000
Profit on Sale of Assets		808,474	0
Packing & Forwarding		35,606	136,676
Sundry Balance W/off		397,204	598,628
Discount Received		0	51,166
Drawing & Designing Consultancy income		0	2,174,000
		TOTAL	3,914,038

NOTE-2.23**2017-18 (Rs.) 2016-17 (Rs.)****FINANCE COST**

Bank Charges & Commission			1,526,769	490,165
Bank Charges (Export)			270,936	167,108
Interest on Business Loan			868,359	1,806,049
Interest on Cash Credit Limit			11,118,407	12,280,895
Interest on Equipment Loan			525,158	498,377
Interest On Sales Tax Demand			0	167,241
Interest On Sales Tax			210,756	16,587
Interest On Entry Tax			0	40,331
Interest on Term Loan			708,367	1,687,914
Interest on Secured Loan			461,546	0
Interest on Unsecured Loan			4,875,511	6,180,127
Interest on Vehicle Loan			252,355	440,932
Interest to Other			659,154	1,015,072
Interest on TDS Late deposition			463,330	0
Interest on Excise Duty			19,592	221,808
Interest on Foreign Bill Discounted			87,372	34,682
Interest on Inland Bill Discounted			236,719	605,663
L.C/B.G Commission Charges			0	53,335
		TOTAL	22,284,331	25,706,286

NOTE- 2.24**OTHER EXPENSES**

Advertisement & Publicity			762,344	2,216,251
Annual Maintenance Charges			162,600	105,200
Audit & Legal Fee			271,000	100,000
Audit Expences			11,053	21,228
Audit Fee (Stock Audit)			16,320	24,615
Book & Periodicals			5,000	5,150
Business Promotion Expenses			1,170,911	3,393,225
Charity & Donation			107,500	121,100
Clearing & Forwarding Exp.(Export)			377,000	0
Computer Software			10,800	187,010
Consultancy Charges			167,500	76,200
Conveyance Exp.			573,926	367,979
Credit Rating Expenses			27,000	36,000
Daily Allowance			8,800	14,500
Demurrage Charges			82,491	64,853
Director Remuneration			4,200,000	4,200,000
Director Travelling Expenses (Business)			521,523	482,648
Electricity Exp			0	12,200
Entertainment Expenses			0	145,456
Entry Tax			0	218,884
EPF Expences			0	115,600
Expenses on Export			45,321	0
Expenses Related to Earlier Year			1,631,233	936,435
Factory Expenses			24,020	20,926
Fee (Valuation, Tax, Cess etc)			276,026	118,252
Festival Expenses			286,833	367,068
FOC Replacement Expences			52,144	496,856



Other Expenses

Foundation Day Expenses		191,897	504,215
Gift		0	31,970
Grauity Exp		164,063	50,000
Guest House Up Keep		79,013	0
Insurance expenses		392,809	266,546
Legal & Professional Exp.		144,700	182,652
Legal & Professional fee		525,727	728,369
Membership & Subscription		50,373	22,503
Misc. Expenses		25,538	21,872
Misc. Expenses W/off		3,292,612	1,358,481
Office Expenses		66,189	56,994
Packing & Forwarding expenses		52,201	33,500
Penalty (Govt Liab.)		833,532	549,010
Postage & Courier Charges		93,114	96,577
Printing & Stationery		493,888	207,106
Recruitment Expenses		22,000	0
Rent - Branch Godown		36,000	36,000
Rent - Branch Office		27,420	54,845
Rent - Branch Room		16,000	46,035
Rent - Plant & Machinery (MTPL)		402,000	400,000
Rent - Registred office		600,000	600,000
Rent - Staff Room		122,500	120,000
Repairs & Maintenance (Indirect)		627,369	404,950
Rounded Off		0	3,324
Sales Commission-Export		2,306,338	125,900
Sales Commission-Domestic		444,720	0
Sales Tax Demand		0	571,167
Sales Tax Expense (Tax)		35,504	22,674
Security expenses for safety		6,000	64,073
Service Tax Expenses (Freight Outward)		0	172,275
SME Listing Expences		0	4,631,663
Social Welfare Expenses		355,180	0
Tea Expenses		443,789	76,553
Telephone & Mobile Expenses		120,948	131,236
Tender Fee		1,180	7,300
Testing & Analysis		0	3,066
Traning Expences		60,400	0
Travelling Expenses		5,506,472	4,660,179
Vehicle Up-Keep Expenses		1,162,169	1,384,028
Website Expenses		253,300	295,800
		TOTAL	
		29,746,289	31,768,498

In terms of our audit report on even date.

