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**MITCON**

**CONSULTANCY & ENGINEERING  
SERVICES LTD.**

**37<sup>TH</sup> ANNUAL REPORT**

**OF**

**MITCON CONSULTANCY & ENGINEERING  
SERVICES LIMITED**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

<b>Mr. Jagannath Dange</b>	<b>Chairperson</b>
<b>Dr. Pradeep Bavadekar</b>	<b>Managing Director</b>
<b>Mr. Ajay Agarwal</b>	<b>Non-Executive, Non-Independent Director</b>
<b>Mr. Anand Chalwade</b>	<b>Non-Executive, Non-Independent Director</b>
<b>Mrs. Archana Lakhe</b>	<b>Non-Executive, Independent Director</b>
<b>Mr. Sanjay Phadke</b>	<b>Non-Executive, Independent Director</b>

### **KEY MANAGERIAL PERSONNEL**

- **CHIEF FINANCIAL OFFICER**  
**Mr. Ram Mapari**
- **COMPANY SECRETARY & COMPLIANCE OFFICER**  
**Ms. Ankita Agarwal**

### **REGISTERED OFFICE**

**Kubera Chambers, Shivajinagar, Pune – 411005, Maharashtra (India)**

**Tel: 020 – 2553 4322, 2553 3309      Fax: 020 – 2553 3206**

**CIN: L74140PN1982PLC026933**

**Email: *cs@mitconindia.com***

***Website: [www.mitconindia.com](http://www.mitconindia.com)***

### **STATUTORY AUDITORS**

**M/s Joshi & Sahney, Chartered Accountants**

**1913, Natu Baug, Sadashiv Peth, Pune-411030**

**Tel No. 91-020-24471521, 24471699**

### **BANKERS**

**Bank of Baroda**

**ICICI Bank Ltd.**

**Axis Bank**

**HDFC Bank Ltd.**

**State Bank of India**

**Yes Bank**

**Kotak Mahindra Bank**

**Bank of Maharashtra**

**IDBI Bank**

**Canara Bank**

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## **NOTICE OF 37<sup>TH</sup> ANNUAL GENERAL MEETING**

**Dear MITCON Members,**

I am pleased to invite you to the 37<sup>th</sup> Annual General Meeting of MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED (the "Company") to be held at MITCON Institute of Management (MIMA), Balewadi, Pune-411 045 on 13<sup>th</sup> July, 2019 at 11:30 a.m. (the "AGM").

As a shareholder you are entitled to attend, speak and vote at the AGM. It gives you the opportunity to vote on various company matters, either by attending the AGM and voting in person or by appointing a proxy to exercise all or any of your rights. Details for appointing a proxy are contained in the subsequent pages of the Notice.

The formal notice of AGM (the "AGM Notice") is set out in subsequent pages of this document and explanatory notes on the business to be considered are set out on further pages. In addition to the usual items of business, your Board of Directors is seeking shareholder's approval to adopt revised Articles of Association which have been updated to match the existing Act of the Companies. If you would like to vote on the Resolutions but cannot attend the AGM, please complete the proxy form sent to you with this document and return it to Company, the Company's registrar, as soon as possible and in any event not later than 11:30 a.m. on 11<sup>th</sup> July, 2019.

Your Board of Directors believe that the proposals described in this document are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of all of the Resolutions. The Directors intend to do so in respect of their own shareholdings. On behalf of the Board of Directors, I would like to thank you for your continued support and look forward to meeting you at the Annual General Meeting.

**Yours faithfully,**

**Sd/-  
Ankita Agarwal  
Company Secretary**

**NOTICE is hereby given that the Thirty-Seventh Annual General Meeting of the Members of MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED will be held on Saturday, 13<sup>th</sup> July, 2019 at MITCON Institute of Management (MIMA), Balewadi, Pune - 411 045 at 11:30 a.m. to transact the following business:**

**A. Ordinary Business:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statement as on 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mr. Ajay Agarwal (DIN: 00200167), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit approve the appointment of Statutory Auditors of the Company to hold office for a period of Five years until the conclusion of the 42<sup>nd</sup> Annual General Meeting and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder as amended from time to time, the appointment of M/s J. Singh and Associates, Chartered Accountants, Mumbai (Firm Registration No. 110266W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company on a remuneration as may be decided by the Board of Directors of the Company for conducting the audit of the Financial Year ending 31<sup>st</sup> March, 2024.”

**B. Special Business:**

**5. Issue of Equity Shares on Preferential basis:**

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 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and such others rules and regulations made thereunder (including any amendments, statutory modification(s) and/or re-enactment thereof for the time being in force) (the “Act”), the Memorandum and Articles of Association of the Company and any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Securities and Exchange Board of India (“SEBI”), including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“Listing Regulations”), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (the “SEBI (ICDR) Regulations”) to the extent applicable and subject to necessary approvals, permissions, sanctions and consents as may be required from any relevant governmental authorities, approvals including from the National Stock Exchange of India Limited (“NSE”) and all other statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable and subject to such approvals, permissions, sanctions and consents as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents as the case may be) by any other regulatory authorities which may be accepted by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any duly constituted / to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) and in terms of share purchase agreement executed by the Company in relation to the acquisition of 51% of the equity shares (“Sale Shares”) of M/s. Shrikhande Consultants Private Limited (“SCPL”) from its shareholders (“the Sellers”) (hereinafter referred to as the “Acquisition Transaction”) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot at an appropriate time, in

one or more tranches, up to 13,21,526 (Thirteen Lacs Twenty One Thousand Five Hundred and Twenty Six) equity shares of face value of Rs. 10 (Rupees Ten) each at a premium of Rs. 42 (Rupees Forty Two) for consideration other than cash (being discharge of purchase consideration for the Acquisition Transaction) to the Sellers (hereinafter also referred to as the "Proposed Allottees" in context of issue and allotment of equity shares of the Company on a proportionate basis, in proportion to the shares of SCPL held by them) up to Rs. 6,87,19,352/- (Rupees Six Crore Eighty Seven Lakhs Nineteen Thousand Three Hundred and Fifty Two Only) under Non-Promoter Category by way of preferential allotment to the Proposed Allottees on a private placement basis as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the members in the manner provided hereunder.

**RESOLVED FURTHER THAT** the equity shares being offered, issued and allotted to the Proposed Allottees by way of a preferential issue or allotment shall inter-alia be subject to the following:

- i. The equity shares shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within period of 15 (fifteen) days from the date of passing of this Special Resolution provided that where the issue and allotment of the said equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval;
- ii. The equity shares to be offered, issued and allotted shall rank pari passu with the existing equity shares of the Company in all respects including the payment of dividend, if any;
- iii. The "Relevant Date" for the offer, issue and allotment of the equity shares by way of a preferential issue, as per the SEBI (ICDR) Regulations, for determination of minimum price for the issue of said equity shares is 13<sup>th</sup> June, 2019, being 30 days prior to the date of the

meeting of shareholders to be held to consider the proposed preferential issue;

- iv. The equity shares to be offered, issued and allotted shall be subject to lock-in as provided under the applicable provisions of SEBI (ICDR) Regulations;
- v. The equity shares so offered, issued and allotted will be listed on National Stock Exchange where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be;
- vi. The equity shares so offered, issued and allotted to the Proposed Allottees (being the Sellers), are being issued for consideration other than cash, being discharge of the purchase consideration for acquisition of the Sale Shares pursuant to the Acquisition Transaction from the Sellers, and the transfer of Sale Shares to the Company will constitute full consideration for the equity shares to be issued by the Company to the Proposed Allottees pursuant to this resolution; and
- vii. The equity shares so offered, issued and allotted shall not exceed the number of equity shares as approved hereinabove

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue and consequent proportionate reduction (subject to rounding off adjustments) of the number of equity shares to be allotted to each of the Proposed Allottees, provide any clarifications related to issue and allotment of equity shares, listing of equity shares on Stock Exchange and authorize preparation, execution and entering into arrangement / agreements, offer letter, letter of allotment, all writings, instruments and such other documents (including documents in connection with appointment of agencies, intermediaries and advisors) and further to



authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized to delegate all or any of its powers to any officer(s) or authorized signatory (ies) to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all others steps."

**6. Approval of adoption of New Articles of Association:**

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 14 and all other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, replacement and substitution of the existing Articles of Association of the Company with the Articles of Association as submitted to this meeting, be and is hereby approved, and the substituted Articles be adopted as the Articles of Association of the Company.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all

such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.

**By Order of the Board of Directors  
For MITCON Consultancy & Engineering Services Limited**

**Sd/-**

**Ankita Agarwal  
Company Secretary  
Mem No: A49634**

**Date: 13<sup>th</sup> June, 2019  
Place: Pune  
Regd. Office: Kubera Chambers, Shivajinagar,  
Pune - 411005**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT APROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Corporate Members, Banks, Financial Institutions, Societies, etc. intending to send their authorized representative(s) to attend the Annual General Meeting are requested to forward a certified copy of Board Resolution authorizing their representative to attend and vote at the Annual General Meeting either to the Company in advance or submit the same at the venue of the General Meeting.
4. Details of Directors seeking appointment/ re-appointment at the 37<sup>th</sup> Annual General Meeting in pursuance of the provisions of the Companies Act, 2013 and Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given as an Annexure to the Notice. Requisite declarations have been received from the Director for his reappointment.
5. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the Annual General Meeting, set out in the Notice, is enclosed hereto and forms part of the Notice.
6. The Company has announced that the Register of Members and Share Transfer Books of the Company shall be closed from 10<sup>th</sup> July, 2019 to 13<sup>th</sup> July, 2019 (both days inclusive).
7. Final Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2018-19, if approved at the meeting, will be payable to those eligible members whose name appeared:
  - i. As Beneficial Owners, as on 12<sup>th</sup> July, 2019 as per the list to be furnished by National Securities Depository Ltd. (NSDL) and Central

Depository Services (India) Ltd. (CDSL) in respect of shares held in Dematerialized form, and

- ii. As Members in the Register of Members of the Company as on 12<sup>th</sup> July, 2019 in respect of shares held in Physical Form, after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar & Transfer Agents (R&TA) on or before 12<sup>th</sup> July, 2019.
8. Members holding shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Transfer Agents, M/s. Link Intime India Private Limited for consolidation into a single folio. Members holding shares in Dematerialized form are also requested to consolidate their shareholding.
  9. Non-Resident Indian Members are requested to inform Registrar and Transfer Agents, immediately of:
    - a) Change in their residential status on return to India for permanent settlement.
    - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier, to enable Corporation to remit dividend to the said Bank Account directly.
  10. As a measure for Green Initiative and in compliance of the provision of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Company has sent Annual Reports in Electronic Mode to the Members who have registered their E-mail IDs either with the Registrar and Transfer Agents or with their respective Depositories. However, an option is available to the Members to continue to receive the physical copies of the documents/ Annual Reports by making a specific request quoting their Folio No /Client ID & DP ID to Company or to R & T Agents.
  11. Members to whom hard copy of Annual Reports have been provided are requested to bring their copies of the Annual Report to the Meeting. The copies of Annual Reports shall not be made available at the venue of the Meeting.

12. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited (Link Intime) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime or to the Company.
13. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. Members / Proxies attending the Meeting should bring the Admission Slip, duly filled, for handing over at the venue of the meeting.
15. Members seeking any information with regard to the Accounts, are requested to write to the Company at least seven days prior to the date of the meeting, so as to enable the Management to keep the information ready at the meeting.
16. Members may note that the Notice of the 37<sup>th</sup> Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website [www.mitconindia.com](http://www.mitconindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Pune for inspection during normal business hours on all working days except 4<sup>th</sup> Saturday.
17. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by permitted mode free of cost. For any communication, the shareholders may also send requests to the email id: ***cs@mitconindia.com***.
18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 a.m. to 6:30 p.m.) on all

working days except 4<sup>th</sup> Saturday, up to and including the date of the Annual General Meeting of the Company.

#### **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again
19. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to “sridharmudliar@yahoo.com” with a copy marked to “evoting@nsdl. co.in”
20. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the ‘Downloads’ section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- a) Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need

to go through the 'Forgot Password' option available on the site to reset the password.

- b) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
  - c) The e-voting period commences on 09<sup>th</sup> July, 2019 (09:00 a.m.) and ends on 12<sup>th</sup> July, 2019 (05:00 p.m.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date, i.e. 05<sup>th</sup> July, 2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it.
  - d) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cutoff date, i.e. 5<sup>th</sup> July, 2019.
21. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cutoff date, i.e. 05<sup>th</sup> July, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company or Link Intime. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
22. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
23. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories cutoff date, i.e. 05<sup>th</sup> July, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

24. Mr. Sridhar Mudaliar, Partner of SVD & Associates, Company Secretaries (Membership No. FCS 6156) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

25. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

26. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

27. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.mitconindia.com](http://www.mitconindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited (NSE), Mumbai.

28. The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal



Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical

form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to \_\_\_\_\_ <Please mention the e-mail ID of Scrutinizer> with a copy marked to *evoting@nsdl.co.in*.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at *evoting@nsdl.co.in*

29. The address of Registrar and Transfer Agents of the Company is as follows:

**M/s LINK INTIME INDIA PRIVATE LIMITED**

Unit: MITCON Consultancy & Engineering Services Limited  
Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple,  
Off. Dhole Patil Road, Pune 411 001  
Contact No.: (020) 26160084

30. Route Map showing Directions to reach to the venue of the Meeting is given at the end of this Notice.

**EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 102 OF THE  
COMPANIES ACT, 2013**

Statement with respect to items under Special business covered in the Notice of Meeting are given below:

**ITEM NO. 5 TO CONSIDER AND APPROVE ISSUE OF EQUITY SHARES ON  
PREFERENTIAL BASIS**

The Special Resolution contained in Item No. 5 of the accompanying Notice had been approved by members through postal ballot floated on 21<sup>st</sup> February, 2019. Due to some procedural delays and internal adjustments, the necessary approvals from the Stock Exchange could not be obtained. Hence, the company is proposing the same matter for approval in compliance with SEBI (ICDR) Regulations.

M/s Shrikhande Consultants Private Limited ('SCPL' or 'Target Company'), is an unlisted private company carrying on the business of providing Consulting Engineering services and Project Management Consultancy services in infrastructure Engineering Sector.

MITCON is in business of report preparation and planning of the Projects in various sector, by acquiring SCPL, MITCON will get strength in various infrastructure projects, which will be a value addition in the present business of the company.

Acquisition of SCPL will enhance MITCON's future growth and will also help MITCON to become a market player in infrastructure sector.

The Special Resolution contained in Item No. 5 of the accompanying Notice has been proposed pursuant to the provisions of Sections 42, 62 of the Companies Act, 2013 ("the Act") and the rules framed there under to create, offer, issue and allot 13, 21,526 (Thirteen Lacs Twenty One Thousand Five Hundred and Twenty Six) Equity Shares of face value of Rs. 10 (Rupees Ten) each at a premium of Rs. 42 (Rupees Forty Two) to following Allottees:

<b>Sr. No.</b>	<b>Name of the Allottees</b>	<b>Maximum No. of Equity Shares to be Allotted</b>
1	Ravindra Shrikhande	55711
2	Medha Ravindra Shrikhande	142518
3	Rajeev N Shrikhande	55711

4	Renuka Rajeev Shrikhande	142518
5	BEESLEY Consultancy Private Limited	925068

for paying the consideration for acquiring the 51% stake of SCPL, in accordance with Chapter V of the SEBI (ICDR) Regulations, as amended and applicable laws on preferential basis. The said proposal has been considered and approved by the Board of Directors of the Company in its meeting held on 13<sup>th</sup> June, 2019.

Further, in terms of Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163 of the SEBI ICDR Regulations, the following disclosures are required to be made in the Explanatory Statement to the Notice:

**A. The object of the issue**

The object of issuing fresh Equity Share Capital of the Company is to pay the consideration involved in acquisition of 51% stake of SCPL.

**B. The total maximum number of securities to be issued**

It is proposed to issue and allot up to 13,21,526 (Thirteen Lacs Twenty One Thousand Five Hundred and Twenty Six) Equity Shares of face value of Rs. 10 (Rupees Ten) each at a premium of Rs. 42 (Rupees Forty Two) in discharge of the Purchase Consideration.

**C. Issue Price and Relevant Date**

The equity shares of Company are listed on Emerge Platform of National Stock Exchange of India and are frequently traded in accordance with SEBI (ICDR) Regulations.

The equity shares of the Company are not listed on any other Stock Exchange and thus, NSE has been considered for the purpose of computation of the price per equity share.

In terms of the applicable provisions of SEBI (ICDR) Regulations, 2018, the price at which equity shares shall be allotted shall not be less than higher of the following:

a. Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty Six (26) weeks preceding the Relevant Date; or

b. Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date

Accordingly, the price per equity share, to be issued, is fixed at Rs. 52 (including premium of Rs. 42) which is higher than the price as computed under Regulation 164 of SEBI (ICDR) Regulations.

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, the Company is not required to submit the undertaking specified under Regulations 163(1) (g) and (h) of the SEBI (ICDR) Regulations.

#### **Relevant date**

The "**Relevant Date**" as per SEBI (ICDR) Regulations for the determination of the minimum price per equity share to be issued is fixed as 13<sup>th</sup> June, 2019, i.e. 30 days prior to the date of passing the Special Resolution

#### **D. Intention of Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the offer**

None of the promoters and Directors or Key Managerial Personnel of the Company intend to apply/subscribe to any of the Equity Shares.

#### **E. The proposed time within which the allotment shall be completed**

The allotment of Equity Shares will be completed within a period of 15 (fifteen) days of passing of the Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority/Central Government, the allotment shall be completed by the Company within a period of 15 days of such approval.

#### **F. The names of the proposed allottee (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control, the percentage of post preferential offer capital that may be held by them and Change in Control, if any, consequent to the Preferential Issue:**

S. n o.	Name of the Proposed Allottee	Category	Present Holding	% to Pre-Issue Capital	No of equity shares to be allotted (#)	Name of Natural Persons who are ultimate beneficial owner	Post Issue Shareholding*	
							No. of equity shares	%
1.	Ravindra Shrikhande	Individual	NIL	NIL	55711	Ravindra Shrikhande	55,711	0.42%
2.	Medha Ravindra Shrikhande	Individual	NIL	NIL	142518	Medha Ravindra Shrikhande	1,42,518	1.06%
3.	Rajeev N Shrikhande	Individual	NIL	NIL	55711	Rajeev N Shrikhande	55,711	0.42%
4.	Renuka Rajeev Shrikhande	Individual	NIL	NIL	142518	Renuka Rajeev Shrikhande	1,42,518	1.06%
5.	BEESLEY Consultancy Private Limited	Company	NIL	NIL	925068	Rajeev Shrikhande & Ravindra Shrikhande	9,25,068	6.89%

(#) each of the Proposed Allottees specified above, shall be issued and allotted maximum up to the number of equity shares stated against their respective name  
 (\*)After considering the proposed issue of equity shares on preferential basis pursuant to above resolution at Item no. 5.

There will be no change in the control or management of the Company. However, voting rights will change in accordance with the shareholding pattern.

**G. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

Sr. No.	Name of Allottee(s)	Number and Type of Securities	Price
NA	NA	NA	NA

## H. The pre issue and post issue shareholding pattern of the Company

SI No.	Category	Pre-Shareholding		Post Shareholding (to shareholders of M/s Shrikhande Consultants Private Limited)	
		No of Shares held	% of holding	No of Shares held	% of holding
<b>Banks</b>					
	Canara Bank	4,82,000	3.98	4,82,000	3.59
	Bank of Baroda	2,24,000	1.85	2,24,000	1.67
	Central Bank of India	90,000	0.74	90,000	0.67
	Union Bank of India	1,60,000	1.32	1,60,000	1.19
	<b>Subtotal (A)</b>	<b>9,56,000</b>	<b>7.89</b>	<b>9,56,000</b>	<b>7.12</b>
<b>Financial Institutions/Corporations owned/controlled by State Government</b>					
	EDC Limited	3,20,000	2.65	3,20,000	2.38
	Maharashtra Industrial Development Corporation	3,00,000	2.48	3,00,000	2.23
	Maharashtra State Financial Corporation	3,00,000	2.48	3,00,000	2.23
	Maharashtra Small Scale Industries Development Corporation Limited	1,60,000	1.32	1,60,000	1.19
	Marathwada Development Corporation Ltd.	1,20,000	0.99	1,20,000	0.89
	Development Corporation of Konkan Ltd.	80,000	0.66	80,000	0.60
	Development Corporation of Vidarbha Ltd.	80,000	0.66	80,000	0.60
	Maharashtra Electronics Corporation Ltd.	80,000	0.66	80,000	0.60
	<b>Subtotal (B)</b>	<b>14,40,000</b>	<b>11.90</b>	<b>14,40,000</b>	<b>10.72</b>
<b>Other Institutions</b>					
	SIDBI Trustee Company Limited A/C India Opportunities Fund	16,38,000	13.54	16,38,000	12.20
	SICOM Ltd.	4,000	0.03	4,000	0.03
	Emerging India Growth Fund CVCF V	3,22,000	2.66	3,22,000	2.40



<b>Subtotal (C)</b>	<b>19,64,000</b>	<b>16.23</b>	<b>19,64,000</b>	<b>14.63</b>
<b>Individuals and other Shareholders</b>				
ACA IPL Corporate Advisors (India) Private Limited	10,00,000	8.26	10,00,000	7.45
Florem Multiventures Private Limited	2,00,000	1.65	2,00,000	1.49
Vincent Trading Private Limited	2,30,000	1.90	2,30,000	1.72
Anand Suryakant Chalwade	1,92,000	1.59	1,92,000	1.43
Mukul Mahavir Prasad Agarwal	7,52,000	6.21	7,52,000	5.60
Polus Global Fund	5,86,000	4.85	5,86,000	4.37
Pradeep Raghunath Bavadekar	5,26,000	4.35	5,26,000	3.92
Prabhat Properties Private Limited	4,00,000	3.31	4,00,000	2.98
Ajay Arjunlal Agarwal & Shivani Ajay Agarwal	3,42,000	2.83	3,42,000	2.55
Prabhudas Lilladher Financial Services Private Limited	2,88,000	2.38	2,88,000	2.16
Vimla Hasmukh Savla and Hasmukh Ravji Savla	1,00,000	0.83	1,00,000	0.75
India Max Investment Fund Limited	1,74,000	1.44	1,74,000	1.30
Plasma Commercials Private Limited	1,38,000	1.14	1,38,000	1.03
Jigar Hasmukh Savla and Hasmukh Ravji Savla	1,00,000	0.83	1,00,000	0.75
Other Shareholders	27,12,000	22.41	27,12,000	20.21
<b>Proposed Allottees</b>	<b>--</b>	<b>--</b>	<b>13,21,526</b>	<b>9.85</b>
<b>Subtotal (D)</b>	<b>77,40,000</b>	<b>63.98</b>	<b>90,61,526</b>	<b>67.53</b>
<b>TOTAL (A+B+C+D)</b>	<b>1,21,00,000</b>	<b>100.00</b>	<b>1,34,21,526</b>	<b>100.00</b>

*None of the Proposed Allottees constitute part of promoter group of the Company.*

**Note:**

- The pre-issue shareholding pattern is as on 07<sup>th</sup> June, 2019.