For: M/s SAGAR GOLCHHA & Co.

CHARTERED ACCOUNTANTS

FIRM REG. NO. - 007755C

Sd/-

[CA Sagar Golchha]

Proprietor

[M.N.076797]

Udaipur, 23rd July 2018

FOR : MEWAR HITECH ENGINEERING LTD.

Sd/-

[C.S.Rathore]

DIN- 01748904

(Director)

Sd/-

[Reena Rathore]

DIN- 01748907

(Director)



MEWAR HITECH ENGINEERING LIMITED

1- Hawa Magri, Industrial Area, Sukher, Udaipur (Raj.)

Note- 1 & 2

F. Year : 2017-18

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

1. COMPANY OVERVIEW:

Mewar Hitech Engineering Limited (MHEL or Company) was incorporated on 08.06.2006 under the Registrar of Company Rajasthan (India), and has registered office at Udaipur (Rajasthan). Companies was having total paid up share capital of Rs 390.36 Lacs at the close of the financial year 31.03.2018. As elucidate us, the entire share capital hold by directors, their relatives and public. The main object of the company is the manufacturing of engineering goods viz crusher, vibrator etc.

2. SIGNIFICANT ACCOUNTING POLICIES:

(a) METHOD OF ACCOUNTING:

The Financial Statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 and the relevant provisions of the Companies Act, 2013("the 2013Act") as applicable. The accompanying financial statements have been prepared under historical cost convention on accrual concept and materially comply with mandatory accounting standards issued by the Institute of Chartered Accountants of India.

(b) FIXED ASSETS:

i) Fixed assets are recognized at cost of acquisition including any directly attributable expenditure on making the asset ready for its intended use other incidental expenses attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use, net of cenvat / value added tax /GST grant received less accumulated depreciation. Subsequent expenditure on fixed assets after its purchase or completion is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

(c) **CAPITAL WORKING PROGRESS:** No capital working progress at the end of year.

(d) DEPRECIATION:

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets have been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 subject to following deviations :-

- Costs of construction have been apportioned on estimate basis with regard Addition into factory building and plant & machinery.
- Addition and disposal are reckoned on the day on which it was happened.
- Depreciation has been charged on addition made during the year as per their put to use.
- Individual items of plant & machinery, and others assets costing up to Rs. 5000 are wholly depreciated in the year of purchase.

(e) **INVESTMENTS:** Investments are valued at cost.

(f) BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets till such time as the assets is ready for its

intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. It is observed that the company did not recognize for capitalization of borrowing cost with regard to research and development expenses incurred during the year.

(g) INVENTORIES:

- (i) Items of inventories (Finished goods, work- in- progress and raw- materials) are measured at lower of cost and net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred to bringing them to their respective present location and condition. Cost of store & spare, process material, packing material and other product are valued at cost or market value whichever is lower. Cost of working in progress (semi-finished) determined on apportions costing method.
- (ii) Monthly computerized inventory records have been maintained and produced for our verification, the maintained records and explanation is insufficient for our verification, hence not verified. For the sake of true & fair view, persuasive inventory record must be maintained. No finished goods are in stock at the end of the year. Inventory (i.e. finished, semi-finished, work-in-progress etc) have been valued and certified by the management.
- (iii) Inventory sent under trial to BRO return back after long gap have been valued at cost on which it had been sent.
- (iv) Inventory material and other direct overheads used to for captive consumption under factory building and plant & machinery have been valued at cost. The cost of converted fixed assets have been valued and certified by the management. No evidence and quantity details produced for our verification. The GST have been reverted upon expenses incurred for construction of factory building.
- (iv) The management has taken /valued physical inventory of finished goods, work in progress and raw material at the close of the year as per **Statement-5 (a & b)**.