**I. Lock-in Period**

The proposed allotment of equity shares shall be subject to lock-in as per the requirement of SEBI (ICDR) Regulations.

- J. The Company hereby undertakes that Disclosures specified in Schedule VI are not given as the Company or any of its directors are not wilful defaulters.

#### **K. Auditor's Certificate**

The certificate from M/s Joshi & Sahney, Chartered Accountants, being the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be available for inspection at the Registered Office of the Company during 10:00 am to 06:30 pm (office hours) on all the working days except (Public holidays and 4<sup>th</sup> Saturday) up to and including the date of the Annual General Meeting of the Company

#### **L. Report of Registered Valuer**

It is proposed that the Purchase Consideration shall be discharged by issuing the Equity Shares of the Company to the Sellers on a proportionate basis (in proportion to the shares of SCPL held by them) as mentioned above.

The Purchase Consideration of the SCPL Shares has been arrived at based on the Valuation Report obtained from M/s Dalmia Securities Private Limited and the same has been approved by the Board of Directors.

It is proposed to obtain the consent of Members, pursuant to Section 42, 62 and other applicable provisions of the Companies Act, 2013, SEBI ICDR Regulations and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, to issue and allot equity shares to the proposed allottees, belonging to non-promoter group on preferential basis.

None of the Promoter, Directors or Key Managerial Personnel or their relatives is in any way concerned or interested in the above referred resolution. The Board recommends the passing of the resolution as set out at item no. 5 of the accompanying notice as Special resolution.

#### **ITEM NO. 6 TO CONSIDER AND APPROVE APPROVAL OF ADOPTION OF NEW ARTICLES OF ASSOCIATION:**

In order to make the Articles of Association of the Company aligned with the existing Act of the Companies the Board of Directors at their meeting held on 13<sup>th</sup> July, 2019 decided (subject to the approval of members) to adopt a new set of

Articles of Association in place of and to the exclusion of existing Articles of Association of the Company

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company.

The Board recommends for approval by the members the resolution as set out at Item No. 6 of the Notice as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions, as set out at Item No. 3 of the Notice.

The Articles of Association of the Company is available for inspection in physical or in electronic form during specified business hours on request of the Member and copies thereof shall also be made available for inspection in physical or electronic form at the Registered and corporate Office and also at the Meeting.

**By Order of the Board of Directors  
For MITCON Consultancy & Engineering Services Limited**

**Sd/-  
Ankita Agarwal  
Company Secretary  
Mem. No: A49634**

**Date: 13<sup>th</sup> June, 2019**  
**Place: Pune**  
**Regd. Office: Kubera Chambers, Shivajinagar,  
Pune - 411005**

**ANNEXURE TO THE NOTICE**

**Details of Directors seeking appointment/ re appointment at the 37<sup>th</sup> Annual General Meeting in pursuance of provisions of the Companies Act, 2013 and Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>DETAILS OF DIRECTOR</b>
1.	Name of the Director	Mr. Ajay Agarwal
2.	Date of Birth	13 <sup>th</sup> November, 1961
3.	Nationality	Indian
4.	Date of appointment on the Board	19 <sup>th</sup> September, 2018
5.	Qualification	MBA in Finance, B.Com (Honours)
6.	List of Directorship in other Companies	<ul style="list-style-type: none"><li>• Delta Properties Private Limited</li><li>• Fundsguide India Private Limited</li></ul>

### ATTENDANCE SLIP

(To be presented at the entrance)

I/We hereby record my/our presence at Thirty-Seventh Annual General Meeting of the MITCON Consultancy & Engineering Services Ltd., held on, 13<sup>th</sup> July, 2019, at MITCON Institute of Management, Balewadi, Pune-411 045, at 11:30 a.m.

Name	
Ledger Folio No.	
DP ID	
Client ID	
No. of Shares	

Note: Only shareholders / proxies/ authorized representative are allowed to attend the meeting.

**Form No. MGT-11**

**PROXY FORM**

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

**CIN:** L74140PN1982PLC026933  
**Name of the Company:** MITCON Consultancy & Engineering Services Limited  
**Registered Office:** Kubera Chambers, Shivajinagar, Pune-411005

Name of the member(s): _____
Registered Address: _____
E-mail id: _____
Folio No./Client Id: _____
DP Id: _____

I/We,

\_\_\_\_\_ of \_\_\_\_\_ being a member(s) of MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature \_\_\_\_\_, or  
failing him

2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature \_\_\_\_\_, or  
failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature \_\_\_\_\_, or

failing him as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup>Annual General Meeting of the Company to be held on 13<sup>th</sup> July, 2019 at MITCON Institute of Management, Balewadi, Pune – 411045, at 11:30 a.m. and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Optional*	
	For	Against
<b>Ordinary Business</b>		
1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31st March, 2019 and the Reports of the Board of Directors and the Auditors thereon.		
2. To declare a final dividend on equity shares for the financial year ended on 31st March, 2019.		
3. To appoint a Director in place of Mr. Ajay Agarwal(holding DIN 00200167), who retires by rotation and being eligible, offers himself for re-appointment		
4. To consider appointment of Statutory Auditors for the Financial Year 2019-20 to 2023-24:		
<b>Special Business</b>		
5. To consider issuance of Equity Shares on Preferential basis		
6. To consider Approval of adoption of New Articles of Association of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Affix a Revenue stamp -----

-----

Signature of Shareholder

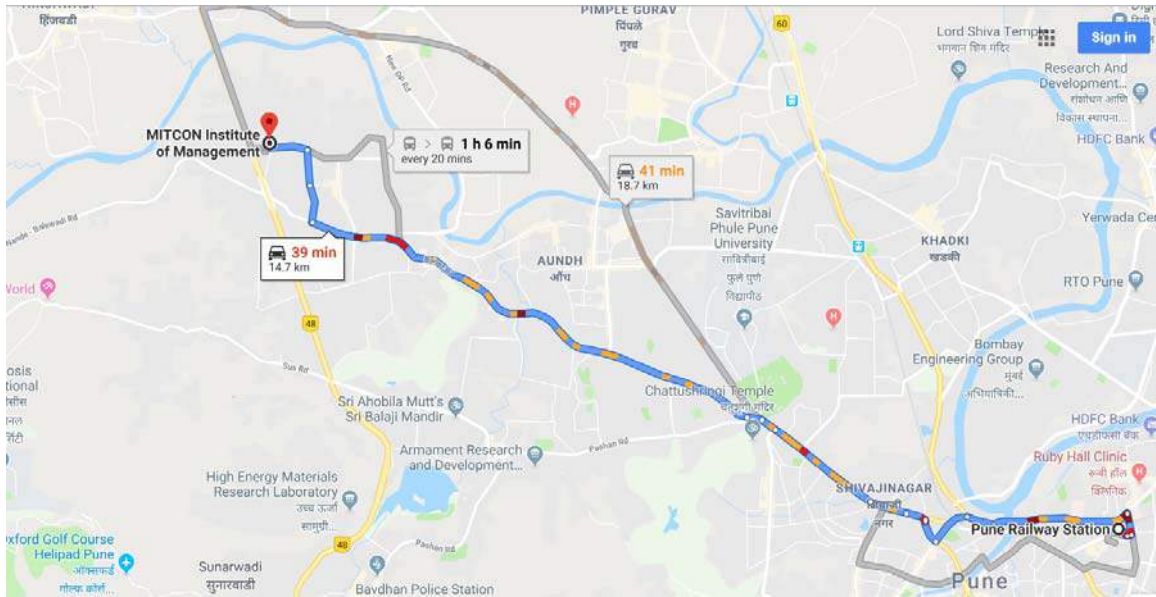
Signature of Proxy Holder(s)

**NOTES:**

1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 37<sup>th</sup> Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, you Proxy will be entitled to vote in the manner as he/she thinks appropriate.



**ROUTE MAP TO THE VENUE OF THE 37<sup>TH</sup> ANNUAL GENERAL MEETING OF  
THE COMPANY ON SATURDAY, 13<sup>TH</sup> JULY, 2019 AT 11:30 A.M.**



## DIRECTORS' REPORT

**Dear Members,**

Your Directors take pleasure in presenting the 37<sup>th</sup> Annual Report on the business and operations of your Company along with the Audited Standalone and Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2019.

### 1. COMPANY'S PERFORMANCE:

Your Company's financial performance for the year under review has been encouraging. During the year under review, the Company has achieved a gross turnover of 6,331.01 Lakhs in comparison to previous year's turnover which amounted to Rs. 6,236.28 Lakhs which represents an increase of 01.51% over the previous year. Key aspects of Consolidated and Standalone Financial Performance of your company for the current financial year 2018-19 along with the previous financial year 2017-18 are tabulated below:

### 2. FINANCIAL HIGHLIGHTS:

(Rs.in Lakhs)

Particulars	Consolidated		Standalone	
	As on	As on	As on	As on
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Revenue from Operations	3,573.63	5,837.62	5,835.02	5,837.62
Other Income	410.21	398.66	495.99	398.66
Total	3,983.84	6,236.28	6,331.01	6,236.28
Profit before Depreciation & Amortization	423.48	653.70	551.60	654.33
Depreciation & Amortization	236.43	252.27	185.85	252.27
Exceptional Items	16.31	-	16.05	(0.32)
Extraordinary items	-	(43.33)	-	43.33
Profit Before Tax	203.36	358.10	381.80	358.41
Tax Expenses:				
1) Current Tax	113.00	91.00	113.00	91.00
2) Deferred Tax (Net)	(24.37)	(13.11)	(11.98)	(13.11)
3) Excess provision for Taxations for earlier years	(32.63)	(2.15)	(32.63)	(2.15)
Profit After Tax	147.36	282.36	313.41	282.67
(before adjustment for minority interest)				
Add: Share of Loss of minority interest	0.50	0.31	-	-

transferred				
Profit After Tax	147.86	282.67	-	-
(After adjustment for minority interest)				
Less: Unrealized profit out of transactions with Associates	-	(185.13)	-	-
Less: Share in Loss of Associates				
1)MITCON Insolvency Professional Services Pvt.Ltd.	2.88	-	-	-
2)Krishna Windfarms Developers Pvt Ltd.(upto19.02.19)	134.30	(112.00)	-	-
3) MITCON Megaskill Centers Pvt Ltd.	-	(0.26)	-	-
Profit / (Loss) for the Year	10.68	(14.72)	313.41	282.67

### 3. **DIVIDEND AND RESERVES :**

#### ➤ **Dividend**

The Directors recommend for your consideration a final dividend of 10% (Rs. 1 per Equity Share) for the Financial Year 2018-19. The proposed dividend (including Dividend Distribution Tax) will absorb Rs. 145.87 Lakhs. (Previous year Rs. 1 per Equity Share).

#### ➤ **Transfer to Reserves**

During the year under review, no amount was transferred to General Reserves.

### 4. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

In accordance with the provisions of the Companies Act, 2013 and Regulations 34 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Management Discussion and Analysis report is ***Annexed 'A'*** hereto and forms an integral part of this report.

Discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis and also under section highlights of important assignment.

### 5. **HIGHLIGHTS OF DEPARTMENT**

Overview of the industry, important changes, achievements, and results thereof during the last financial year have been mentioned in ***the Annexure 'B'***.

## 6. **DIRECTORS** :

- Pursuant to Article 171 of the Articles of Association of the Company Mr. Ajay Agarwal (DIN: 00200167) who retires by rotation and being eligible, offers himself for re-appointment.

Your Board recommends re-appointment of Mr. Ajay Agarwal (DIN: 00200167) at the ensuing Annual General Meeting. A brief resume, nature of expertise, details of directorships held in other companies and other information of Mr. Ajay Agarwal (DIN: 00200167) proposing re-appointment pursuant to the provisions of the Companies Act, 2013 and Listing Obligations & Disclosure Requirement Regulations 2015 is appended as an annexure to the notice of ensuing Annual General Meeting.

- Ms. Maya Sinha (DIN: 03056226) ceased to be a Director on the Board of the Company with effect from 29<sup>th</sup> August 2018.
- Dr. Pradeep Bavadekar (DIN:00879747) was re-appointed as a managing director of the company for a period of three years from 1<sup>st</sup> June, 2018 to 30<sup>th</sup> June, 2021
- Pursuant to withdrawal of nomination by Small Industries and Development Bank of India, Mr. Ajit Nath Jha (DIN: 7336889) has resigned from the post of the Directorship of the Company w.e.f. 10<sup>th</sup> January,2019
- Pursuant to Section 161 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under (including its statutory modification or re-enactment thereof), Mr. Anand Chalwade (DIN: 02008372), Mr. Ajay Agarwal (DIN: 00200167) and Mr. Sanjay Phadke (DIN: 07111186) were appointed as Additional Directors on the Board of the Company with effect from 19<sup>th</sup> September, 2018 and the same was regularized vide resolution passed by Shareholders through postal ballot dated 21.02.2019
- Mr. Aniruddha Joshi (DIN: 00122117) resigned from the post of Directorship of the Company w.e.f. 19<sup>th</sup> September, 2019.
- Mr. Abhijeet Modak resigned from the post of Company Secretary and Compliance Officer (Key Managerial Personnel) w.e.f. 18<sup>th</sup> September, 2018.
- Ms. Ankita Agarwal was appointed as a Company Secretary and Compliance Officer (Key Managerial Personnel w.e.f. 19<sup>th</sup> September, 2018

- notice of Disclosure of General Interest pursuant to Section 184 (1) of the Companies Act, 2013 disclosing interest in other bodies corporate/ firms and declaration under Section 164 (2) of the Companies Act, 2013 were received from all the Directors of the Company. And none of the Director is disqualified.
- 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.

**7. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013, the Board Members evaluated the performance of individual directors based on their participation in the Board Meetings and Meeting of the Committees of the Board and also as per criteria laid down in policy for evaluation of performance of Board Members.

Independent Directors also evaluated the performance of the Non-Independent Directors in their separate meeting held on 21<sup>st</sup> February, 2019.

**8. MEETINGS OF THE BOARD**

During the financial year 2018-19, Six (6) Board Meetings were convened on 10.04.2018, 29.05.2018, 17.07.2018, 19.09.2018, 13.11.2018, 21.02.2019.

The attendance of the Board Members at the said meetings are as under:

Sr. No.	Name of the Board Member	Attendance Record of the Board Members					
		10.04.2018	29.05.2018	17.07.2018	19.09.2018	13.11.2018	21.02.2019
1	Dr. Pradeep Bavadekar	Yes	Yes	Yes	Yes	Yes	Yes
2	Mrs. Maya Sinha	Yes	No	No	-	-	-
3	Mr. Ajit Nath Jha	No	No	Yes	No	-	-
4	Mr. Subodh Kumar	No	-	-	-	-	-
5	Mr. Aniruddha Joshi	Yes	Yes	Yes	-	-	-
6	Mr. Jagannath Dange	Yes	No	Yes	Yes	Yes	Yes
7	Mrs. Archana Lakhe	Yes	Yes	Yes	Yes	Yes	Yes
8	Mr. Ajay	-	-	-	-	Yes	Yes

	Agarwal						
9	Mr. Anand Chalwade	-	-	-	-	Yes	Yes
10	Mr. Sanjay Phadke	-	-	-	-	No	Yes

## 9. COMMITTEES OF THE BOARD

### i. Audit Committee

As on 31<sup>st</sup> March 2019, the Committee comprised of the following:

Name of the member	Category
Mr. Jagannath Dange (Chairperson)	Non-Executive-Independent Director
Mr. Anand Chalwade (Member)	Non-Executive-Non- Independent Director
Mr. Sanjay Phadke (Member)	Non-Executive-Independent Director
Mrs. Archana Lakhe (Member)	Non-Executive-Independent Woman Director

The audit committee meetings are usually attended by the Managing Director, Chief Financial Officer, the representatives of Statutory Auditors and Internal Auditors as and when necessary. The Company Secretary acts as a Secretary of the Committee.

The previous Annual General Meeting of the Company was held on 29.08.2018, which was attended by Mr. Jagannath Dange and Ms. Archana Lakhe members of the Audit Committee.

The dates on which the Audit Committee Meetings were held and the attendance of the Members at the said meetings are as under:

Sr. No.	Name of the Committee Member	Attendance Record of the Committee Members				
		29.05.2018	17.07.2018	19.09.2018	13.11.2019	21.02.2019
1.	Mr. Aniruddha Joshi	Yes	Yes	No	-	-
2.	Mrs. Maya Sinha	No	No	-	-	-

3.	<b>Mrs. Archana Lakhe</b>	Yes	Yes	Yes	Yes	Yes
4.	<b>Mr. Jagannath Dange</b>	No	Yes	Yes	Yes	Yes
5.	<b>Mr. Anand Chalwade</b>	-	-	-	-	Yes
	<b>Mr. Sanjay Phadke</b>	-	-	-	No	Yes

**ii. Nomination and Remuneration Committee**

**As on 31<sup>st</sup> March 2019, the Committee comprised of the following**

<b>Name of the member</b>	<b>Category</b>
Mrs. Archana Lakhe (Chairperson)	Non-Executive-Independent Woman Director
Mr. Jagannath Dange (Chairperson)	Non-Executive-Independent Director
Mr. Sanjay Phadke (Member)	Non-Executive-Independent Director

The previous Annual General Meeting of the Company was held on 29.08.2018 which was attended by Mrs. Archana Lakhe and Mr. Jagannath Dange of the Nomination and Remuneration Committee.

The dates on which the Nomination and Remuneration Committee Meetings were held and the attendance of the Members at the said meetings are as under:

<b>Sr. No.</b>	<b>Name of the Committee Member</b>	<b>Attendance Record of the Committee Members</b>			
		<b>29.05.2018</b>	<b>17.07.2018</b>	<b>19.09.2018</b>	<b>21.02.2019</b>
1.	<b>Mr. Aniruddha Joshi</b>	Yes	Yes	No	-
2.	<b>Mrs. Maya Sinha</b>	No	No	-	-
3.	<b>Mr. Jagannath Dange</b>	No	Yes	Yes	Yes
4.	<b>Mrs. Archana Lakhe</b>	Yes	Yes	Yes	Yes
5.	<b>Mr. Sanjay Phadke</b>	-	-	-	Yes

**iii. Corporate Social Responsibility (CSR) Committee**

**As on 31<sup>st</sup> March 2019, the Committee comprised of the following:**

Name of the member	Category
Mr. Sanjay Phadke (Chairperson)	Non-Executive-Independent Director
Mrs. Archana Lakhe (Member)	Non-Executive-Independent Woman Director
Mr. Ajay Agarwal (Member)	Non-Executive-Non- Independent Director
Mr. Pradeep Bavadekar (Member)	Member; Managing Director

Sr. No.	Name of the Committee Member	Attendance Record of the Committee Members		
		10.04.2018	29.05.2018	21.02.2019
1.	Mr. Aniruddha Joshi	Yes	Yes	-
2.	Mr. Subodh Kumar	No	-	-
3.	Mr. Pradeep Bavadekar	Yes	Yes	Yes
4.	Mrs. Archana Lakhe	Yes	Yes	Yes
5.	Mr. Sanjay Phadke	-	-	Yes
6.	Mr. Ajay Agarwal	-	-	Yes

**iv. Stakeholders Relationship Committee:**

**As on 31<sup>st</sup> March 2019, the Committee comprised of the following:**

Name of the member	Category
Mrs. Archana Lakhe (Chairperson)	Non-Executive-Independent Woman Director
Mr. Jagannath Dange (Chairperson)	Non-Executive-Independent Director
Mr. Pradeep Bavadekar (Member)	Member; Managing Director

During the year, the Committee meeting was held on 29.05.2018 which was attended by Mrs. Archana Lakhe and Dr. Pradeep Bavadekar and Mrs. Maya Sinha was unable to attend the meeting.

**10. SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place policy for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Board of Directors of the company has also constituted an Internal Complaints Committee in this regard to redress complaints. During the year under review, there were no complaints received pursuant to the aforesaid Act.



**11. KEY MANAGERIAL PERSONNEL (KMP):**

During the year under review, the following persons were Key Managerial Personnel:

<b>Sr. No.</b>	<b>Name of the Person</b>	<b>Designation</b>
1.	Dr. Pradeep Bavadekar	Managing Director
2.	Mr. Ram Mapari	Chief Financial Officer
3.	Ms. Ankita Agarwal*	Company Secretary

During the year, Mr. Abhijeet Modak resigned as a Company Secretary w.e.f. 18<sup>th</sup> September, 2018 and Ms. Ankita Agarwal was appointed as a Company Secretary w.e.f. 19<sup>th</sup> September, 2018.

**12. AUDITORS :**

• **STATUTORY AUDITOR:**

During the year under review, the Company has received resignation Letter dated 17<sup>th</sup> May, 2019 from Statutory Auditors of the Company M/s. Joshi & Sahney, Chartered Accountants, Pune.

Further the Company has received a profile from M/s J. Singh & Associates, Chartered Accountants, Mumbai who has shown their interest to work with the Company as a Statutory Auditor.

• **AUDITORS REMARK**

The comments of the Auditors read together with the Notes to Accounts are self-explanatory and do not call for further explanation.

• **INTERNAL AUDITOR**

M/s Galgali Sarco are appointed as an Internal Auditors of the Company for the Financial Year 2019-20.

• **TAX AUDITOR**

M/s Shahane & Co., Chartered Accountants, Pune are appointed as Tax Auditors of the Company for the Financial Year 2019-20 in terms of section 44AB of the Income Tax Act, 1961.

• **SECRETARIAL AUDITOR**

In terms of the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of

the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, M/s SVD & Associates a firm of Company Secretaries in Practice was appointed to undertake secretarial audit of the company for the year ended 31<sup>st</sup> March, 2019.

Secretarial Audit report in prescribed Form No. MR 3 is enclosed as **Annexure 'C'** to this report.

**Compliance with Secretarial Standards:**

The Company has complied with all the provisions of Secretarial Standards on Board meeting and General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government.

There is no remark from the secretarial auditor for the year under review except the following:

- The Company has not filed E-Form MGT-14 for some of the resolutions passed at the Board Meetings held on 29<sup>th</sup> May, 2018, 17<sup>th</sup> July, 2018, 19<sup>th</sup> September, 2018 & 21<sup>st</sup> February 2019 till the close of Financial Year.
- The intimation to stock exchange about trading window closure for the period from 12<sup>th</sup> October, 2018 till 15<sup>th</sup> November, 2018 could not be verified from the records of the Company.
- Company has submitted annual report under regulation 34 (1) of SEBI (LODR), 2015 to Stock Exchange beyond the prescribed time period.

**Management Reply:**

- The Company has filed the above mentioned forms after the close of the financial year. However, Form MGT 14 required to be filed for resolutions passed on 29<sup>th</sup> May, 2018 and 17<sup>th</sup> July, 2018 are under process.
- The respective intimation was not made to the Exchange due to technical error or non-working of the portal.
- The delay took place in view of transition of the position of the Compliance Officer.

**13. SHARE CAPITAL :**

There has been no change in the share capital of the Company.

Following is the share capital structure of the Company.

Authorized share capital of the Company is Rs. 25, 00 00 000 (Rupees Twenty Five Crores) divided into 2, 50, 00,000 Equity Shares of Rs. 10/- each.

Paid up share capital of the company is Rs. 12, 10, 00,000/- (Rupees Twelve Crore Ten Lakh Only) divided into 1, 21, 00,000 Equity shares of Rs. 10/- Each.

**14. DEPOSITS:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**15. CORPORATE GOVERNANCE :**

The provisions of Corporate Governance as stipulated by Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), 2015 are not applicable to the Company.

**16. EXTRACT OF ANNUAL RETURN :**

In compliance with provisions of Sections 134(3) (a) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on March 31, 2019, in prescribed Form No. MGT - 9 is given in **Annexure 'D'** to this Report.

**17. CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure 'E'**.

**18. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The provisions relating to disclosure of details regarding Energy Consumption, both total and per unit of production and technology absorption are not applicable as the Company is engaged in the business of providing consultancy services and conducting training programmes.

Your Company carries out its operations in an environmental friendly manner and is on the look-out for different ways & means to reduce the consumption of energy in its operations.

**19. FOREIGN EXCHANGE EARNINGS & OUTGO :**

An amount of Rs. 153.12 Lakhs (US\$ 214537 and EUR 13881.81) were received during the year on account of Professional fees and reimbursement of expenses. (Previous Year Rs. 11.96 Lakhs (US\$ 18491,))

Expenditure in Foreign Currency during the year was Rs. 28.55 Lakhs (US \$ 3471.47, UGX 593750.02 and SAR 5425.33) (Previous Year Rs. 9.48 Lakhs (US \$

14698). During the year Company has imported Solar Panels for its subsidiary under EPC Contract Rs.10, 50, 51,809/- (US \$152799.92)

## **20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

In compliance with provisions of Section 134(3) (g) of the Act, particulars of loans, guarantees, investments and securities given under Section 186 of the Act are given in the notes to the Financial Statements forming part of this Annual Report.

## **21. PARTICULARS OF EMPLOYEES :**

During the year under review none of the employee of the Company was in receipt of remuneration of more than Rs.60 Lakhs per annum or Rs. 5 Lakhs per month if employed for part of the year except Managing Director. As on 31<sup>st</sup> March, 2019 the Company has 188 employees.

## **22. PARTICULARS OF RELATED PARTY TRANSACTIONS**

During the year, no transaction with related parties was in conflict with the interests of the Company. All transactions entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length pricing basis. The Company did not enter into any transaction with its Key Managerial Personnel. Statements of transactions with related parties are periodically placed before the Audit Committee and are approved. Material related party transactions were entered into by the Company only with its subsidiaries. As stipulated by Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form No. AOC – 2 **Annexure 'F'** to this Report. In compliance with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the policy on dealing with Related Party Transactions as approved by the Board has been hosted on the Company's website [www.mitconindia.com](http://www.mitconindia.com)

## **23. RISK MANAGEMENT**

The Board of Directors of the Company has delegated the responsibility to frame, implement and monitor the risk management plan for the Company to the Audit Committee. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has in place a Risk Management Policy which defines roles and responsibilities at various levels and has a structured approach for handling risk. The same policy has been hosted on the Company's website [www.mitconindia.com](http://www.mitconindia.com)

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

#### **24. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY**

The Company has five (6) wholly owned subsidiaries as on March 31, 2019. Further to inform there are two (1) associate companies and company does not have any joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 ('Act') and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, salient features of the financial statements, performance and financial position of each subsidiary and joint venture are given in Form No. AOC - 1 as **Annexure 'G'** to this Report

There has been no material change in the nature of the business of the subsidiaries.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries are forming part of this Annual Report.

Details of Holding, Subsidiary, Associate and Joint venture have been mentioned in extract of Annual Return MGT 9.

#### **25. POLICIES OF THE COMPANY:**

The Board ensured that all the below mentioned company policies remain consistent with changes in legislation. The policies are annexed hereto as **Annexure 'H'** and form an integral part of this Report. The revised policies have been hosted on the official website of the company ([www.mitconindia.com](http://www.mitconindia.com)).

1. Audit Committee Policy
2. Nomination and Remuneration Policy
3. Corporate Social Responsibility
4. Stakeholders' Relationship Committee Policy
5. Risk Management Committee Policy
6. Whistle Blower Policy
7. Related Party Transaction Policy
  
8. Policy on determination of Materiality
9. Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
10. Policy on Code Of Conduct For Prevention Of Insider Trading
11. Policy on Code of Conduct for Independent Director
12. Sexual Harassment Policy

**26. CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there has been no change in the nature of business of the Company.

**27. INTERNAL FINANCIAL CONTROL**

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms an integral part of this Report.

**28. VIGIL MECHANISM /WHISTLE BLOWER**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

**29. RESPONSIBILITY STATEMENT :**

In compliance with the provisions of Section 134(3) (c) read with Section 134(5) of the Act, your Directors confirm:

- In preparation of Standalone and Consolidated annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- We had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the company at the end of the financial year and of the Profit of the company for that period.
- We had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- We have prepared the Standalone and Consolidated Annual Accounts on a going concern basis.
- Internal Financial Controls as laid down were adequate and were operating effectively.
- A proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**30. SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the Regulators, Court, Tribunals impacting the company's going concern status and operations in future.

**31. ACKNOWLEDGEMENTS**

Your Directors commend all employees of the Company for their continued dedication, commitment, hard work and significant contributions. They also wish to express their deep gratitude to various departments of the Central and State governments, banks, financial institutions, business associates, customers, ~~distributors~~, suppliers, Vendors, Investors, ~~analysts~~, ~~medical~~-professionals and members for their whole-hearted support and cooperation

**ON BEHALF OF THE BOARD OF DIRECTORS  
For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-  
MR. J. P. DANGE  
  
CHAIRPERSON  
  
(DIN 03056226)**

**Sd/-  
DR. PRADEEP BAVADEKAR  
  
MANAGING DIRECTOR  
  
(DIN: 00879747)**

**PLACE: PUNE**

**DATE: 13<sup>TH</sup> JUNE, 2019**

## **ANNEXURE A**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **OVERVIEW:**

The Company had to face turbulent external environment during past five years due to declining investments and thereby new project activities. Our business has been primarily dependent on pre-investment and construction/execution phases of new project investments and as such our services have been experiencing headwinds in recent times.

We have utilized these difficult times to re-model business to suit VUCA (Volatile, Uncertain, Complex and Ambiguous) environment faced by our clients. We have initiated processes to be partner of our clients in increasing their economic value added to all stakeholders. The re-modelling involves following key aspects:

- i. Enhance our role to the clients from report based advisory services to providing implementable/actionable solutions and thereafter on ground execution of solutions leading to value accretion for the clients and their stakeholders;
- ii. Strive to change revenue model from fixed (low) fees for reports to two tier commercials with lower or nil fixed component and higher performance linked component;
- iii. Shift talent acquisition and development from advisory fixed compensation to entrepreneurial talent with revenue/profit sharing compensation model;
- iv. Change existing organization structure to flatter and flexible organizational structure with ethical meritocracy at its core;
- v. Graduate from advisory solutions to investment and/or co-investment with clients into solutions with returns or compensation linked to savings achieved for clients;
- vi. Enhance service portfolio to increase service footprint across infrastructure segments and geographies through inorganic and organic routes.
- vii. Strive to create thought leadership in segments of operations.

In line with the above tenets, the Company has re-engineered its activities around "investment lifecycle" of the clients and value additive roles during various phases of that lifecycle.

The Company has remodeled its strength in –

- a. energy space from audit, cogeneration techno-economic viability analysis, detailed project reports for renewable energy to solution provider to its clients in various sectors to achieve significant reduction in power bill and thereby carbon footprint. The Company now offers services in implementation of energy saving projects, execution of such projects, selectively invest in these projects.
- b. environment space from impact analysis and mitigant advisory to implementation of projects in remediation of waste sites, waste processing and waste water treatment;
- c. skill development into areas for tomorrow such as biodiversity, EV etc.
- d. enhanced service portfolio to banking clients to cover entire credit/project lifecycle through new services as Trustee, Insolvency Professional, Special monitoring etc.



- e. re-modelled skill development into CSR objectives of the clients and implementation thereof.
- f. Initiated use of technology for services and solutions that company provides to move towards on-the-click client interaction.
- g. Initiated outreach to cater its changing client, who is “ever connected” and “social platform savvy”.

### **INVESTMENT STRATEGY**

The Company investment strategy shall be governed by business remodeling tenets enumerated above to constantly strive to add value to the Clients' business/stakeholders.

The Company has invested in initiatives that help its energy clients add value through migration to renewable sources in compliance with the extant energy transmission and distribution regulations;

The Company has invested in a Trusteeship company to offer one-stop-shop services to banking clients from pre-investment, execution and post-execution aspects of their business.

### **TALENT ACQUISITION AND TALENT DEVELOPMENT**

As indicated above, the Company has initiated talent acquisition and development suitable to re-modeled businesses. The acquisition and development of entrepreneurial talent that plays larger/active role in value creation for client requires change in compensation structure to variable/earning linked compensation.

### **INVESTMENT IN RESEARCH AND INNOVATION**

The Company would continue to invest in development of innovative business models. The Company will continue to invest in increasing digital outreach.

Proposed Investments in improving and monitoring internal reporting system shall yield better results in coming financial years.

### **COMPLIANCE**

The Company has initiated process re-engineering to introduce in-built process elements to monitor and comply with various internal and external requirements for various aspects of conducting business. Compliance beyond prescribed will continue to be underlying principle for business processes. The Company will strive to be the best by increasing role of technology in monitoring and fulfilling compliance requirements.

### **RISK MANAGEMENT AND COMPLIANCE**

The Company has developed and implemented a risk management policy for the Company with a forward-looking approach that allows it to maintain a medium-low risk profile, through a risk appetite as may be defined by board of directors and the identification and assessment of all risks.

The Company will continue to improve its risk framework through technology to suit its remodeled business as described herein.

## **CUSTOMER CENTRICITY**

In order to be a successful and viable Company in the twenty-first century – A New Age Digital Era, the Company has initiated relook into its customer-centricity as the highest priority.

The Company has initiated outreach to cater its changing client, who is “ever connected” and “social platform savvy”.

Our remodeled business of earning through value creation for the client requires taking “customer centricity” to new level. Our team diagnosis customers specific business problems and provide customized solutions and add value to their existing and new businesses.

We undertake an 'outside in' approach, driven by innovative service delivery experience to fulfil our customer's needs & wants. We have empowered all our colleagues to take quick decisions to meet our customer needs & wants. This in-turn has improved our customer experience through one-on-one interactions and our behind-the-scenes decision-making process.

## **DIGITAL TRANSFORMATION**

Digital transformation, at its very core, is about customers and their experiences. Digital transformation has undeniably paved the way for a business strategy focused on providing enhanced value to the customer's experience. It is a paradigm shift for sure - one that has enabled people to have a say and influence strategic decisions. “Connected customers” evaluate companies based on their overall digital experience they deliver.

As we need to attract, engage, sell to and retain the most digitally-connected consumer base to date, MITCON Consultancy & Engineering Services Limited is in the process of adopting digitalization and utilize various world class digital technologies to improve our performance such as increased sales, productivity, innovations in value creation and novel ways to engage and serve our customers.

By delivering a world class digital experiences to our potential customers and meet or exceed their expectations, through our in-house expert team, we are sure of significantly improving our Key Performance Indicators (KPIs) including, inbound traffic, conversion rates, order size/volume and word-of-mouth influence, driving customer loyalty to new level in the coming years. We have instigated our internal process to capture our customers' feedback and interactions, transform them into function-specific insights and continually improve upon our customer experience & centricity which will eventually result in our growth.

Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. 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.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal control systems play a crucial role in the health of a Company in every industry. An effective system of internal control is a backbone, necessary for

building, maintaining and improving shareholders confidence and value as well as helps to enhance the overall quality of the business and the enterprise.

The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations.

The Company has formed an Audit Committee which reviews management adequacy and effectiveness of the internal control system and internal audit functions. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures.

### **FINANCIAL RESULTS AND RESULTS OF OPERATIONS**

In the year under review, the Company achieved a gross turnover of Rs. 6,331.01 Lakhs in comparison to previous year's turnover which amounted to Rs. 6,236.28 Lakhs which represents an increase of 01.51% over the previous year.

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. 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.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

**For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-**  
**MR. J. P. DANGE**  
  
**CHAIRPERSON**  
  
**(DIN 03056226)**

**Sd/-**  
**DR. PRADEEP BAVADEKAR**  
  
**MANAGING DIRECTOR**  
  
**(DIN: 00879747)**

**PLACE: PUNE**

**DATE: 13<sup>TH</sup> JUNE, 2019**

## **ANNEXURE B**

### **HIGHLIGHTS ON IMPORTANT SEGMENTS**

#### **SOLAR ENERGY**

The Company has successfully graduated from report based advisory services in solar space to execution as EPC contractor and further as Developer by being investor/co-investor in solar power capacity for the clients.

The Company has been able to deliver over 25% saving in power bill for its client besides contributing to significant reduction in carbon footprint. The key capabilities of the Company in solar space are as under:

- ❖ Regulatory – Ability to navigate customer requirements through complex regulatory environment;
- ❖ Land and Right of Way – critical component for on-ground execution, through understanding of various aspects and established strengths in local environment management;
- ❖ Financing - Assisted in financial closure of over 4000 MW solar power projects;
- ❖ Technology – Knowledge pool developed over a decade of presence in solar power generation and energy efficiency services;
- ❖ Operations – Dedicated O & M team for maximisation of output;

The Company capabilities have led to delivery of several milestones viz.

- The Company has provided turnkey EPC for ground mounted and rooftop solar facilities;
- Commissioned 12 MWp solar plant in FY18 on turnkey basis, performance beyond projections, amongst top quartile in the industry;
- Commissioned 5 MWp solar power plant under group captive open access model in FY19;
- Commissioned about 0.7 MWp rooftop solar on Capex/Opex model for various clients across India.
- Introduced a new hybrid (capex/opex) model delivering by far best returns to the clients.

#### **INFRASTRUCTURE**

The Company continues to invest in building organizational capabilities to undertake Infrastructure Consulting spectrum. The Company has structured its Infrastructure division to serve following spectrum of infra segments:

##### 1. Transport or Mobility: Public/Goods

- a) Roads and Highways
  - i) Centre: NHAI/MoRTH/BRO/NHIDCL etc – DBFOT (Toll/Annuity/HAM), EPC, TOT
  - ii) State: PWD/State Road Development Corporations/Development Authorities
  - iii) Municipal: Metro Development Corporations
- b) Railways
  - i) DFCC/PFT,

- ii) Electrification
  - iii) Station Development/ Railway Land Development
  - iv) Metro
  - c) Airports
    - i) Privatization of existing airports;
    - ii) New Airports at Mumbai, Amaravati, Pune, Nagpur, Delhi & Low Cost Airports at District Centers
  - d) Ports
    - i) Capacity increase/ New Ports
    - ii) CEZ under Sagarmala
  - e) Water Transport
    - i) IWAI – Development across Ganges corridor
    - ii) Passenger water transport
    - iii) RORO for Port Evacuation
- Ancillary Segments
- a) Multi-modal transport hubs
  - b) Logistics parks
  - c) Warehousing

## 2. Energy: Power / Gas (PNG/CNG/LNG)

### Power (Centre and State)

- a) Generation
  - i) Thermal
  - ii) Renewable/Non-conventional –
    - Solar – PV Utility Scale, PV Rooftop, Solar Thermal
    - Wind – onshore and offshore
    - Solar & Wind integrated
    - Biomass/ Waste to Energy
- b) Transmission
  - i) Centre: PGCIL & REC projects under DBFOT
  - ii) State Transco
  - iii) Green corridor
- c) Distribution
  - i) Distribution Licensee/ Franchisee
  - ii) Open Access
  - iii) EV charging infrastructure
- d) Storage:
  - i) Battery Storage /Pumped Storage

### Gas - PNG/CNG/LNG/ LPG (Centre)

- a) Transmission
- b) Distribution: City Gas Distribution Companies

## 3. Water (State and Municipal)

- a) Generation – Desalination,
- b) Transmission – Irrigation, River Linking
- c) Distribution & Storage

### Ancillary Segment

- a) Sewerage Network
- b) Sewerage Treatment Plant
- c) Industrial Use of Treated Water

#### 4. Urban Infrastructure Projects

- a. Smart City Mission Projects and seven new cities across DMIC;
- b. Industrial Clusters (EMCs, Textile Parks, Food Parks, Leather Parks etc)
- c. Affordable Housing
- d. Security and Disaster management projects
- e. Social Infrastructure – Educational, Health, Convention Centers, Social Facilities

The Company services include conceptualization, pre-feasibility, environment and social impact analysis and mitigation strategies, techno-economic viability, detailed project report, transaction advisory, design, project management, independent engineer service, technical audit etc.

During this financial year, the Company made significant progress through following projects:

- Hunstman India Pvt Ltd – Logistics Infrastructure
- Foodimentary India Pvt Ltd – Manufacturing plant;
- Police Housing Corporation for police housing at Ratnagiri,
- RLDA for Housing complex in Delhi,
- Center for Research & Development in states of Kerala & Karnataka
- Smart City in Mumbai Metropolitan Region.
- Independent Engineer for Roads under hybrid annuity model

### **POWER & ENERGY CONSERVATION**

#### Power

- Engineering / Project Management Services for 37 Bagasse based cogen power projects (676 MW), 8 Biomass based power projects (76 MW), 5 Incidental cogen power plants (10 MW), 12 Industrial captive power plants (39 MW), over 40 small hydro power projects. Currently 17 projects with 192 MW capacity under implementation.
  