(h) REVENUE RECOGNISATIONS:

- (i) Supply of goods / services (sales) is recognized as and when invoice is raised and figure of supply is treated at standard rate i.e. net of vat, excise, GST, discount, rate difference and others. However in the profit & loss account sales have been taken includes excise duty for presentation purpose in the profit & loss account. It is observed that no record have been maintained for service work in progress, hence not verified.
- (ii) As per information and explanations given to us, company has sold manufactured goods as well as goods under trade during the year.
- (iii) Excise duty has not been charged on the goods exported under bond whereas excise duty shown under expenditure represents the aggregate excise duty born by the company on account of goods transferred to branch as well as goods supplied on free of cost basis until excise law was effective.
- (iv) The deviation on account of sales proceed in USD has been accounted for as and when USD convert in rupee's.

(i) COST / EXPENDITURES:

Purchase cost and expenditures are accounted on accrual basis except in case of significant uncertainties.



- (j) **EXCISE DUTY / CENVAT:**
Cenvat credit of excise duty paid on inputs and capital goods is accounted for by reducing purchase cost of the related inputs or the capital goods as the case may be. The company has been accounting liability for excise duty in respect of finished goods on clearance of such goods from the factory.
- (k) **PROVISION FOR INCOME TAX:**
A lum-sum provision for current tax is made after consideration benefits admissible and using the applicable tax rates under the provision of the Income Tax Act, 1961.
- (l) **EMPLOYEE’S BENEFITS:**
- (i) Provision towards Provident fund and ESI are provided according to the rules of the fund.
 - (ii) No provision has been made for gratuity for the year.
 - (iii) Medical reimbursements are accounted for as and when paid.
- (m) **TECHNOLOGY UP-GRADATION EXPENDITURE’S:-**
As inform, to attain superior quality and improvement in productivity the companies was incurred net of Rs. 13584806/- up to Asstt year 2013-14 on account of technology up-gradation. The intangible balance of Rs 13584806/- has been transferred to deferred (under miscellaneous) expenditure and to be w/off within 10 years, commencing from Asstt year 2013-14.
The company has further incurred business promotion and R&D expenditure of Rs. 19341317 [1919870+17421447] regarding future enhancement of business and up-gradation of cone crusher has been transferred to deferred (under miscellaneous) expenditure and to be w/ off within 10 year commencing from Asstt Year 2018-19.
- (n) **LIABILITY NOT PROVIDED:**
Amount of interest / penalty for the delay payment of Income Tax, TDS, GST, VAT, EXICE, ESI and PF has not been provided / ascertained.
- (o) The transaction related to Jhansi, Assam and Belgaon Branch incorporated in the books of account of the company in regular course of its business. It is reported that stock has been transferred to branch Jhansi, Assam and Belgaon at sale price and same has been recorded in the books of account of the company by debiting to branch account under current assets and crediting to branch stock transfer account under current liability and sales made by the branches during the year under report are being incorporated in total sales of the company.
- (p) **PRIOR PERIOD & PREPADE EXPENSES:**
Prior period expenses debited to P & L account are as per statement-6
- (q) **Impairment:**
Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statements of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

ANNEXURE C

MEWAR HITECH ENGINEERING LIMITED

1- Hawa Magri, Industrial Area, Sukher, Udaipur (Raj.)

Note- 1 & 2

F. Year : 2017-18

(r) **Value Added Tax :**

Demand for the financial year 2013-14 and preceding years of Rs 5170989 raised and adjusted against input tax claimed in the VAT return / books of account on assessment by the commercial taxes department under Rajasthan VAT Act. The company has not been made any provision for denoted liability in their books of account. It is explained that such demand was raised on account of non submission of declaration Forms / mismatch of tax availed, also explained that the company will collect pending Forms soon.

(s) No provision has been made for deferred tax.