- Pre-investment Services including Techno-Economic Viability, detailed project report, independent engineer etc for over 1000 bagasse, biomass and industrial cogen/captive projects including over 25 international assignments.

#### Sugar/Distillery/Ethanol Projects

- Pre-investment services for over 200 new/expansion & modernization for sugar plants/ refineries / jaggery / gur powder and engineering/project management for over 35 projects;
- Pre-investment services for over 200 new/ expansion/ standalone distilleries & ethanol plants / RS / ENA plants, etc. and engineering / project management services for over 15 distillery/ ethanol plants

#### Energy Efficiency & Conservation

- Empaneled Consultants for Energy Audit with –
  - ✓ Bureau of Energy Efficiency: Certified / Accredited Energy Auditors
  - ✓ Bureau of Energy Efficiency: Empaneled Energy Service Company (ESCO)

- ✓Energy Efficiency Services Ltd: Energy Auditor
- ✓Energy Auditor: Petroleum Conservation Research Association, Maharashtra Energy Development Agency, Gujarat Energy Development Agency, Chief Electrical Inspector of Gujarat, Life Insurance Corporation
- Proven track record of more than 1000 energy audits, implementation assistance & related studies, including few energies saving sharing projects;
- Demand Side Management Studies
- Assignments undertaken in India, Bahrain, Indonesia, Thailand, Nepal, Spain, Belgium & Seychelles, Saudi Arabia

### Climate Change

Clean Development Mechanism (CDM), Voluntary Carbon Standard (VCS) and Gold Standard (GS) for over 110 projects

### **ENVIRONMENT MANAGEMENT & ENGINEERING DIVISION:**

Over last 21 years, EME division has offered its range of services to 700+ clients in 3250+ projects. The division is equipped with state-of-the-art facilities at all strategic locations, technically highly qualified in-house human resource, and accredited laboratory infrastructure.

With accreditations by quality council of India (QCI)- NABET and NABL, MITCON is acclaimed service provider. During this financial year division has served over 200 clients including corporate like Maharashtra Metro Rail Corporation Limited, Cummins India Pvt. Ltd., Serum Institute Of India Pvt. Ltd, Volkswagen India Pvt. Ltd, Tata Auto Comp, TCS, Kalyani Groups of Companies, Bridgestone, Carraro India, Bajaj Auto Ltd, Spaco Technologies, Praj India Ltd, Tata Institute of Fundamental Research, Chandigarh Housing Board Municipal Corporation of Greater Mumbai, CIDCO, Navi Mumbai, Pune Municipal Corporation, Water Resource Division, Govt. of Maharashtra; PWD, Govt. of Maharashtra, K. Raheja, H. P. State Industrial Development Corporation Ltd, Kokan Education Society, Mangalam Organics Limited, Nalco Champion Dai-Ichi India, Panchshil Realty & Developers Pvt. Ltd. Wipro Limited, Fiat India Automobiles Private Limited, Fujitsu Consulting India Pvt. Ltd. etc.

During the year under review, division served in sectors like River valley & Irrigation projects, Sugar Industry, Common Effluent Treatment Plant (CETPs), Thermal power plants, Synthetic organic chemicals, Common Municipal Solid Waste, Distilleries, Ports, harbors & dredging, Building and construction, Townships and Area development projects, Highways, Pulp & paper industry, Metallurgical industries, etc.

Some of the key assignments completed and ongoing are

- Techno legal environmental consultancy, EIA, EMP Pune Metro Project by Maharashtra Metro Rail Corporation Ltd.
- Environmental Clearance for 'India Based Neutrino Observatory (INO) at District Theni, Tamilnadu by Bhabha Research Institute and Tata Institute of Fundamental Research
- EIA and CRZ clearances of Medical college, Hospital and School at Alibaug, Konkan Education Society
- EIA and Wildlife Clearance for Sonawade- Ghotage State Highway, PWD, Kolhapur
- EIA and EC for Nardave Irrigation Project, Sindhudurg
- Soil Health Card Mission, Govt. of Maharashtra
- Environmental monitoring and analysis for TATA group, Carraro India, Bridgestone India.

- Environmental Audit of Volkswagen India Pvt. Ltd
- PMC for one of the biggest land recovery /reclamation (bio- Mining) project at Mulund, Municipal Corporation of Greater Mumbai
- Handling MSW C&T independent Engineer project, Jaipur (1600 TPD).

### **BANKING & FINANCIAL SOLUTIONS DIVISION**

Over last 15 years, this division has carried out over 2000 assignments for various banking and financial institutional clients. Sectors and Sub Sectors catered to include Agro, Agro products, Aluminum Foil, Asphalt, Auto ancillary, Auto and Non-Auto, Automobile, Aviation, Battery, Cement, Chemical, City Gas network, Cold storage, Distilleries, Edible oil, Education, Food park, Gas, Glass, Gypsum, Healthcare, Hospital, Hospitality, Hotel, Infrastructure, Logistic Park, Maize Production, Metal, Metal fabrication & Power, Packaged drinking water, Paper, Pharmaceutical, Plywood, PVC Pipes, Real Estate, Road Project, Steel, Textile, Theme Park, Tiles, Transformer, Tubes and Pipes, Warehouse, etc.

Countries/ regions – Primarily Pan India, however select assignments of project sites at Dubai, Singapore, Ghana, Brazil also done for lenders in India

Spectrum of Services:

- Techno Economic Viability (TEV) Study for green field project, expansion of debt restructure / resolution plans.
- Lenders' Independent Engineer's Services
- Cost vetting
- Agency for Specialized monitoring as per IBA
- Financial Appraisals.
- Due diligence
- Debt Syndication

### **ENTREPRENEURSHIP & VOCATIONAL TRAINING DIVISION**

- Training:
  - entrepreneurship development programmes in seven States with focus on rural areas and training programmes for upliftment of youth at grassroots level.
  - approved agency by Govt. of Maharashtra and Govt. of India for conducting various self-employment-oriented schemes.
  - The Technology Business Incubator (TBI) sponsored by Dept. of Science & Technology, Govt. of India and also recognized by Dept. of Scientific & Industrial Research (DSIR), Govt. of India under SIRO Scheme to provide training programs (Long as well as Short duration) in the field of Biotechnology, Clinical research, Pharmaceutical, Agriculture, etc.
  - Working as a Training Partner of MKCL Since 2002. Presently providing services to 633 MS-CIT Authorized Learning Centers PAN Maharashtra.
  - Skill development as CSR activity for leading corporates
- Business Incubation: Working with Ministry of Micro, Small & Medium Enterprise, Govt. of India. MITCON has incubated more around 44 innovative ideas till date many of which has been commercialised successfully.
- Consultancy: Technical Consultancy in the field of Biotechnology, Agriculture biotechnology, Food Processing industry, Pharmaceutical industry, etc.



We work in Maharashtra, Madhya Pradesh, Rajasthan, Chhattisgarh, Bihar, Jharkhand & Goa

Empanelment, Certifications and Accreditation:

- Empaneled with NSDC for non-funding training partner.
- Empaneled with Indian Institute of Banking & Finance (IIBF)
- Empaneled with National Institute of Solar Energy (NISE)
- Empaneled with Industries Department, Govt. of Maharashtra
- Banking, Financial Services & Insurance (BFSI)
- Electronics Sector Skills Council of India (ESSC)

## **INDUSTRIAL INFRASTRUCTURE**

Agri Infra and Food Processing

- Commercial Agriculture/Horticulture with Cropping Plan & Feasibility Study
- Projects in Agri and allied sector like Modern Dairy, Poultry and Fisheries and processing for value added products like Paneer, Cheese, Butter, Ghee, Flavored Milk, SMP etc.
- Primary Processing and post-harvest facilities, backward and forward linkages
- Integrated Cold Chain, Cold Storages, Ripening Chambers Warehouses and other logistics facilities for Agro & allied products
- Food (Fruits, Vegetables, Spices, Plantation Crops) Processing Projects-juices, pulp, puree, candy, jam, Ready To Eat (RTE) and Ready To Cook (RTC) products, Frozen products, Dehydrated Products, Packaged Drinking Water and other packaged products.
- Confectionary and Bakery Products
- Processing of cereals, pulses, oilseeds-Flour Mills, Dal Mills, Oil Mills, Feed Mills, Starch.
- Mega Food Parks, Agro Processing Clusters and industrial and logistics parks
- Infrastructure for Marketing of Agro Products, Modern Agriculture Markets
- Meat Processing and Modernization of Abattoir Projects
- Food Testing Laboratories
- Agro and Eco-Tourism
- Development of need based Infrastructure & Common Facilities for the agro and food processing industries & Infrastructure Development Programmes from Govt. of India, State Governments & International Agencies.

Textile & Clusters

Textiles: Concept to Commissioning for Textiles Products in Spinning, Weaving, Processing, Technical Textiles.

Cluster Development: Consultancy for enhancing productivity, competitiveness, capacity building of Micro, Small & Medium Enterprises and setting up of need based infrastructure & Common Facility Center under various Schemes of Govt. of India & State Governments.

- Number of projects and customers handled: Over 200 Nos.
- Sectors and Sub Sectors catered: Textiles (Spinning, Weaving, Processing, Garmenting, Technical Textiles), Engineering , Automobile, Food Processing,
- Empanelment, Certifications and Accreditation: Empaneled with Directorate of Economics & Statistics, Planning Department, Govt. of Maharashtra for undertaking Evaluation Studies

## **MARKET RESEARCH**

The Company revamped Market Research division to cater to B2B product/service research helping its clients in their investment/marketing strategies. The division also provides services to other divisions for market and marketing related segments of techno economic viability and detailed project reports.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-  
MR. J. P. DANGE**

**CHAIRPERSON**

**(DIN 03056226)**

**Sd/-  
DR. PRADEEP BAVADEKAR**

**MANAGING DIRECTOR**

**(DIN: 00879747)**

**PLACE: PUNE**

**DATE: 13<sup>TH</sup> JUNE, 2019**

**ANNEXURE 'C'**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2019**

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

To,

The Members,

**MITCON CONSULTANCY & ENGINEERING SERVICES Limited,**

Kubera Chambers, Shivaji Nagar,

Pune-411005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mitcon Consultancy & Engineering Services Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2019** according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder
- (v) **(not applicable to the Company during the Audit Period);**
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the Company during the Audit Period);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the Company during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and circular guidelines made thereunder- **(not applicable to the Company during the Audit Period);**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016 **(not applicable to the Company during the Audit Period);** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the Company during the Audit Period);**

(vi) We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

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

- I. Secretarial Standards issued by 'The Institute of Company Secretaries of India'.
- II. The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *subject to the following observations:-*

#### Companies Act

*The Company has not filed E-Form MGT-14 for some of the resolutions passed at the Board Meetings held on 29<sup>th</sup> May, 2018, 17<sup>th</sup> July, 2018, 19<sup>th</sup> September, 2018 & 21<sup>st</sup> February 2019 till the close of Financial Year.*

#### PIT Regulations

*1. The intimation to stock exchange about trading window closure for the period from 12<sup>th</sup> October, 2018 till 15<sup>th</sup> November, 2018 could not be verified from the records of the Company.*

#### Stock Exchange Intimation

*Company has submitted annual report under regulation 34 (1) of SEBI (LODR), 2015 to Stock Exchange beyond the prescribed time period.*

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter

period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

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

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

**We further report that** during the audit period :-

1. The Company has disposed off its 26% stake in MITCON Megaskill Centres Private Limited for Rs. 17.50 lacs and the same is authorized vide resolution of Board Meeting dated 19.09.2018.
2. The company has incorporated a wholly owned subsidiary by the name MITCON Trusteeship Company Private Limited for undertaking Trustee Business vide resolution of Board Meeting dated 19.09.2018.
3. The Board has vide its resolution dated 19.09.2018 approved the acquisition of the balance stake in Krishna Windfarms Developers Private Limited making it a wholly owned subsidiary of the company.
4. Application under Section 248 of the Companies Act 2013 for striking off and dissolution of MITCON Multiskills Limited, one of the subsidiary Company was approved vide letter dated 27.03.2019 from Ministry of Corporate affairs.

**Place: Pune**

**Date: 13<sup>th</sup> June, 2019**

**For SVD & Associates**

**Sd/-**

**Sridhar Mudaliar**

**Partner**

**FCS No. 6156**

**C P No. 2664**

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

**'ANNEXURE A'**

To,

The Members,

**MITCON CONSULTANCY & ENGINEERING SERVICES Limited,**

Kubera Chambers, Shivaji Nagar,

Pune-411005

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Pune**

**Date: 13<sup>th</sup> June, 2019**

**For SVD & Associates**

Sd/-

**Sridhar Mudaliar**

**Partner**

**FCS No. 6156**

**C P No. 2664**

**ANNEXURE 'D'**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on Financial Year ended 31<sup>st</sup> March, 2019**

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

**I. REGISTRATION AND OTHER DETAILS**

- i. CIN: L74140PN1982PLC026933
- ii. Registration Date: 16/04/1982
- iii. Name of the Company: MITCON Consultancy & Engineering Services Limited
- iv. Category/Sub-Category of the Company: Company Limited by Shares/Indian Non-Government Company
- v. Address of the Registered Office of the Company and Contact details: Kubera Chambers, Shivajinagar, Pune - 411005  
Phone No.: 020-2553 3309  
Fax: 020-25533206  
Email: [cs@mitconindia.com](mailto:cs@mitconindia.com)
- vi. Whether Listed Company: Yes
- vii. Name, Address and Contact Details of Registrar and Transfer Agent: M/s Link Intime India Private Ltd (Unit: MITCON Consultancy & Engineering Services Limited)  
Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road, Pune-411 001  
Phone: 020-26160084/1629  
Fax: 020-26163503  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

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

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

SR. NO.	NAME AND DESCRIPTION OF	NIC CODE	% OF THE TOTAL TURNOVER OF THE
---------	-------------------------	----------	--------------------------------



	THE MAIN SERVICES		COMPANY
1.	Consultancy	74140	30%
2.	Training	80904	20%
3.	Project	35105	41%

**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
1.	Krishna Windfarms Developers Private Limited B-1402, Floor -14, Plot-211, Dalamal Tower, Free Press Journal Marg, Nariman Point, Mumbai - 400021	U40108MH2002PTC135146	Subsidiary	100%	Section 2 (87)
2.	MITCON Sun Power Limited First Floor, Kubera Chambers, Shivajinagar, Pune - 411005	U74999PN2018PLC176220	Subsidiary	100%	Section 2 (87)
3.	MITCON Solar Alliance Limited First Floor, Kubera Chambers, Shivajinagar, Pune - 411005	U74999PN2018PLC176615	Subsidiary	50.01%	Section 2 (87)
4.	MITCON Forum for Social Development First Floor, Kubera Chambers, Shivajinagar, Pune - 411005	U93090PN2018NPL177624	Subsidiary	100%	Section 2 (87)
5.	MITCON Trusteeship Services Private Limited Kubera Chambers, 1 <sup>st</sup> Floor, Shivajinagar, Pune - 411005	U93000PN2018PTC180330	Subsidiary	100%	Section 2 (87)
6.	MITCON Advisory Services Private Limited First Floor, Kubera Chambers, Shivajinagar, Pune -	U93090PN2018PTC178871	Subsidiary	100%	Section 2 (87)

	411005				
7.	MITCON Insolvency Professional Services Private Limited First Floor, Kubera Chambers, Shivajinagar, Pune – 411005	U93090P N2018PT C177168	Associate	49%	Section 2 (6)

**I. SHAREHOLDING PATTERN:**

**i) Category wise – Shareholding:**

Category of Shareholder	No. of shares held at the beginning of the year (As on April 1, 2018)				No. of shares held at the end of the year (As on March 31, 2019)				% of change during the year
	Number of shares held in dematerialised form	Physical	Total No. of Shares	% of total shares	Number of shares held in dematerialised form	Physical	Total No. of Shares	% of total shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
f) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1)</b>	-	-	-	-	-	-	-	-	-

<b>2. Foreign</b>	-	-	-	-	-	-	-	-	-
a) Individuals (Non- Resident Individuals / foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Financial Institutions/Banks	25,70,000	8,00,000	33,70,000	27.85	12,62,000	-	12,62,000	10.43	(17.42)
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	8,20,000	8,20,000	6.78	-	8,20,000	8,20,000	6.78	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional/ Portfolio Investors	11,06,000	-	11,06,000	9.14	11,80,000	-	11,80,000	9.75	0.61

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>36,76,000</b>	<b>16,20,000</b>	<b>52,96,000</b>	<b>43.77</b>	<b>24,42,000</b>	<b>8,20,000</b>	<b>32,62,000</b>	<b>26.96</b>	<b>(16.81)</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	14,01,020	-	14,01,020	11.58	28,37,000	-	28,37,000	23.45	11.87
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	4,26,000	-	4,26,000	3.52	3,38,000	-	3,38,000	2.79	(0.73)
i) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	26,79,980	1,60,000	28,39,980	23.47	33,72,000	1,60,000	35,32,000	29.19	5.72
<b>c) Any Other(specify)</b>									
i. Non-Resident Indian	-	-	-	-	6,000	-	6,000	0.05	0.05
ii. Non-Resident (Non Repatriable)	8,000	-	8,000	0.07	10,000	-	10,000	0.08	0.01
iii. NBFCs registered with RBI	-	-	-	-	36,000	-	36,000	0.30	0.30
Trusts	19,60,000	-	19,60,000	16.20	19,60,000	-	19,60,000	16.20	-
Clearing Member	54,000	-	54,000	0.45	14,000	-	14,000	0.12	(0.33)
HUF	1,15,000	-	1,15,000	0.95	1,05,000	-	1,05,000	0.87	(0.08)
<b>Sub-Total (B)(2)</b>	<b>66,44,000</b>	<b>1,60,000</b>	<b>68,04,000</b>	<b>56.23</b>	<b>86,78,000</b>	<b>1,60,000</b>	<b>85,46,000</b>	<b>70.64</b>	<b>16.82</b>
<b>Total Public shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,03,20,000</b>	<b>17,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>1,11,20,000</b>	<b>9,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>-</b>
<b>TOTAL (A)+(B)</b>	<b>1,03,20,000</b>	<b>17,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>1,11,20,000</b>	<b>9,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>-</b>

<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	-		-	-	-		-	-	
<b>GRAND TOTAL (A)+(B)+( C)</b>	<b>1,03,20,000</b>	<b>17,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>1,11,20,000</b>	<b>9,80,000</b>	<b>1,21,00,000</b>	<b>100</b>	<b>-</b>

ii) Shareholding of promoters: The Company is a professionally managed Company and does not have identifiable promoters in terms of the Securities and Exchange Board of India (Issues of Capital and Disclosure Requirements) Regulations, 2009, as amended.

iii) Change in Promoters Shareholding: Not Applicable

**IV. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)**

Sr .No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of shares held	% of the total shares of the Company	Number of shares held	% of the total shares of the Company
1	SIDBI TRUSTEE COMPANY LIMITED A/C INDIA OPPORTUNITIES FUND	16,38,000	13.53	16,38,000	13.53
2	ACA IPL CORPORATE ADVISORS INDIA PRIVATE LIMITED	-	-	10,00,000	8.26
3	SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	10,00,000	8.26	-	-
4	SICOM LIMITED	8,00,000	6.61	4,000	0.03
5	MUKUL MAHAVIR PRASAD AGARWAL	7,52,000	6.21	7,52,000	6.21
6	POLUS GLOBAL FUND	-	-	5,86,000	4.84
7	PRABHAT PROPERTIES PVT. LTD.	4,00,000	3.31	4,00,000	3.31
8	UNIVERSAL GOLDEN FUND	3,70,000	3.06	-	-
9	COEUS GLOBAL OPPORTUNITIES FUND	-	-	4,20,000	3.47
10	AJAY ARJUNLAL AGARWAL SHIVANI AJAY AGARWAL	3,42,000	2.83	3,42,000	2.83
11	CANARA BANK	4,86,000	4.02	4,82,000	3.98
12	Bank of Baroda	3,20,000	2.65	1,74,000	1.44
13	Prabhudas Lilladhar Financial Services Pvt Ltd	2,88,000	2.38	2,88,000	2.38

**V. Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of the Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the Company

			Company		
1.	<b>Dr. Pradeep Bavadekar (Managing Director and KMP)</b>				
	At the beginning of the year	5,60,000	4.63	5,26,000	4.35
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	34,000	-0.28
	At the end of the Year	5,60,000	4.63	526000	4.35
2.	<b>Mr. Ajay Arjunlal Agarwal – Director</b>				
	At the beginning of the year	0	0	62,000	0.51
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease				
	At the end of the Year				
3.	<b>Mr. Jagannath Pandharinath Dange – Director</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease	-	-	-	-



	in Shareholding during the year specifying the reasons for increase/decrease  At the end of the Year	-	-	-	-
4.	<b>Mr. Anand Suryakant Chalwade – Director</b>				
	At the beginning of the year	18000	0.15	1,92,000	1.59
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease			174000	1.44
	At the end of the Year			192000	1.59
5.	<b>Mrs. Archana Girish Lakhe – Director</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the Year	-	-	-	-
6.	<b>Mr. Sanjay Ballal Phadke - Director</b>				
	At the beginning	-	-	-	-

	of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the Year	-	-	-	-
7.	<b>Mr. Ram Mapari (KMP)</b>				
	At the beginning of the year	40,000	0.33	40,000	0.33
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the Year	40,000	0.33	40,000	0.33
8.	<b>Ms. ANKITA AGARWAL (KMP)</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the Year	-	-	-	-

## VI. INDEBTEDNESS

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

INR IN LACS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>				
Change in Indebtedness during the financial year				
i) Addition	900.00			900.00
ii) Reduction	35.81	-	-	35.81
	-	-	-	-
<b>Net Change</b>	<b>864.19</b>	-	-	<b>864.19</b>
<b>Indebtedness at the end of the Financial Year</b>	864.19	--	--	864.19
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director:

Sr. No.	Particulars of Remuneration	Amt. Rs.
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	71,40,000

	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as percentage of profit - others	- -
5.	Others	-
	<b>Total (A)</b>	71,40,000
	<b>Ceiling as per the Act</b>	1,68,00,000

Note: The aforesaid remuneration was paid to the Managing Director in compliance with the Provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

#### B. Remuneration to other Directors

Sr. No.	Name of the Director	Particulars of Remuneration			Amt. Rs.
		Fees for attending board/ committee meetings	Commission	Others	
1.	Independent Directors:				
	Mr. J. P. Dange	1,20,000	-	-	1,20,000
	Mr. Aniruddha Joshi	90,000	-	-	90,000
	Mrs. Archana Lakhe	1,90,000	-	-	1,90,000
	<b>Total (1)</b>	<b>4,00,000</b>	-	-	<b>4,00,000</b>
2.	Other Non-Executive Directors				
	Mrs. Maya Sinha	10,000	-	-	10,000
	Mr. Subodh Kumar	10,000	-	-	10,000
	Mr. Anand Chalwade	30,000	-	-	30,000
	Mr. Ajay Agarwal	30,000	-	-	30,000

	<b>Total (2)</b>	<b>80,000</b>			<b>80,000</b>
	<b>Total (B) = (1+2)</b>	<b>4,80,000</b>			<b>4,80,000</b>
		Ceiling as per the Act			-

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director :**

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>CFO</b>	<b>Company Secretary</b>	<b>Total Amt. Rs.</b>
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	13,37,733 - -	8,96,296 - -	22,34,029 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as percentage of profit - others	- -	- -	- -
5.	Others	-	-	-
	<b>Total</b>			<b>22,34,029</b>

**VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

NIL

**INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUERATION OF MANAGERIAL REMUNERATION) RULES, 2014**

1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	Refer Appendix I
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Refer Appendix II
3	The percentage decrease in the median remuneration of employees in the financial year.	20.30%
4	The number of permanent employees on the rolls of Company.	188
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	a) Percentage increase in salaries of managerial personnel at 50 <sup>th</sup> percentile is: 3% b) Percentage increase in salaries of non-managerial personnel at 50 <sup>th</sup> percentile is : 7.44% The increase in remuneration is not solely based on Company performance but also includes various other factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects etc. The Board believes that the increase is in line with industry.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration to employees of the Company is as per the remuneration policy of the Company
7	Statement showing the name of every employee of the company, who - (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than	Please Refer Appendix III

	<p>sixty lakh rupees;</p> <p>(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;</p> <p>(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or alongwith his spouse and dependent children, not less than two percent of the equity shares of the Company.</p>	
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\* The percentage increase in the median remuneration of employees has been calculated after excluding Managing Director's remuneration.

#### Appendix I :

Sr. No.	Name of Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1.	Mr. J. P. Dange	0.32
2.	Dr. Pradeep Bavadekar	19.01
3.	Mrs. Archana Lakhe	0.51
4.	Ms. Maya Sinha	0.03
5.	Mr. Subodh Kumar	0.03
6.	Mr. Aniruddha Joshi	0.24
7.	Mr. Anand Chalwade	0.08
8.	Mr. Ajay Agarwal	0.08

#### Appendix II :

Sr. No.	Name of Director/KMP	Designation	% Increase/(Decrease) in the Remuneration

			(Including sitting fees paid to the Directors)
1	Mrs. Maya Sinha	Director	-91%
2	Dr. Pradeep Bavadekar	Managing Director & KMP	3%
3	Mr. Jagannath Dange	Director	-8%
4	Mr. Aniruddha Joshi	Director	-25%
5	Mrs. Archana Lakhe	Director	6%
6	Mr. Subodh Kumar	Director	0%
7	*Mr. Anand Chalwade	Director	Not Applicable
8	*Mr. Ajay Agarwal	Director	Not Applicable
9	Mr. Ram Mapari	KMP	-19%
10	*CS Ankita Agarwal	KMP	Not Applicable

\*Note: Appointed during the year ended 31<sup>st</sup> March, 2019.

Appendix III

Sr. No.	General Information	
1.	Name of the employee	Dr. Pradeep Bavadekar
2.	Designation	Managing Director
3.	Remuneration received	Rs. 71,40,000/-
4.	Nature of employment	Regular Employee
5.	Qualification and Experience of the employee	He holds a Masters of Business Administration in Marketing Management and a Ph. D. in Business Administration from University of Pune. He has over 33 years of work experience in the field of manufacturing, sales & marketing, management and technical consultancy.
6.	Date of commencement of employment	02.04.1995
7.	Age	62 years
8.	Last employment	Mega Fibre Private Limited as



		Managing Director
9.	Percentage of equity shares held by the employee	4.35%
10.	Whether any such employee is relative of any Director and if so name of such Director	-

**ON BEHALF OF THE BOARD OF DIRECTORS  
For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-  
Mr. J. P. DANGE  
CHAIRPERSON  
(DIN 03056226)**

**Sd/-  
Dr. PRADEEP BAVADEKAR  
MANAGING DIRECTOR  
(DIN: 00879747)**

**Place: Pune  
Date: 13<sup>TH</sup> JUNE, 2019**

## **ANNEXURE "E"**

### **ANNUAL REPORT ON CSR ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with MITCON's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

**The Company undertakes its CSR activities in the following broad areas:**

- 1) Promoting education including special education
- 2) Promoting preventive health care and sanitation and making available safe drinking water
- 3) Eradicating hunger, poverty and malnutrition
- 4) Promoting education, gender equality and empowering women
- 5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- 6) Measures for the benefit of armed forces veterans, war widows and their dependents
- 7) Rural Development Projects

**2. Composition of the CSR Committee**

The Board had re - constituted this committee in Compliance with the provisions of the Companies Act, 2013 in the Board meeting held on 13<sup>th</sup> November, 2018.

**The terms of reference of the CSR Committee is as follows:**

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) To monitor the Corporate Social Responsibility Policy of the company from time to time.

(d) To prepare a transparent monitoring mechanism for ensuring implementation of the projects/ Programmes/activities proposed to be undertaken by the Company.

**As on 31<sup>st</sup> March 2019, the CSR Committee comprised of the following**

<b>Name of the Member</b>	<b>Category</b>
Mr. Sanjay Phadke	Chairperson; Non-Executive, Independent
Dr. Pradeep Bavadekar	Member; Managing Director
Ms. Archana Lakhe	Member; Non-Executive, Independent
Mr. Ajay Agarwal*	Member; Non-Executive Director, Non-Independent

\* Appointed w.e.f. 13.11.2018

3. **Average net profit of the company for last three financial years**

Rs. 15,85,97,500/-

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

Rs. 10, 57,317/-

5. **Details of CSR spent during the financial year**

a) Total amount to be spent for the financial year: Rs. 10,57,317/- and previous years unspent amount of Rs.13,36,928/- total available to spent Rs.23,94,245/-

b) Amount unspent, if any: Nil

c) Manner in which the amount spent during the financial year is detailed below.

**Amounts in INR**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project Or Activity identified.	Sector in which the Project is covered	Projects Or Programs (1) Local area or other (2) Specify the State and district where projects or programs was	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or program. (2) Overh	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency

			undertaken		eads:		
1.	Desilting of a water stream (Rivulet / Odha)	conservation of natural resources and Rural Development Projects	Grampanchayat Bavada, Taluka Khandala, Dist. Satara	21,54,245/-	21,54,245/-	64,46,615/-	MITCON Foundation
2.	Breast Cancer Awareness	Rural Development Projects	Marathwada district covering cities of Aurangabad, Waluj, Dhanora and Kumbhargale	2,40,000/-	2,40,000/-	2,40,000/-	CIIGMA Health Foundation
Total INR					23,94,245/-	66,86,615/-	

6. The reasons for not spending the two percent of the average net profit of the last three financial years or any part thereof,

The Company has spent whole two percent of the average net profit of the last three financial years.

7. This is to confirm that during the Financial Year 2018-19, the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-**

**Dr. Pradeep Bavadekar**  
Managing Director

**DIN: 00879747**

**Sd/-**

**Mr. Sanjay Phadke**  
Chairperson of CSR Committee

**DIN: 07111186**

**Date: 13<sup>th</sup> June, 2019**

**Place: Pune**

**ANNEXURE "F"**

**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 arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/arrangements/transactions</b>	<b>Duration of the contracts/arrangements/transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Justification for entering into such contracts or arrangements or transactions</b>	<b>Date of approval by the Board</b>	<b>Amount paid as advances, if any:</b>	<b>Date on which the special resolution was passed in general meeting as required under first proviso to section 188</b>
MITCON Sun Power Limited (Wholly owned Subsidiary)	Leave and License agreement	24/04/2018 To 31/03/2019	As per Leave and License agreement – Value of Transaction : Rs. 1,10,000 /-	To execute a Leave and License Agreement for allowing the use of Company's premises at Kubera Chambers, Shivajinagar, Pune - 411005	19/09/2018	Nil	NA
MITCON Solar Alliance Limited (Subsidiary)	Leave and License agreement	15/05/2018 To 31/03/2019	As per Leave and License agreement – Value of	To execute a Leave and License Agreement for allowing the use of Company's	19/09/2018	Nil	NA

			Transaction : Rs. 1,00,000 /-	premises at Kubera Chambers, Shivajinagar, Pune - 411005			
MITCON Forum For Social Development (Wholly owned Subsidiary)	Leave and License agreement	10/07/2018 To 31/03/2019	As per Leave and License agreement – Value of Transaction : Rs. 80,000/-	To execute a Leave and License Agreement for allowing the use of Company's premises at Kubera Chambers, Shivajinagar, Pune - 411005	19/09/2018	Nil	NA
MITCON Advisory Services Private Limited (Wholly owned Subsidiary)	Leave and License agreement	20/09/2018 To 31/03/2019	As per Leave and License agreement – Value of Transaction : Rs. 60,000/-	To execute a Leave and License Agreement for allowing the use of Company's premises at Kubera Chambers, Shivajinagar, Pune - 411005	19/09/2018	Nil	NA
MITCON Insolvency Professional Services Private Limited (Associate Company)	Leave and License agreement	12/06/2018 To 31/03/2019	As per Leave and License agreement – Value of Transaction : Rs. 1,05,000 /-	To execute a Leave and License Agreement for allowing the use of Company's premises at Kubera Chambers, Shivajinagar, Pune - 411005	19/09/2018	Nil	NA
Krishna Windfarms Developers Private Limited (Wholly owned Subsidiary)	Leave and License agreement	20/02/2019 To 31/03/2019	As per Leave and License agreement – Value of Transaction : Rs. 1,80,000	To execute a Leave and License Agreement for allowing the use of Company's premises at Kubera Chambers,	19/09/2018	Nil	NA

			/-	Shivajinaga r, Pune - 411005			
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**2. Details of contracts or arrangements or transactions at arm's length basis:**

Please refer Note 33 of the Standalone Financial Statements of the Company.

**ON BEHALF OF THE BOARD OF DIRECTORS  
For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**Sd/-  
MR. J. P. DANGE  
CHAIRPERSON  
(DIN 03056226)**

**Sd/-  
DR. PRADEEP BAVADEKAR  
MANAGING DIRECTOR  
(DIN: 00879747)**

**PLACE: PUNE**

**DATE: 13<sup>TH</sup> JUNE, 2019**

**Annexure "G"**

**FORM NO. AOC.1**

Statement containing salient features of the financial statement of  
Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of  
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

Particulars	Details of Subsidiaries					
	1	2	3	4	5	6
<b>SI. No.</b>						
<b>Name of the subsidiary</b>	KRISHNA WIND FARMS DEVELOPERS PRIVATE LIMITED	MITCON SUN POWER LIMITED	MITCON TRUSTEESHIP SERVICES PRIVATE LIMITED	MITCON ADVISORY SERVICES PRIVATE LIMITED	MITCON FORUM FOR SOCIAL DEVELOPMENT	MITCON SOLAR ALLIANCE LIMITED
<b>The date since when subsidiary was acquired</b>	20/02/2019	24/04/2018	22/11/2018	20/09/2018	10/07/2018	15/05/2018
<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period.</b>	01 <sup>st</sup> April to 31 <sup>st</sup> March	24 <sup>th</sup> April to 31 <sup>st</sup> March	22 <sup>nd</sup> Nov to 31 <sup>st</sup> March	20 <sup>th</sup> Sept to 31 <sup>st</sup> March	10 <sup>th</sup> July to 31 <sup>st</sup> March	15 <sup>th</sup> May to 31 <sup>st</sup> March
<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Share capital</b>	12,00,00,490	1,00,000	23000000	1,00,000	1,00,000	1,00,000
<b>Reserves and surplus</b>	(6,07,18,515.00)	(2,92,646.00)	(1,25,528)	1,30,032.00	35,40,819.00	(13,80,135.00)
<b>Total assets</b>	68,38,45,066.0	1,00,54,763.00	10,33,02,252	2,27,068.00	1,05,31,232.00	30,31,21,629.00



	0					
<b>Total Liabilities</b>	<b>68,38,45,066.00</b>	<b>1,00,54,763.00</b>	<b>10,33,02,252</b>	<b>2,27,068.00</b>	<b>1,05,31,232.00</b>	<b>30,31,21,629.00</b>
<b>Investments</b>	<b>Nil</b>	<b>50,010.00</b>	<b>NIL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Turnover</b>	<b>8,86,58,345.00</b>	<b>4,53,741.00</b>	<b>4,09,315</b>	<b>Nil</b>	<b>1,08,08,181.00</b>	<b>33,92,240.00</b>
<b>Profit before taxation</b>	<b>(3,77,32,542.00)</b>	<b>(3,90,493.00)</b>	<b>(1,32,641)</b>	<b>(1,58,545.00)</b>	<b>47,93,189.00</b>	<b>(16,84,491.00)</b>
<b>Provision for taxation</b>	<b>74,99,018.00</b>	<b>97,847.00</b>	<b>7,113</b>	<b>28,513.00</b>	<b>12,52,370.00</b>	<b>3,04,356.00</b>
<b>Profit after taxation</b>	<b>(3,02,33,524.00)</b>	<b>(2,92,646.00)</b>	<b>(1,25,528)</b>	<b>(1,30,032.00)</b>	<b>35,40,819.00</b>	<b>(13,80,135.00)</b>
<b>Proposed Dividend</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Extent of shareholding (in percentage)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>50.01%</b>

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations –  
**Mitcon Advisory Services Private Limited (Previously Known As Mitcon Valuers and Advisors Private Limited)**
- Names of subsidiaries which have been liquidated or sold during the year –  
**MITCON MULTISKILLS LIMITED was struck off w.e.f.27<sup>th</sup> March, 2019**
- Name of the Associate which ceased to be Associate during the year –  
**Krishna Windfarms Developers Private Limited w.e.f. 19<sup>th</sup>Feb 2019**

**Part "B"**

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

<b>Name of Associates/Joint Ventures</b>	<b>MITCON INSOLVENCY PROFESSIONAL SERVICES PRIVATE LIMITED</b>
<b>1. Latest audited Balance Sheet Date</b>	<b>31/03/2019</b>
<b>2. Date on which the Associate or Joint Venture was associated or acquired</b>	<b>12/06/2018</b>
<b>3. Shares of Associate/Joint Ventures</b>	

held by the company on the year end	
No.	4900
Amount of Investment in Associates/Joint Venture	1,10,74,000.00/-
Extend of Holding %	49%
3. Description of how there is significant influence	More than 20% holding
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet	51,63,333.35/-
6. Profit / Loss for the year	
i. Considered in Consolidation	(2,87,917.00)
i. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations.- **Not Applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year.- The entire 26% shares of **MITCON MEGASKILLS CENTERS PRIVATE LIMITED** was sold on 19<sup>th</sup> September, 2018.

**ON BEHALF OF THE BOARD OF DIRECTORS**  
**For MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

Sd/-  
**MR. J. P. DANGE**  
 CHAIRPERSON  
 (DIN 03056226)

Sd/-  
**DR. PRADEEP BAVADEKAR**  
 MANAGING DIRECTOR  
 (DIN: 00879747)

PLACE: PUNE

DATE: 13<sup>TH</sup> JUNE, 2019

## **ANNEXURE "H"**

### **AUDIT COMMITTEE POLICY**

#### **PURPOSE**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

#### **COMMITTEE MEMBERSHIP AND QUALIFICATION**

The Audit Committee shall consist of a minimum of 3 directors with independent directors forming a majority.

The majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.

#### **MEETINGS AND QUORUM**

The audit committee should meet at least four times in a year and not more than four months shall elapse between two meetings.

The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present

#### **ROLE OF THE COMMITTEE**

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company
- review and monitor the auditor's independence and performance, and effectiveness of audit process
- examination of the financial statement and the auditors' report thereon
- approval or any subsequent modification of transactions of the company with related parties
- Review the end utilization of funds where the total amount of loans/advances/investment from the Company to its subsidiary exceeds Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- valuation of undertakings or assets of the company, wherever it is necessary
- evaluation of internal financial controls and risk management systems
- monitoring the end use of funds raised through public offers and related matters
- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board

- To discuss any related issues with the internal and statutory auditors and the management of the company
- To investigate into any matter in relation to the items or referred to it by the Board
- To obtain professional advice from external sources
- To have full access to information contained in the records of the company.
- Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015
- Verify internal control system to prevent insider trading are adequate and are operating effectively.

#### **DELEGATION OF AUTHORITY**

The Committee may delegate to one or more designated members of the Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full Audit Committee at its scheduled meetings.

## **NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 as amended from time to time.

This policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and Other Employees has been formulated by the Nomination and Remuneration Committee (hereinafter referred to as NRC or the Committee) and has been approved by the Board of Directors.

The Nomination and Remuneration Policy of MITCON Consultancy & Engineering Services Limited (the "Company") is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

### **DEFINITIONS:**

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961 and other statutory benefits;

**"Key Managerial Personnel"** means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

**"Senior Managerial Personnel"** means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all functional heads or Head of the Divisions.

**APPLICABILITY:**

This Policy applies to Directors, Senior Management including its Key Managerial Personnel (KMP) and other employees of the Company.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

**OBJECTIVE:**

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance bench marks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**ROLE OF THE COMMITTEE:**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key executives and overseeing.

- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

**A) DIRECTORS**

The appointment of the Non-Executive and Independent Directors are subject to the recommendation of NRC and approval of the Board of Directors and Shareholders. The Company shall comply provisions of the Companies Act, 2013 and rules framed thereunder for appointment of the Managing Director, Executive Director and Independent Directors.

**B) KEY MANAGERIAL PERSONNEL**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Key Managerial Personnel and recommend his/ her appointment as per the Company's Policy.

**C) SENIOR MANAGEMENT**

The Managing Director is authorized to make appointment and removal of Senior Management Personnel. The same will be reported to the Board in the next Board Meeting.

**D) OTHER EMPLOYEES:**

Other employees will be appointed by the Managing Director from time to time.

**EVALAUTION:**

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

The Managing Director shall carry out evaluation of performance of the Senior Management Personnel as per the Company's policy and report to the Committee.

**REMOVAL:**

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

**RETIREMENT:**

The Director, Key Managerial Personnel or Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

The Managing Director will have the discretion to retain the Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**POLICY FOR REMUNERATION TO DIRECTORS/ KEY MANAGERIAL PERSONNEL/ SENIOR MANAGEMENT PERSONNEL:**

**1) Remuneration to Managing Director / Whole-time Directors:**

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

**2) Remuneration to Non-Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for



the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### **3) Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

#### **IMPLEMENTATION:**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

#### **DISCLOSURE OF INFORMATION:**

Information on the total remuneration of members of the Company's Board of Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

**NRC MEETINGS:**

The meetings of NRC will be governed by the provisions of the Companies Act, 2013, Rules made thereunder and Listing Agreement as may be applicable from time to time.

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**DISSEMINATION:**

This Policy shall be published on website of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **1. PREAMBLE**

At MITCON Consultancy & Engineering Services Limited (MITCON), we are committed for empowerment of society through our Social initiatives. MITCON always give thrust on developing young entrepreneurs and women empowerment.

### **2. PURPOSE**

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated

### **3. POLICY STATEMENT**

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with MITCON's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

### **4. SCOPE OF CSR ACTIVITIES IN MITCON**

As a practice, we classify only those projects that are over and above our normal course of business as CSR. This policy will apply to all our CSR activities/projects and it will be further reviewed and updated.

## Normal Course of Business

MITCON provides corporate solutions in power generation, energy efficiency, renewable agency, environmental management, banking and finance, infrastructure etc. We also conduct vocational and IT trainings. As a company, we are committed to providing quality services to our customers, creating economic value for all our shareholders, and we assign high priority to ensuring that we fulfill all regulatory requirements.