3. **NOTES ON ACCOUNT:**

- (a) The figures of previous year have been regrouped, re-arranged wherever necessary.
- (b) The statement of account has been made for the year ending 31st March 2018.
- (c) The Sundry Debtors, Sundry Creditors, Loans & Advances given/received as well as Secured, Unsecured borrowings, are subject to their confirmation.
- (d) The Long Term/ Short term assets and liabilities has been valued and classified by the management.
- (e) The entire plant & machineries has been used in the company for the manufacturing and other business activities as informed by the management.
- (f) On random check, it is observed that the company has accounted for amount through journal voucher in the books of account by debiting / crediting their sister concern / associate concern, related person is subject to their confirmation.
- (h) No provisions have been made for contingent/ dues liabilities, there were following pending litigation and demand as on March 31, 2018:-

➤ Government Undertakings:-

➤

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	478050	2012-13	CIT-appeal,Udaipur
Income Tax	Tax and interest	779980	2013-14	CIT-appeal,Udaipur
Income Tax	Tax and interest	125330	2014-15	Demand raised by AO
VAT	Declaration Forms and others	5170989	2013-14 and back years	Related to non submission of forms

➤ The disputed demand does not recorded in the books of account.



- As per information, rectification regarding alleged demand on account of TDS (Interest & Late fee) has been made.
- As informed us, company is perusing perpetually to collect pending Form from relevant parties to settle the abeyance demand.
- The disputed income tax demand for the FY 12-13 and 13-14 is in CIT- Appeal, Udaipur. The stay has been granted to company till the disposal of appeal.
- **Private undertaking:- [As informed by the management]**
-

Name Of Person	Disputed Amount	Penalty	Period to which the amount relates (F.Y.)	Forum where dispute is pending /Remarks
Shri Om Crushing Co. , Nagpur	1300000	200000	Preceding to 2015	Consumer Disputes Court , Nagpur
Shri Ram Crusher-Anuppur (M.P.)	299520	0	Preceding to 2015	High Court , Jabulpur

- (i) Variation was noticed on sale price of manufactured product during the course of audit; the management explained, it comes caused by quality of material used to manufacture of goods as well as payment schedule.

(j) **DIRECTOR'S REMUNERATION:**

Shri Chattar Singh Rathore	Rs. 2400000	
Smt Reena Rathore	Rs. 600000	
Mr. Vaibhav Singh Rathore	Rs. 1200000	<u>Rs. 4200000</u>

(k) **AUDITOR'S & LEGAL REMUNERATION**

For Statutory & Tax Audit	Rs. 200000	
For Companies Matters	Rs. 25000	
For Taxation Matters	Rs. 26000	<u>Rs. 251000</u>

- (l) The turnover of the year has not been reconciled with VAT/GST return caused by return is pending to be furnished.

4. ADDITIONAL INFORMATION:

Additional information pursuant to provision as per paragraph 3 and 4 of part II of the schedule VI of the Companies Act, 1956.

- | | | |
|-----------------------------|---|---------------------------------------|
| a) Licensed Capacity | : | N.A. |
| b) Installed Capacity | : | N.A. |
| c) Quantitative Information | : | Closing Inventory attached |
| | : | as per Statement-5 (a & b) |

5. In opinion of the Board of Directors, value on realization of Current Assets, Loans & Advances in the ordinary course of business should not be less than the value at which they are stated in the Balance Sheet.

6. Sales/Purchases exclude Tax/Duty/Cess/Fee paid or incurred whichever is applicable.

7. **RELATED PARTY DISCLOSURE:**

As Per Accounting standard-18, the disclosure of transactions with related parties as defined in the Accounting Standard are as per **Statement -7.**

Signature to the Note 01 to 02

In terms of our report on even date.

For: M/s SAGAR GOLCHHA & Co.

CHARTERED ACCOUNTANTS

FIRM REG.NO. - 007755C

Sd/-

[CA Sagar Golchha]

Proprietor

[M.N.076797]

Udaipur, 23rd July 2018

FOR : MEWARHITECH ENGINEERING LTD.

Sd/-

Vaibhav Singh Rathore

DIN- 03438743

(Whole Time Director cum CFO)

Sd/-

[C.S.Rathore]

DIN - 01748904

(Director)

Sd/-

Rimika Talesara

Company Secretary

Sd/-

[Reena Rathore]

DIN - 01748907

(Whole time Director)