MITCON's CSR Focus in line with Schedule VII of the Companies Act, 2013:

MITCON will undertake its CSR activities in the following broad areas:

1. Promoting education including special education
2. Promoting preventive health care and sanitation and making available safe drinking water
3. Eradicating hunger, poverty and malnutrition
4. Promoting education, gender equality and empowering women
5. Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
6. Measures for the benefit of armed forces veterans, war widows and their Dependents
7. Rural Development Projects

### **Appointment of outside agency:**

MITCON can implements its CSR activity in any of the above mentioned areas through independently registered non-profit organizations.

## **5. CSR BUDGET & SCHEDULE OF IMPLEMENTATION**

The total budget for the CSR projects will be decided by the CSR Committee. The CSR committee will be responsible for preparing a detailed plan on CSR activities, including the expenditure, the type of activities, roles and responsibilities of various stakeholders and a monitoring mechanism for such activities. The same will be recommended to the Board.

In terms of the provisions of the Companies Act, 2013, the Company may spend up to five percent of the total CSR expenditure on the salaries to be paid to the staff of the Company who are involved in implementation of the CSR activities of the Company or on any other administrative overheads related to implementation of the CSR activities.

Any unutilized portion of CSR budget shall be reported annually as per the provisions of the Companies Act, 2013.

## **6. GOVERNANCE STRUCTURE**

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.

### **BOARD-LEVEL CSR COMMITTEE**

At MITCON, our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR projects undertaken. The committee will report to our Board of Directors.

### **MEMBERS**

- Mr. Sanjay Phadke - Chairperson; Non-Executive, Independent
- Dr. Pradeep Bavadekar - Member; Managing Director
- Ms. Archana Lakhe - Member; Non-Executive, Independent
- Mr. Ajay Agarwal - Member; Non-Executive Director, Non-Independent

### **RESPONSIBILITIES OF THE CSR COMMITTEE**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- To monitor the Corporate Social Responsibility Policy of the company from time to time.

- To prepare a transparent monitoring mechanism for ensuring implementation of the projects/ Programmes /activities proposed to be undertaken by the Company

### **REPORTING TO CSR COMMITTEE**

The Chief Financial Officer and Company Secretary will report the CSR activities undertaken to the CSR Committee from time to time.

### **7. TREATMENT OF SURPLUSES**

Any surplus generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus. These funds will be further used I development of the CSR projects and will not be added to the normal business profits.

## **STAKEHOLDER'S RELATIONSHIP COMMITTEE POLICY**

### **PURPOSE**

The primary function of the Stakeholders Relationship Committee ("the Committee") is to consider and resolve the grievances of security holders of the Company.

### **COMMITTEE MEMBERSHIP AND QUALIFICATION**

The Chairperson of the Committee shall be a Non-Executive Director and it shall comprise of such other members as may be decided by the Board Directors from time to time.

The Chairperson of the Committee, shall be present at the annual general meetings of the Company to answer queries of the security holders.

### **MEETINGS AND QUORUMS**

The Committee shall meet at such regular intervals as may be necessary and required by law.

The quorum shall be either two members or one third of the members of the Committee whichever is greater.

### **ROLE OF THE COMMITTEE**

The role of the Committee shall be as under

- To approve/refuse/reject registration of transfer/transmission of Shares in a timely manner;
- To issue the Share Certificates under the seal of the Company, which shall be affixed in the presence of, and signed by:
  - (i) Any two Directors (including Managing or Whole-time Director, if any), and
  - (ii) Company Secretary / Authorised Signatory;
- To authorize affixation of the Common Seal of the Company on Share Certificates of the Company;
- To authorize to sign and endorse the Share Transfers on behalf of the Company;

- To authorized Managers/Officers/Signatories for signing Share Certificates;
- To authorize issue of Duplicate Share Certificates and Share Certificates after Split / Consolidation / Rematerialisation and in Replacement of those which are defaced, mutilated, torn or old, decrepit, worn out or where the pages on reverse for recording transfers have been utilized ;
- To monitor redressal of stakeholder complaints/grievances including relating to non-receipt of allotment / refund, transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.
- To authorize to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates.
- To oversee the performance of the Register and Transfer Agents and to recommend measures for overall improvement in the quality of investor services.
- To perform all functions relating to the interests of security holders of the Company and as assigned by the Board, as may be required by the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority.
- The Committee shall review the measures taken for effective exercise of voting rights by shareholders.
- The Committee shall review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- The Committee shall review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company



## **RISK MANAGEMENT POLICY**

### **MITCON CONSULTANCY & ENGG. SERVICES LIMITED**

Risk management is an integral part of MITCON's business management and internal control framework. The aim of our risk management is to enable achievement of the Company's strategic, financial objectives and targets in a controlled manner.

#### **1. Risk management framework**

##### **a) Organization**

Managing Director of the Company organizes risk management of the Company with the assistance of Chief Financial officer (CFO). The Managing Director and CFO approve risk management instructions and guidelines depending upon the risk involved in a project, work, new plans and oversee the development of risk management systems and practices of the Company.

Primary responsibility for managing risks rests with the business, where risks also primarily accrue. The Head of business divisions are responsible for organizing risk management in their business line. A Head of the Division reports major risks and overall risk status of the business line on case to case basis to Managing Director.

Audit Committee monitors efficiency of the Company's risk management systems through Internal Audit. In addition, the Audit Committee also reviews regularly in its meetings major risks of the Company.

Board oversees risk management and reviews risk management processes of the Company with the assistance of the Audit Committee. Relevant major risks as reported by the Internal Auditors are reported regularly to the Board.

##### **b) Process**

MITCON's risk management consists of a coordinated set of activities to identify, evaluate, treat and control all major risk areas of the Company in a systematic and proactive manner.

### **Evaluation of the risk by Head of the Division**

Head of the Divisions are responsible for treating their risks by taking appropriate actions. These actions typically include mitigating, transferring or absorbing risks, or a combination of these actions. The development of the actions is followed regularly in the organization.

Risks are categorized according to the following main risk categories:

- External risks
- Internal risks
- Strategic risks
- Operational risks
- Financial risks

### **Project Risk Management process**

Excellence in project management means quality services and good risk and opportunity management. Risk management of projects and assignments is an integral part of MITCON's day-to-day risk management and a key task of every project manager or person responsible for handling any assignment. A systematic risk management process is being evaluated for projects, according to the project's size, complexity and contract model.

The project risk management process is followed throughout the project lifecycle, starting in the prospect and proposal phase and continuing as a regular and systematic process until the closing of the project.

## **2. Description of risks**

Typical risks related to MITCON's business operations are described in this section. The description is not intended to be comprehensive as our operations are subject to other risks as well.

### **i. External risks**

#### **a) Markets**

The economic uncertainties continue and the risk of recession particularly in the Indian market persists. This risk can create uncertainty and delays in clients' decision making. Should the risk materialise, it could create serious problems for clients in arranging financing for investments and

could have an adverse impact on MITCON's consultancy business and profitability. The Company aims to reduce its vulnerability to market risks and business cycles by a balanced portfolio of assignments by clients in different industries, markets and geographical areas as well as through sub-contracting and appointment of associates. In economic downturns MITCON's order stock, the activity level of employees and professional charging rates may decline, which would have a negative impact on MITCON's revenues and financial position.

**b) Government policies and budgetary allocations**

Our business including of training division and revenues are dependent on projects awarded by government authorities, including central, state and local authorities and agencies and public sector undertakings (Government-owned companies). We are also dependent on the investment by the private sector in infrastructure and other sectors which are in turn linked to government policies relating to private sector participation and sharing of risks and returns. Any adverse changes in government policies and budgetary allocation could materially and adversely affect our revenues, growth or operations.

**c) Competition**

The consulting and engineering business is characterized by keen global and local competition. The economic uncertainty has continued and intensive competition in certain sectors and markets prevails. Competition from non-traditional players has also significantly increased in some sectors.

MITCON aims at differentiating itself from its competitors by providing quality and timely services at minimum cost based on its vast experience.

**ii) Internal risks**

**a) Business development**

Organic growth is an important part of MITCON's strategy. The key risks in achieving this strategic goal are potential lack of skilful sales resources, limited amount of suitable projects, and delays in clients' decision making. A significant part of the organic growth is expected to

derive from larger and complex projects. There is a limited number of such projects available in the market in the sectors where MITCON operates and the risk profile may be such that MITCON will not decide to pursue them.

### iii) **Operational risks**

#### a) **Ability to attract, recruit and retain skilled personnel**

Our results of operations depend largely on our ability to retain the continued service of our skilled personnel who have specific sector knowledge, understand services we offer and can execute complex assignments. We also need to recruit and train sufficient number of suitably skilled personnel, particularly in view of our continuous efforts to grow our business and maintain client relationships. There is significant competition for management and other skilled personnel in our industry. Loss of any of the members of our senior management or other key personnel or inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations. To overcome this risk, we regularly assess manpower requirement with the help of Head of the divisions and recruit only experienced Manpower.

#### b) **Client Relationships**

Our results of operations depend largely on the number of our client relationships, our ability to maintain relationships and grow our share of clients' business by providing consultancy services, innovative business solutions and timely execution. We believe successfully developing new client relationships and maintaining existing client relationships are critical for growing our business and consequently our results of operations. The responsibility of client relationships lies with the Head of respective Divisions.

#### c) **Partners**

Fair number of projects are conducted in co-operation with subcontractors, in consortiums or with other co-operation partners/associates. Partner risks relating to the performance, compliance or financial standing of the partner can involve risk for

MITCON. Performance related liability risks are transferred with contractual back-to-back arrangements to each respective co-operation partner to the extent possible. In addition, the Business Division requires checking of co-operation partners' financial status and professional quality standards before entering into any relationship.

Specific instructions on retaining third parties as business partners, including due diligence, confirmation and approvals is followed.

**d) Liability**

Professional services provided to clients involve liability risks. These risks may relate to failure to deliver services in accordance with agreed professional standards, to calculation and similar errors and to performance delays. To mitigate such risks, special emphasis has been placed on quality management and control systems in projects and on limitation of professional liability in contracts. Sometime, Company takes Professional Liability Insurance on case to case basis. Furthermore, certain professional risks are not covered under liability insurances.

**e) Information technology**

Efficiency of MITCON's operations is largely dependent on the use and continuous improvements of information and communication technology systems. Malfunctioning or unavailability of the systems as well as loss, corruption or leakage of data can negatively affect operations of the Company. Inability or major delays in implementing improvements or new systems can negatively affect the efficiency of Company's operations.

MITCON has an appropriate IT organisation, processes and controls in place in order to mitigate these risk, including redundancy, back-ups and appropriate malware protection, encryption technologies and network security controls.

To mitigate this risk, the Company regularly carry out System check-ups to avoid the misuse of System. The Company also has IT policy in place.

**f) Risk of Corporate accounting fraud:**

Accounting fraud or corporate accounting fraud are business scandals arising out of Misusing or misdirecting of funds, overstating revenues, understating expenses etc. The Company mitigates this risk by:

- Understanding the applicable laws and regulations
- Conducting risk assessments
- Enforcing and monitoring code of conduct for key executives
  
- Instituting Whistleblower mechanisms
  
- Deploying a strategy and process for implementing new controls
  
- Adhering to internal control practices that prevent collusion and concentration of authority
  
- Employing mechanisms for multiple authorization of key transactions with cross checks
  
- Scrutinizing of management information data to pinpoint dissimilarity of comparative figures and ratios
  
- Creating a favorable atmosphere for internal auditors in reporting and highlighting any instances of even minor non-adherence to procedures and manuals and a host of other steps throughout the organization and assign responsibility for leaving the overall effort to a senior individual like Chief Financial Officer.

**g) Legal Risk**

Legal risk is the risk in which the Company is exposed to legal action. As the Company is governed by various laws and the Company has to do its business within four walls of law, where the Company is exposed to legal risk exposure, the Company is having an experienced team of professionals, advisors who focus on evaluating risks involved in a contract, ascertaining our responsibilities under applicable law of contract, restricting our liabilities under the contract and covering risks involved to ensure adherence to all contractual commitments.

Management encourages employees to place full reliance on professional guidance and opinion and discuss impact of all laws and regulations to ensure company's total compliance.

Advisories and suggestions from professional agencies and industry bodies, chambers of commerce etc. are carefully studied and acted upon where relevant. The Secretary of the Company being the focal point regularly places before the Board supported by a Secretarial Audit by a practicing Company Secretary in compliance with clause 52 of the listing agreement.

**h) Compliance with Local Laws**

Company is subject to additional risks related to our international expansion strategy, including risks related to complying with a wide variety of national and local laws applicable for Head Office and Branches as per multiple and possibly overlapping tax structures. Company has put in place robust process at the Branch Level and Head office with the help of external consultants.

**3. Organization Structure**

**i) Role of the Managing Director and accountabilities**

Managing Director has responsibility for identifying, assessing, monitoring and managing risks.

Managing Director will report on the progress of and on all matters associated with risk management on regular basis to the Board of Directors.

**ii) Authority of the Managing Director**

In fulfilling duties of risk management, Managing Director has unrestricted access to Company employees, contractors and records besides independent expert advice on any matter he believe appropriate.

**iii) Role of Head of Divisions**

- a) Monitor material business risks for their areas of responsibilities;
- b) Provide adequate information on implemented risk treatment strategies to Managing Director to support ongoing reporting to the Board;

**iv) Role of Individual employee**

- a) Recognize, communicate and respond to expected, emerging or changing material business risks;
- b) Contribute to the process of developing the Company's risk management system; and
- c) Implement risk management strategies within their area of responsibility.



## WHISTLE BLOWER POLICY

### MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

#### **1. PREFACE**

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 The Company is committed to developing a culture where it is safe for all directors and employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects directors/employees wishing to raise a concern about serious irregularities within the Company.
- 1.4 The policy neither releases directors/employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

#### **2. POLICY**

- 2.1 This Policy is for the Directors and Employees as defined hereinafter.
- 2.2 The Policy has been drawn up so that Directors/Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.

#### **3. DEFINITIONS**

- 3.1 "**Audit Committee**" means the Audit Committee of the Board as may be constituted/reconstituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 52 of the Listing Agreement entered with the National Stock Exchange of India Limited.
- 3.2 "**Disciplinary Action**" means any action that can be taken on the completion of / during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.3 "**Employee**" means every employee of the Company on full time basis.
- 3.4 "**Protected Disclosure**" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 3.5 "**Subject**" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.6 "**Whistle Blower**" is someone who makes a Protected Disclosure under this Policy.

3.7 **“Whistle Officer” or “Committee”** means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation. In the first instance, the head of Human Resource Department shall be Whistle Officer.

3.8 **“Competent Authority”** will be a person authorised, appointed, consulted or approached by the Board for the purpose of receiving all complaints under this Policy and ensuring appropriate action. The Managing Director will be the competent authority under this policy. In case of conflict of interest (MD being the subject person), Competent Authority means Chairman-Audit Committee.

#### **4. THE GUIDING PRINCIPLES**

4.1 To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

4.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;

4.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

4.1.3 Ensure complete confidentiality.

4.1.4 Not attempt to conceal evidence of the Protected Disclosure;

4.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

#### **5. COVERAGE OF POLICY**

5.1 The Policy covers malpractices and events which have taken place/suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferage of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct or Rules
11. Any other unethical, biased, favoured, imprudent event
12. Leak of unpublished price sensitive information

5.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

## **6. DISQUALIFICATIONS**

- 6.1 While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- 6.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.
- 6.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be liable to be prosecuted under Company's Code of Conduct.

## **7. MANNER IN WHICH CONCERN CAN BE RAISED**

- 7.1 Employees can make Protected Disclosure to Competent Authority, as soon as possible but not later than 30 consecutive days after becoming aware of the same. The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle Blower/complainant i.e. his/her Name, Employee Number and Location, and should be inserted in an envelope which should be closed/secured/sealed. The envelope thus secured/sealed should be addressed to the Competent Authority and should be superscribed "Protected Disclosure". (If the envelope is not superscribed and closed/sealed/secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- 7.2 Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- 7.3 Protected Disclosure should be either be typed or written in legible hand writing in English, Marathi, Hindi and should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- 7.4 If initial enquiries by the Competent Authority indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- 7.5 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Competent Authority alone, or by a Whistle Officer/Committee nominated by the Competent Authority for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- 7.6
- 7.7 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
- 7.8 The Competent Authority/Whistle Officer/Committee shall:

- i) Make a detailed written record of the Protected Disclosure. The record will include:
  - a) Facts of the matter
  - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - c) Whether any Protected Disclosure was raised previously against the same Subject;
  - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
  - e) Findings of Competent Authority/Whistle Officer/Committee;
  - f) The recommendations of the Competent Authority/Whistle Officer/Committee on disciplinary/other action/(s).
- ii) The Whistle Officer/Committee shall finalise and submit the report to the Competent Authority within 15 days of being nominated/appointed.

7.9 On submission of report, the Whistle Officer /Committee shall discuss the matter with Competent Authority who shall either:

- i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
- ii) In case the Protected Disclosure is not proved, extinguish the matter;

Or

- ii) Depending upon the seriousness of the matter, Competent Authority may refer the matter to the Audit Committee of Directors with proposed disciplinary action/counter measures. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

7.10 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee.

## **8. WHISTLE BLOWER-ROLE & PROTECTION**

### **ROLE:**

8.1 The Whistle Blower's role is that of a reporting party with reliable information.

8.2 The Whistle Blower is not required or expected to conduct any investigations on his own.

8.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.

8.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.

8.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reason.

## **PROTECTION**

8.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy.

8.7 The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.

8.8 The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc.

8.9 The identity of the Whistle Blower shall be kept confidential.

8.10 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

## **9. SECRECY/CONFIDENTIALITY**

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

## **10. REPORTING**

A report on half yearly basis with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

## **11. AMENDMENT**

This policy can be modified at any time by the Audit Committee of the Company. Such modifications shall also be reported to the Board.

## **12. NOTIFICATION**

The Whistle Blower Policy shall be displayed on the website of the Company i.e. [www.mitconindia.com](http://www.mitconindia.com)

## **RELATED PARTY TRANSACTIONS POLICY**

### **1. INTRODUCTION**

The Companies Act, 2013 (Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (Rules) introduced specific provisions relating to Related Party transactions and defined the term related parties, (material) related party transactions, relatives and key management personnel. The Act and the Rules have also laid down the financial limits and the approval process for such transactions.

In addition, The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (Listing Regulations) with the objectives to make the corporate governance framework more effective, necessitates all the listed companies to formulate a policy on materiality of Related Party transactions and also a policy on dealing with related party transactions. At present the said regulation is not applicable to the SME Listed Companies.

Accordingly, the Board of Directors (the "Board") of MITCON Consultancy and Engineering Services Limited (the "Company" or "MITCON"), has adopted a policy and standard operating procedures to regulate transactions between the Company and Related Parties.

### **2. APPLICABILITY**

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

Transactions covered by this policy include any contract or arrangement with a Related Party with respect to transactions defined hereunder as "Related Party Transaction".

### **3. SCOPE AND PURPOSE**

This policy is intended to ensure the proper approval and reporting of transactions as applicable, between the Company and any of its Related Party in the best interest of the Company and its Stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws. This Policy shall supplement the Company's other policies in force that may be applicable to or involve transactions with related persons. Further, the Board may amend this policy from time to time as may be required.

The Audit Committee of Directors ("Audit Committee"), shall review, approve and ratify Related Party Transactions based on this Policy in terms of the requirements under the above provisions.

#### **4. DEFINITIONS**

**“Arm’s length Transactions”** means a transaction between two Related Parties that is conducted as if they are unrelated so that there is no conflict of interest.

**“Audit Committee or Committee”** means Committee of Board of Directors of the Company constituted under provisions of Listing Regulations and Companies Act, 2013.

**“Board”** means the Board of Directors of MITCON Consultancy and Engineering Services Limited, as constituted from time to time.

**“Company”** means a company incorporated under the Companies Act, 2013 or under any previous company law.

**“Control”** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

**“Key Managerial Personnel”** means key managerial personnel as defined under the Companies Act, 2013 and includes

- I. Managing Director, or Chief Executive Officer or manager and in their absence, a whole- time director;
- II. Company Secretary; and
- III. Chief Financial Officer

**“Ordinary course of Business”** means a transaction which is:-

- I. Carried out in the normal course of business envisaged in accordance with Memorandum of Association of the Company as amended from time to time;
- II. Historical practice with a pattern of frequency; or
- III. Common commercial practice; or
- IV. Meets any other parameters/criteria as decided by Board/Audit Committee.

**“Material Related Party Transaction”** means a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

**“Policy”** means Related Party Transaction Policy.

**“Related Party”** means:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager 1[or his relative] is a member or director;
- (v) a public company in which a director and manager is a director 2[and holds] along with his relatives, more than two per cent of its paid-up share capital;



(vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

(vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

**“Related Party Transaction”** means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company and a Related Party, regardless of whether a price is charged. "Explanation: A "transaction" with a Related Party shall be construed to include single transaction or a group of transactions in a contract."

**“Relative”** means relative as defined under the Companies Act, 2013, as amended from time to time.

## **5. POLICY**

### **5.1 Identification of Related Party Transactions**

The Responsible Person (Company Secretary/ Chief Financial Officer) shall at all times maintain a database of Company's Related Parties containing the names of individuals and Companies, identified on the basis of the definition set forth in Definition Clause above, along with their personal/company details including any revisions therein.

The Related Party List shall be updated whenever necessary and shall be reviewed at least once a year, as on 1<sup>st</sup> April every year.

Responsible Person shall collate the information, coordinate and send the Related Party List to the concerned employees which may include MD, Business Heads, Branch Heads, the Finance & Accounts Department and Statutory Auditors and who he believes might be in the position to conduct or know of the possible conduct of Related Party Transactions.

Functional departmental heads shall submit to the CFO and Company Secretary the details of proposed transaction with details/draft contract/ draft agreement or other supporting documents justifying that the transactions are on arms' length basis in an ordinary course of business at prevailing market rate. Based on this note, Company Secretary will appropriately take it up for necessary prior approvals or ratification in case of business exigency from the Audit Committee at its next meeting and convey back the decision to the originator as the case may be. The suggested list of records and supporting documents is detailed separately in this policy.

For the purpose of implementing the provisions under this Policy, the Board and the Audit Committee of Directors of the Company shall receive timely, full and sufficient information about the Transactions covered under this Policy.

In determining, whether to approve or not a Related Party Transaction, the Board will take into account, among other factors, recommendations of the Audit Committee, whether the said Transaction is in the interest of the Company and its

stakeholders and there is no actual or potential conflict of interests between the Related Parties.

## **5.2 REVIEW AND APPROVALS OF RELATED PARTY TRANSACTIONS**

### **I. AUDIT COMMITTEE**

- a. Every Related Party Transaction shall be subject to the prior approval of the Audit Committee, whether at a meeting or by resolution by circulation or any other manner as provided by the Companies Act, 2013 and Rules made thereunder or by Secretarial Standards.

Provided that the transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval shall not require prior approval of the Audit Committee. Also, the transaction entered by the Company before implementation of this policy in the ordinary course of business and at arm's length basis shall not be covered under this policy.

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company which are repetitive in nature subject to compliance of the conditions contained in Listing Regulations and Companies Act, 2013 and Rules made thereunder, as amended from time to time.

The Committee shall also satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.

If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.

- b. The Audit Committee shall also review the statement of significant Related Party transactions submitted by management as per its terms of reference.
- c. Any member of the Committee who has a potential interest in any Related Party Transaction shall not remain present at the meeting when such Related Party Transaction is considered.
- d. To review a Related Party Transaction, the Committee shall be provided with the necessary information, to the extent relevant, with respect to actual or potential Related Party Transactions.
- e. The Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors / Shareholders as per terms of this policy.

### **II. APPROVAL OF THE BOARD AND THE SHAREHOLDERS**

The Board shall approve such Related Party Transactions as are required to be approved under Act and/or Listing Regulations and/or transactions referred to it by the Audit Committee.

1. In addition to the above, the following kinds of transactions with related parties shall also placed before the Board for its approval:
  - a. Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;
  - b. Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
  - c. Material Related Party Transactions as well as Related Party Transactions requiring shareholders approval under Section 188 of the Companies Act, 2013 and Rules made thereunder from time to time, which are intended to be placed before the shareholders for approval.

Where any director is interested in any Related Party Transaction, such director shall not remain present at the meeting when Related Party Transactions is considered.

Further, all such Related Party Transactions exceeding the threshold limits prescribed in the Act shall also require prior approval of shareholders of the Company and Related Party/ies shall abstain from voting on such resolution.

2. In Compliance with Listing Regulations, all the material Related Party Transactions shall require approval of shareholders and the Related Party/ies shall abstain from voting on such resolution.

Provided that the Material Related Transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval shall not require approval of the shareholders.

In case the shareholders decide not to approve a Related Party Transaction, the Board/ Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or recession of the transaction, or modification of the transaction to make it acceptable to shareholders for approval.

### **5.3 RULES FOR TRANSACTIONS WITH RELATED PARTIES WHICH ARE IN ORDINARY COURSE OF BUSINESS/ ON ARM'S LENGTH EXCEPT SPECIFIC TRANSACTIONS**

Transactions with Related Parties which are in Ordinary Course of Business of the Company and on arm's length shall be periodically disclosed to the Audit Committee/Board.

The Responsible Person shall ensure that details of such transactions are brought to the notice of Chairperson, Managing Director and /or any other person so authorized and discussed with the Board at the next following meeting, as may be required.

Transactions being entered into with the Related Parties even though being in the ordinary course of business of the company shall satisfy the criteria of

arm's length pricing. It shall be the responsibility of the Responsible Person to ensure that requisite evidence and documentation are made available to the Auditors/Audit Committee/Board, as may be required by them, to demonstrate that the transactions are conducted on arm's length basis.

#### **5.4 RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED**

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

Where any contract or arrangement is entered into by a director or any other employee of the Company with a Related Party, without obtaining the consent of the Board or approval by a resolution in the general meeting, where required and if it is not ratified by the Board or, as the case may be, by the Shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a Related Party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

The Company may proceed against a director or any other employee who had entered into such contract or arrangement in contravention of this Policy for recovery of any loss sustained by it as a result of such contract or arrangement and shall take any such action, it deems appropriate.

### **6. DISCLOSURES**

#### **6.1 REGISTERS**

The Company shall keep and maintain a register, maintained physically or electronically, as may be decided by the Board of Directors, giving separately the particulars of all contracts or arrangements to which this policy applies and such register is placed/taken note of before the meeting of the Board of directors.

Every director or key managerial personnel shall, within a period of thirty days of his appointment, or relinquishment of his office in other Companies, as the case may be, disclose to the Company the particulars relating to his/her concern or interest in the other associations which are required to be included in the register maintained from the date on which such request is made upon the payment of such fee as may be specified in the articles of the Company but not exceeding ten rupees per page.

The register to be kept under this section shall also be produced at the commencement of every Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

The register shall be preserved permanently and shall be kept in the custody of the Company Secretary /Chief Financial Officer of the Company or any other person authorized by the Board for the purpose.

## **6.2 RECORDS RELATING TO RELATED PARTY/ SUPPORTING DOCUMENTS**

### **a. Rent Agreement**

- I. Copy of draft agreement.
- II. Quotation from a property dealer/ advisor in the area in which the property is located or a nearby area.
- III. If quoted prices are substantially lower / higher than existing, to seek second quotation.

### **b. Purchase/ sale of property**

- I. Valuation reports from at least 2 independent valuers to ascertain Fair Market Value.
- II. Quotations from 2 independent property dealers/brokers.
- III. Draft copy of agreement to sell/Draft of proposed sale deed.
- IV. Brief terms and conditions and justification of such transaction.

### **c. Purchase/sale of material, goods etc.**

- I. Copy of agreements/Purchase Orders/correspondence exchanged/ letters of exchange / bills/ invoices etc.
- II. Invoices/ bills of similar transactions on same date or nearby date with un-related parties from the seller.
- III. Quotation from un-related service provider.

### **d. Availing/ Rendering Services**

- I. Copy of Agreement/ MOU/ Correspondence etc.
- II. Supporting documents justifying the transaction on arms' length basis.

### **e. Loans/ Advances given or Taken**

- I. Compliance of Section 185, 186 and other applicable provisions of the Companies Act, 2013
- II. Agreements
- III. Statutory approvals wherever required.
- IV. Rate of Interest and justification for the same in view of nearest prevailing G-SEC rate for the term of the Loans/Advances (wherever applicable).

### **f. Subscription to shares/debentures/securities**

- I. Valuation Report or documents justifying that subscription is done/received at a rate on which placement has been made/shall be made to an un-related party.

### **g. Guarantee/ Securities**

- I. Compliance of Section 185, 186 and other applicable provisions of the Companies Act, 2013 and rules there under.
- II. Agreements.
- III. Other documents justifying the same.

**h. Transaction with KMP:**

- I. Remuneration to Managing Director
- II. Dividend on Equity Shares.

**Other transactions**

- I. Agreements or other supporting documents along with proper justification of the transaction being on arm's length basis in the ordinary course of business at a prevailing market rate.

**6.3 DISCLOSURES -**

1. Details of all material transactions with Related Parties shall be disclosed quarterly to the Audit Committee.
2. The Company shall disclose the contract or arrangements entered into with the Related Party in the Board Report to the shareholders along with the justification for entering into such contract or arrangement.

Disclosures with respect to Related Party Transactions shall be made as per applicable provisions of the Act and/or Listing Regulations.

**8. POLICY REVIEW AND AMENDMENTS**

The Board of Directors reserves the power to review and amend this policy from time to time. Any exceptions to the Policy on Related Party Transactions must be consistent with the Companies Act 2013, including the Rules promulgated there under and Listing Regulations and must be approved in the manner as may be decided by the Board of Directors.

## **Policy for Determination of Materiality of Disclosure-MITCON Consultancy & Engineering Services Limited**

**[Pursuant to Regulation 30(4) (ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

### **1. Background**

This Policy is framed in accordance with the requirements of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Regulations").

The objective of this policy is to define and determine materiality as required under Regulation 30(4) (ii) of the Regulations and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination.

### **2. Scope of the Policy**

The Policy will be applicable to all the events which fall under the criteria as disclosed under the section relating to "Disclosure of events or information to Stock Exchanges" This Policy shall be read along with the Company's Policy on Code of Practices and Procedures for

Fair Disclosure of Unpublished Price Sensitive Information (Code of fair disclosure) framed in adherence to the principles for fair disclosure as outlined in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **3. Key Managerial Personnel authorised to determine materiality**

The Company Secretary or any Director of the Company is authorized for the purpose of determining materiality of events of information and for the purpose of making disclosures to Stock Exchange and on the website of the Company, under the Regulations.

All such disclosures shall be signed by the Company Secretary or any other Key Managerial Personnel of the Company.

#### **Disclosure of events or information to stock exchanges**

The events or information which will be necessary to be disclosed to the Stock Exchanges are divided into three categories as specified in the Listing Regulations:

- 3.1. Events whose disclosure is mandatory and which would need to be disclosed without any application of the test/guidelines for materiality.

The below events will be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for Item 4 which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In case the disclosure is made after twenty four hours of occurrence of the event or information, the rationale for the delay will be provided along with such disclosures.

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any division(s) or subsidiary of the Company or any other restructuring.

Acquisition would mean where the Company acquires direct or indirect control or where the Company acquires five percent or more of the shares/voting rights of a listed Company or where the Company holds five percent or more of the share of a listed Company, any further change in such shareholding occurs to the extent of two percent or more.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc
3. Revision in Rating(s).
4. Outcome of meetings of the board of directors: The Company shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide the following:
  - dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
  - any cancellation of dividend with reasons thereof;
  - the decision on buyback of securities;
  - the decision with respect to fund raising proposed to be undertaken;
  - increase in capital by issue of bonus shares through capitalisation including the date on which such bonus shares would be credited/dispatched;
  - reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
  - short particulars of any other alterations of capital, including calls;
  - financial results;
  - decision on voluntary delisting by the listed entity from stock exchange(s)

The intimation of outcome of meeting of the board of directors will contain the time of commencement and conclusion of the meeting.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. Fraud/ Defaults by promoter or key managerial personnel of the Company or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel, Auditor and Compliance Officer.
- 7A. In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed



by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

7B. In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:

- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
- ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
- iii. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

8. Appointment or discontinuation of share transfer agent

9. Corporate debt restructuring, if any done for the Company.

10. Reference to BIFR and winding-up petition filed by any party/creditors.

11. One time settlement (OTS) by the Company of its borrowings, if any.

12. Issuance of notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.

13. Proceedings of annual and extraordinary general meetings of the listed entity along with prescribed details.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

### **3.2. Events which may be disclosed to the Stock Exchanges based on the test of materiality**

The events as mentioned below will be disclosed based on the application of the test of materiality and key principles for determination of materiality as outlined hereunder:

Events which may be disclosed to the Stock Exchanges based on the test of materiality

The events as mentioned below will be disclosed based on the application of the test of materiality and key principles for determination of materiality as outlined hereunder:

The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date or in a case where the criteria specified in (a) and (b) is not applicable, any event/information which in the opinion of the Board of the Company, is considered material and needs disclosure.

The KMP authorised under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above. In addition to this, the KMP while determining the materiality will do so on a case to case basis depending on specific facts/circumstances relating to the information/event and apply such other qualitative/quantitative criteria if required and as may be deemed appropriate to the event.

### **Description of events:**

Commencement or any postponement in the date of commencement of commercial operations of any unit/division

Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new line(s) of business or closure of operations of any unit/division - (entirety or piecemeal).

Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business.

Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.

Effect(s) arising out of change in the regulatory framework applicable to the Company.

Litigation(s)/dispute(s)/regulatory action(s) with impact.

Options to purchase securities (including any Share Based Employee Benefit (SBEB) Scheme) at the time of instituting the scheme and vesting or exercise of options.

Giving of guarantees or indemnity or becoming a surety for any third party other than in the ordinary course business.

Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

The Company will disclose all events or information with respect to subsidiaries which are material from the perspective of the Company.

Any other event/information that is likely to affect business

Such events may include but not be limited to the following:

Change in accounting policy that may have a significant impact on the accounts of the Company.

Any other event which is in the nature of major development that is likely to affect business of the Company.

Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to apprise its position and to avoid the establishment of a false market in such securities.

Guidance on when an event/information is deemed to be occurred

The events/information shall be said to have occurred upon approval of Board of the Company in certain events, for example further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of the Directors and Shareholders of the Company.

Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board of the Company pending Shareholder's approval.

### **Disclosures on the Website**

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival process followed by the Company.

The KMP authorised under this Policy will review the Policy from the perspective of the Listing Regulations and determine the events/information for disclosure as may be amended by SEBI from time to time. All such amendments will be informed to the Board and the approval of the Board will be sought to align the policy in line with the SEBI Listing Regulations.

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION OF MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED FRAMED UNDER REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

**PREAMBLE**

The Securities and Exchange Board of India had promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "**Regulations**") on January 15, 2015. As per Regulation 8 read with Schedule A of the Regulations, every Listed Company is required to frame a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as the "**Code**") in order to disseminate 'Unpublished Price Sensitive Information' (hereinafter referred to as '**UPSI**') universally and not selectively by such companies. This Policy is intended to lay down the principles and practices to be followed by MITCON Consultancy & Engineering Services Limited ('the Company') pertaining to universal disclosure of UPSI.

The Company intends to follow best practices, duly compliant with Applicable Law, in the matter of disclosure of UPSI. Accordingly, the following Code was adopted by the Board of Directors of MITCON Consultancy & Engineering Services Limited vide Circular Resolution passed on Friday, 05<sup>th</sup> April, 2019. In view of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 effective from 1<sup>st</sup> April, 2019, the Code has been amended by the Board of Directors vide Circular Resolution passed on Friday, 05<sup>th</sup> April, 2019 and revised Code shall be effective from 1<sup>st</sup> April, 2019.

The Board of Directors of the Company has adopted this Code of Conduct of Fair Disclosure to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Regulations").

In line with the said Regulations, the following "Code of Conduct for Fair Disclosure" (hereinafter referred to as the "Code of Conduct") has been prepared and adopted and the policy shall come into force with immediate effect as amended by SEBI (Prohibition

of Insider Trading) (Amendment) Regulations, 2018, (together referred to as "Regulations") read with Schedule A of the Regulations.

## I. APPLICABILITY

The Code shall apply in relation to disclosure by the Company of UPSI. The scope, exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

## II. DEFINITIONS

**“Applicable Law”** shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgement, order, decree, bye laws, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/ or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

**“Connected Person”** shall mean such persons as defined under the Regulations.

**“Compliance Officer”** for the purpose of these regulations means the Company Secretary of the Company.

**“Chief Investor Relations Officer”** for the purpose of these regulations means the Compliance Officer of the Company and such officer shall deal with dissemination of information and disclosure of UPSI in fair and unbiased manner.

The name and designation of such officer shall be published on the website of the Company [www.mitconindia.com](http://www.mitconindia.com).

**“Designated Persons”** would include the following categories of employees, for the purpose of this Code:

- i. Directors of the Company
- ii. Chief Executive officer/Chief Financial officer/Company Secretary
- iii. Chief Administrative officer / Chief Operating Officer

- iv. Permanent invitees/invitees to the board meeting and committee meetings
- v. Members of executive committee of the Company not being directors
- vi. Employees in the cadre of Assistant / Executive/Senior/Associate Vice President , Advisors and above;
- vii. Personal assistant/secretary / executives/ Dy./Asst. Manger to all the above persons;
- viii. All other employees of the Company and its material subsidiaries and associate companies, irrespective of their cadre working in accounts, finance, information technology, treasury, taxation departments, secretarial, legal and compliance departments, internal audit department, business/ investor's relations and corporate communications department, and chief executive officer / managing director's office and chairman's office.
- ix. Persons employed on contract basis and performing similar roles or having similar responsibilities as persons mentioned in (ii), (iii) and (vi) above;
- x. And such other persons as may be notified by the Compliance Officer as per direction of the Board.

**“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.

**“Insider”** means any person who is a connected person or in possession of or having access to UPSI.

**“Immediate Relative”** means a spouse of a person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

**“Key Managerial Personnel”** means person as defined in Section 2 (51) of the Companies Act, 2013.

**“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Selected Group of Persons”** includes securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.

**“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.

**“Unpublished Price Sensitive Information (“UPSI”)”** means any information, relating to a Company or its securities, directly or indirectly, that is not generally available which, upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:

- i. Declaration of Financial results (half yearly and annual)
- ii. Declaration of dividends
- iii. Change in capital structure i.e. issue of securities by way of public/ rights/ bonus, etc.
- iv. Any major expansion plans or winning of bid or execution of new projects.
- v. Amalgamation, Mergers, de mergers, acquisitions, delisting, disposals, takeovers, buy back and such other transactions.
- vi. Disposal of whole or substantially whole of the undertaking.
- vii. Any changes in policies, plans or operations of the Company.
- viii. Disruption of operations due to natural calamities.
- ix. Litigation/ dispute with a material impact.

- x. Changes in Key Managerial Personnel.
- xi. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.

The Company will promptly disclose such information on the website of the Company and to the Stock Exchange.

All the other words and expressions used but not defined in the Codes but defined in the SEBI Act, 1992, the Regulations, the Securities Contracts (Regulation) Act, 1956 the Depositories Act, 1996 and/ or the rules and regulations made thereunder shall have the same meaning as assigned to them in such Acts or rules or regulations or any statutory modification or reenactment thereto, as the case may be.

### **III. SHARING OF UPSI FOR LEGITIMATE PURPOSE**

- UPSI is in the nature of information relating to the Company, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.
- Till the UPSI becomes a generally available information, UPSI can be shared only on a need – to – know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the prohibitions of the Regulations.
  - Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
  - Sharing of relevant UPSI with intermediaries/ fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
  - Sharing of relevant UPSI with persons for legitimate business purposes (e.g. attorneys, investment bankers or accountants);
  - Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture partners and vendors, and



not to transact in the Company's securities on the basis of such information;

- Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.

**IV. Before sharing of the UPSI, the concerned person sharing such UPSI shall comply with the requirements in relation to circumstances and procedure for bringing people 'inside' as provided in the Code of Conduct for Prohibition of Insider Trading.**

**V. The Compliance Officer shall maintain record of the details of the recipients including their PAN, Address, etc. of UPSI on legitimate purpose including the following:**

- a) Whether the concerned UPSI is required to be shared?
- b) Why the information is required by the recipient?
- c) Who had shared the UPSI and whether he was authorized to do so?
- d) Whether the Compliance Officer was intimated before such sharing of UPSI?
- e) Whether Non-Disclosure Agreements were signed?
- f) Whether notice to maintain confidentiality of the shared UPSI has been given?

**VI. FUNCTIONS OF THE CHIEF INVESTOR RELATIONS OFFICER**

- a) Dealing with universal dissemination and disclosure of UPSI.
- b) Determination of questions as to whether any particular information amounts to UPSI.
- c) Determination of response, if any, of the Company to any market rumour in accordance with this Code.
- d) Dealing with any query received by any Insider about any UPSI.
- e) Providing advice to any Insider as to whether any particular information may be treated as UPSI.

If an Insider receives a query about any UPSI related to the Company, he shall not comment on the same and shall forward such query to the Chief Investor Relations Officer. The Chief Investor Relations Officer shall deal with such query in accordance with Applicable Law and this Code in consultation with Managing Director or CEO of the Company.

## **VII. DISCLOSURE POLICY**

The Company shall ensure:

- Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- Uniform and universal dissemination of UPSI to avoid selective disclosure.
- Designation of a senior officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- Ensuring that information shared with analysts and research personnel is not UPSI.
- Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.

Subject to Applicable Law, methods of public disclosure of information to ensure uniform distribution shall include either of the following:

- Distribution through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.
- Uploading the information on the website of the Company.

## **VIII. THIRD PARTY DEALINGS**

The Chief Investor Relations Officer shall ensure that best practices of making transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made are developed by the Company.

The best practices shall include uploading the following information on the website of the Company:

- Any Power Point Presentation or similar material used by the analyst in such meeting on the website of the Company.
- Any earnings guidance or any other similar material distributed during press conference.
- Any material information about business plans of the Company provided in response to analyst queries or during discussions in a meeting or any other information which may lead to price discovery has been shared.

**IX. RUMOURS: VERIFICATION OF MARKET RUMOURS AND RESPONSE TO QUERIES**

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports. A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer on market rumours except when requested by regulatory authorities to verify such rumours.

**X. NEED TO KNOW HANDLING OF UPSI**

The Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to the conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

**XI. CODE OF CONDUCT**

The Company shall adhere to the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders, Designated Persons, Employees and all other applicable persons and entities.

**XII. AMENDMENTS TO THIS CODE**

Any amendment to this Code shall be done after obtaining approval of the Board of Directors of the Company and shall be promptly intimated to the

Stock Exchange where the securities of the Company are listed.

**XIII. DISCLOSURE OF CODE ON PUBLIC DOMAIN**

This Code and any subsequent amendment (s) thereto will be published on the Company's website [www.mitconindia.com](http://www.mitconindia.com).

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING OF MITCON  
CONSULTANCY & ENGINEERING SERVICES LIMITED UNDER REGULATION 9  
OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF  
INSIDER TRADING) REGULATIONS, 2015**

**I. PREAMBLE**

The Securities and Exchange Board of India (SEBI) on January 15, 2015, notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”).

As per Regulation 9, MITCON Consultancy & Engineering Services Limited (the “Company”) has adopted the Code namely “Code of Conduct for Prevention of Insider Trading” (“Insider Trading Code”).

The Company has formulated this Code to ensure that Directors and Designated Persons of the Company and their Relatives do not derive any benefit or assist others to derive any benefit from the access to and possession of Price Sensitive Information about the Company which is not in the public domain and thus constitutes Unpublished Price Sensitive Information (as defined below).

In line with the said Regulations, the following “**Code of Conduct for Prevention of Insider Trading**” (“**Insider Trading Code**”) has been prepared and adopted and the same shall come into force with immediate effect.

**II. IMPORTANT DEFINITIONS**

For the purpose of this Code,

“**Act**” means the Securities and Exchange Board of India Act, 1992 (15 of 1992)

“**Board**” means the Board of Directors of the Company.

“**Company**” means MITCON Consultancy & Engineering Services Limited.

“**Compliance Officer**” means the Company Secretary of the Company, who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the Code under the overall supervision of the Board of Directors of the Company.

The Compliance Officer shall half yearly report to the Board of Directors and Chairman of the Audit Committee.

“**Connected Person**” includes: (i) A Director of the Company; (ii) A Key Managerial Personnel of the Company; (iii) An Officer of the Company; (iv) Any person who is or has been in a contractual or fiduciary or employment relationship at any time in the six month period prior to the date of determining whether that person, as a result of such relationship, was directly or indirectly allowed access to UPSI or reasonably expected to be allowed access to UPSI; (v) Any person who is or has been in frequent

communication with an Officer of the Company at any time in the six month period prior to the date of determining whether that person, as a result of such frequent communication, was directly or indirectly allowed access to UPSI or reasonably expected to be allowed access to UPSI; (vi) An Employee of the Company who has access to UPSI or is reasonably expected to have access to UPSI; (vii) Any person who has a professional or business relationship and that relationship that, directly or indirectly, allows access to UPSI or is reasonably expected to allow access to UPSI;

The persons enumerated below shall be deemed to be Connected Persons if such person has access to UPSI or is reasonably expected to have access to UPSI –

- a) An Immediate Relative of Connected Persons;
- b) A Holding Company or Associate Company or Subsidiary Company;
- c) An Intermediary as specified in Section 12 of the SEBI Act or an employee or director thereof;
- d) An Investment Company, Trustee Company, Asset Management Company or an employee or director thereof;
- e) An Official of a Stock Exchange or of clearing house or corporation;
- f) A Member of Board of Trustees of a Mutual fund or a member of the Board of Directors of the Asset Management Company of a mutual fund or is an employee thereof;
- g) A member of the Board of Directors or an Employee of a Public Financial Institution as defined in Section 2 (72) of the Companies Act, 2013;
- h) An Official or an Employee of a self-regulatory organization recognized or authorized by the SEBI;
- i) A banker of the Company;
- j) A concern, firm, trust, Hindu Undivided Family, Company or Association of Persons wherein a Director of the Company or his Immediate Relative or banker of the Company, has more than ten percent of the holding or interest.

**“Designated Persons”** shall consist of Connected Persons who are; (i) Promoters of the Company; (ii) Directors of the Company and its subsidiaries; (iii) Key Managerial Person (KMP); (iv) Employees in Finance, Accounting, taxation and Secretarial Functions; (v) Head of all divisions/ departments by whatever designation they may be called; (vi) All employees in the level of Chief Consultants and above; (vii) Such other employees as may be determined by the code from time to time; (viii) Any other Connected Person designated by the Company on the basis of their functional role and (ix) Immediate Relatives of all the above.

**“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.

**“Immediate Relative”** means a spouse of a person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

**“Insider”** means any person who is a connected person or in possession of or having access to UPSI.

**“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Promoter Group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.

**“Specified”** means specified by the Board in writing.

**“Takeover Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition and of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

**“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.

**“Trading Day”** means a day on which the recognized stock exchanges are open for trading.

**“Unpublished Price Sensitive Information (“UPSI”)** means any information, relating to a Company or its securities, directly or indirectly, that is not generally available which, upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:

- xii. Declaration of Financial results (half yearly and annual)
- xiii. Declaration of dividends
- xiv. Change in capital structure i.e. issue of securities by way of public/ rights/ bonus, etc.
- xv. Any major expansion plans or winning of bid or execution of new projects.
- xvi. Amalgamation, Mergers, de mergers, acquisitions, delisting, disposals, takeovers, buy back and such other transactions.
- xvii. Disposal of whole or substantially whole of the undertaking.
- xviii. Any changes in policies, plans or operations of the Company.
- xix. Disruption of operations due to natural calamities.
- xx. Litigation/ dispute with a material impact.
- xxi. Changes in Key Managerial Personnel.
- xxii. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.



The Company will promptly disclose such information on the website of the Company and to the Stock Exchange.

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

### **III. COMMUNICATION OR PROCUREMENT OF UPSI:**

An Insider shall not

- Communicate, provide or allow access to any UPSI, relating to the Company or its securities, to any person including other insiders, except to the extent allowed by these Rules;
- Procure from or cause the communication by an insider of UPSI, relating to the Company or its securities;

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

- In furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate confidentiality and non-disclosure agreements being executed; or
- In the event the Board of Directors direct or cause the public disclosure of UPSI in the best interest of the Company; or
- Within a group of persons if such persons have been identified and secluded within a "Chinese Wall" or information barrier by the Compliance Officer from the rest of the Company for a particular purpose or for a specified period of time in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and are subjected to, among other conditions, additional confidentiality obligations, information barriers designed to prevent exchanges of UPSI outside the "Chinese Wall", and the execution of an undertaking by such persons to abstain and/ or forego trading during such seclusion or till the UPSI no longer constitutes UPSI.

### **IV. PROHIBITION ON INSIDER TRADING:**

An Insider shall not, directly or indirectly;

- i. Trade in securities that are listed or proposed to be listed when in possession of UPSI;
- ii. Trade in securities of the Company except when the Trading Window is open and the insider is not in possession of UPSI.

Provided the restriction in 4 (i) above shall to apply to:

- a) A transaction that is off market *inter se* transfer between Insiders who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision.

***Provided further that such off market trades shall be reported by the insiders to the Company within two working days. Every Company shall notify the particulars of such trades to the Stock Exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.***

- b) The transaction was carried out through the block deal window mechanism between persons who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision.
- c) The transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- d) The transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- e) Trades pursuant to a Trading Plan set up in accordance with these Rules.

#### **V. TRADING WINDOW:**

- The Designated Persons may execute trades subject to compliance with these regulations and a notional trading window shall be used as an instrument of monitoring trading by the designated persons.
- The Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed and the trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of UPSI.

- The Designated Persons who trade in the securities of the Company shall not execute a contra trade during the next six months following the prior transaction. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorge for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.
- The Compliance Officer shall close the trading window for all Insiders between the eight day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after disclosure of such financial results.
- The Compliance Officer shall not re open the trading window earlier than 48 hours after the UPSI in question becomes generally available.

VI. **PRE CLEARANCE OF TRADING:**

- Where the volume of shares to be traded/ dealt are 100 or above shares, then such trade shall be subject to pre clearance by the Compliance Officer in format as per Annexure I along with an undertaking as per Annexure II.
- The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval failing which fresh pre clearance would be needed for the trades to be executed.
- The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such designated person is in possession of UPSI even though the trading window is open.
- The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per Annexure III. In case the transaction is not undertaken, a report to that effect shall be filled in the said form.
- A Designated Person who trades in securities without complying with the pre clearances procedure as envisaged in these Rules or gives false undertakings and / or makes misrepresentations in the undertakings executed by him /her while complying with the pre

clearance procedure shall be subjected to the penalties as envisaged in these Rules.

**VII. TRADING PLAN:**

- A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the

Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.

- The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the Stock Exchange.
- The Trading Plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Trading Plan. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

**VIII. DISCLOSURE REQUIREMENTS:**

**1. INITIAL DISCLOSURE:**

- a) Every Promoter, Key Managerial Personnel, Director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days (30) of these rules taking effect as per Form A set out in Annexure IV.
- b) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall

disclose his / her and Immediate Relatives' holding of securities of the Company as on date of appointment or becoming a promoter, to the Company within seven days (7) of such appointment or becoming a promoter, as per Form B set out in Annexure V.

**2. CONTINUAL DISCLOSURE:**

- a) Every Promoter, Employee, Director of the Company and each of their Immediate Relatives shall disclose as per Form C set out in Annexure VI to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of INR 10, 00,000/- (Rupees Ten Lakhs).
- b) The disclosure shall be made within two working days of; (i) the receipt of intimation of allotment of shares, or; (ii) the acquisition or sale of shares or voting rights, as the case may be.
- c) **Disclosure to the Stock Exchange:** The Compliance Officer shall notify the Stock Exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.
- d) **Disclosures by other Connected Persons:** The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company as per Form D set out in Annexure VII at such frequency as he may determine.

**IX. PENALTY FOR INSIDER TRADING:**

- 1) An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be terminated.
- 2) Directors, Officers and Employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in the Company's Stock Option Plans or termination.
- 3) The SEBI or any other appropriate regulatory authority would also be informed of the violation of these Rules so that appropriate action may be taken.

**X. MISCELLANEOUS:**

- 1) The Board of Directors shall be empowered to amend, modify, interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.
- 2) The Compliance Officer shall provide the Audit Committee and the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.
- 3) The Compliance Officer shall maintain – (i) Updated List of Designated Persons; (ii) records of disclosures and pre clearance applications and undertakings for a period of five years and (iii) a confidential list of any 'restricted securities' to which the Compliance Officer may require Designated Persons to seek pre clearance before Trading in such 'restricted securities'.
- 4) The Company shall require all Connected Persons to formulate and adhere to a Code of Conduct to achieve compliance with these Rules. In case such persons observe that there has been a violation of these Rules, then they shall inform the Board of Directors of the Company promptly.
- 5) In case it is observed by the Company/ Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company shall inform SEBI about any such violation.

**ANNEXURE I**  
**APPLICATION FOR PRE-TRADING APPROVAL**

To,  
The Compliance Officer,

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase / sell / subscribe \_\_\_\_\_ nos. of equity shares of the Company as per details given below:

1. Name of the applicant
2. Designation
3. Number of securities held as on date
4. Folio No. / DP ID / Client ID No.
5. The proposal is for (a) Purchase of securities (b) Subscription to securities  
(c) Sale of securities
6. Proposed date of trading in securities
7. Estimated number of securities proposed to be purchased/subscribed/sold
8. Current market price (as on date of application)
9. Whether the proposed transaction will be through stock exchange or off-market trade
10. Folio No. / DP ID / Client ID No. where the securities will be credited / debited

I enclose herewith the Undertaking signed by me.

**Signature:**

**Name:**

**Date:**

**ANNEXURE II**  
**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR**  
**PRE CLEARANCE**

To,  
The Compliance Officer,

I, \_\_\_\_\_, of the Company residing at \_\_\_\_\_, am desirous of trading in shares of the Company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction. I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking. In the event that I have access to or receive any unpublished price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time. In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction/ a 'Nil' report if the transaction is not undertaken. If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

I declare that I have made full and true disclosure in the matter.

**Signature:**

**Name:**

**Date:**



**ANNEXURE III**  
**FORMAT FOR DISCLOSURE OF TRANSACTIONS**  
**(To be submitted within 2 days of transaction/ dealing in securities of the Company)**

To,  
The Compliance Officer,  
MITCON Consultancy & Engineering Services Limited,  
Pune

I hereby inform that I

- Have not bought/ sold/ subscribed any securities of the Company
- Have bought/ sold/ subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_\_ (date)

Name of Holder	First or Joint Holder	Number of Securities dealt with	Bought/Sold/ Subscribed	DPID/CLIENT ID (electronic form) or Folio No. for Physical where the securities will be debited or credited	No. of securities held in such a/c	Price (Rs.)

In connection with the aforesaid transaction (s), I hereby undertake to preserve, for a period of 3 (Three) years and produce to the Compliance Officer/SEBI any of the following documents:

1. Broker's Contract note
2. Proof of payment to/from brokers
3. Extract of bank passbook /statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I declare that the above information is correct and that Provisions of the Company's Insider Trading Code and /or applicable laws/regulations have been contravened for effecting the above said transaction (s).

I agree to hold the above Securities for a minimum period of six months. In case there is any urgent need to sell these Securities within the said period, I shall approach the Company (Compliance Officer) for necessary approval (applicable in case of purchase/ subscription).

Yours truly,

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

**ANNEXURE IV**  
**FORM A**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1)**  
**(a) read with Regulation 6 (2) – Initial disclosure to the company]**

Name of the company:

\_\_\_\_\_

ISIN of the company:

\_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP /Directors / Immediate relative to / Others etc.	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	
1	2	3	4	5


**Note:** "Securities" shall have the meaning as defined under regulation 2(1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

**Name & Signature:**

**Designation:**

**Date:**

**Place:**

**ANNEXURE V**

**FORM B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a director/KMP/Promoter]**

Name of the company:

\_\_\_\_\_

ISIN of the company:

\_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP /Directors / Immediate relative to / Others etc.	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No	
1	2	3	4	5

--	--	--	--	--

**Note:** "Securities" shall have the meaning as defined under regulation 2(1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

**Date:**

**Name & Signature:**

**Place:**

**Designation:**

**ANNEXURE VI**  
**FORM C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2)]**  
**read with Regulation 6(2) – Continual disclosure]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN, & addresses with contact nos.	Category of Person (Promoters/ KMP / Directors / Immediate relative to / others etc. )	Securities held prior to acquisition / disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice / acquisition of shares / sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market /public/ rights/ preferential offer / off market / Inter-se transfer , ESOPs etc.)
		Type	No. and % of share holding	Type of security (Buy / Sale / Pledge / Revoke/ Invoice)	No	Value	Transaction Type (Buy / Sale / Pledge / Revoke/ Invoice)	Type of security (For eg. – Shares, Warrants , Convertible Debentures etc.)	No. and % of share holding	From	To		
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	Type of security (Buy / Sale / Pledge / Revoke/ Invoice)	No	Value	Transaction Type (Buy / Sale / Pledge / Revoke/ Invoice)	Type of security (For eg. – Shares, Warrants , Convertible Debentures etc.)	No. and % of share holding	From	To		

		ar ra nt s , C o n v e r t i b l e D e b e n t u r e s e t c.)											
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

**Note:** In case of Options, notional value shall be calculated based on Premium



*plus strike price of options.*

**Name & Signature:**

**Designation:**

**Date:**

**Place:**

**ANNEXURE VII**

**FORM D (Indicative format)**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 Regulation 7(3) –  
Transactions by Other connected persons as identified by the company  
Details of trading in securities by other connected persons as identified by  
the company**

Name, PAN, CIN/DIN, & address with contact	Connection with company	Securities held prior to acquisition / disposal		Securities acquired/Disposed			Securities held post acquisition/disposal			Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	Value	Transaction Type (Buy/Sale/Pledge/Revoked/Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To			
1	2	3		4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

**Note:** In case of Options, notional value shall be calculated based on Premium plus strike price of options.

**Name:**  
**Signature:**  
**Place:**

## **CODE FOR INDEPENDENT DIRECTORS**

### **MITCON CONSULTANY AND ENGINEERING SERVICES LIMITED**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

Implementation of best Corporate Governance practices by Independent Directors enhances the Company's governance and management efficiency, improves its image and contributes to the overall growth of the Company's shareholders value. The Code takes into account the specific legal compliance for the Independent Directors of Companies, as per the Act and also applicable laws and rules. This Code is a live document intended to be improved and amended based on best practices and evolving practices on Independent Directors in due course. Subject to the requirements of applicable laws, compliance with this Code is compulsory for all Independent Directors on the Board of Directors of the Company.

#### **I. Guidelines of professional conduct:**

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

#### **II. Role and functions:**

The independent directors shall:

- (1) Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

(4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

(5) safeguard the interests of all stakeholders, particularly the minority shareholders;

(6) balance the conflicting interest of the stakeholders;

(7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### III. **Duties :**

The independent directors shall—

(1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

(2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

(3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

(4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

(5) strive to attend the general meetings of the company;

(6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

(7) keep themselves well informed about the company and the external environment in which it operates;

(8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

(9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

(10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

(12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

(13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

#### **IV. Manner of appointment:**

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

#### **V. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

#### **VI. Resignation or removal:**

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.

(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

(3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

**VII. Separate meetings:**

(1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

(2) All the independent directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

- (a) review the performance of the Non Independent Directors and Board as a whole;
- (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**VIII. Evaluation mechanism:**

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

## **POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

### **I. COMMITMENT:**

Our Company is committed to providing conducive work environment to treat every employee with dignity, respect and equality encouraging professional growth equal opportunity.

The Company will not tolerate any form of sexual harassment and shall take all necessary measures to ensure that no employees are subjected to any form of sexual harassment.

### **II. SCOPE:**

This policy applies to all categories of employees of the Company, including permanent, management, workmen, temporaries, trainees and employees on contract at their workplace or outstations or at client sites. The Company also will not tolerate sexual harassment, if engaged in by clients or by suppliers or any other business associates.

The workplace includes:

1. All offices or other premises where the Company's business is conducted.
2. All company-related activities performed at any other site away from the Company's premises.
3. Any social, business or other functions where the conduct or comments may have an adverse impact on the workplace or workplace relations.

### **III. DEFINITION OF SEXUAL HARASSMENT:**

Sexual harassment may be one or a series of incidents involving unsolicited and unwelcome sexual advances, requests for sexual favours or any other verbal or physical conduct of sexual nature.

Sexual Harassment at the workplace includes:

1. unwelcome sexual advances (verbal, written or physical),
2. demand or request for sexual favours,
3. any other type of sexually-oriented conduct,
4. verbal abuse or 'joking' that is sex-oriented,
5. any conduct that has the purpose or the effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment and/or submission to such conduct is either an explicit or implicit term or condition of employment and /or submission or rejection of the conduct is used as a basis for making employment decisions.



#### **IV. RESPONSIBILITIES REGARDING SEXUAL HARASSMENT:**

All employees of the Company have a personal responsibility to ensure that their behavior is not contrary to this policy.

All employees are encouraged to reinforce the maintenance of a work environment free from sexual harassment.

#### **V. COMPLAINT MECHANISM:**

An appropriate complaint mechanism in the form of “**Complaints Committee**” has been created in the Company for time-bound redressal of the complaint made by the victim.

#### **VI. INTERNAL COMPLAINTS COMMITTEE:**

The Company has constituted a Complaints Committee for redressal of sexual harassment complaint (made by the victim) and for ensuring time bound treatment of such complaints.

Initially, and till further notice, the Internal Complaints Committee will comprise of the following members out of which at least two members will be of the same gender as that of the complainant:

- |                           |   |             |
|---------------------------|---|-------------|
| 1. Ms. Sujata Joshi       | - | Chairperson |
| 2. Ms. Priyanka Shukla    | - | Member      |
| 3. Adv. Rekha Mundada     | - | Member      |
| 4. Dr. Ganesh Khamgal     | - | Member      |
| 5. Mr. Abhijit Ashtoorkar | - | Member      |
| 6. Ms. Hemangi Nalavade   | - | Member      |
| 7. Ms. Ankita Agarwal     | - | Secretary   |

The Complaints Committee is responsible for:

- Investigating every formal written complaint of sexual harassment
- Taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment
- Discouraging and preventing employment-related sexual harassment

#### **VII. PROCEDURES FOR RESOLUTION, SETTLEMENT OR PROSECUTION OF ACTS OF SEXUAL HARASSMENT:**

The Company is committed to providing a supportive environment to resolve concerns of sexual harassment as under:

### **A. Informal Resolution Options:**

When an incident of sexual harassment occurs, the victim of such conduct can communicate their disapproval and objections immediately to the harasser and request the harasser to behave decently.

If the harassment does not stop or if victim is not comfortable with addressing the harasser directly, the victim can bring their concern to the attention of the Complaints Committee for redressal of their grievances. The Complaints Committee will thereafter provide advice or extend support as requested and will undertake prompt investigation to resolve the matter.

### **B. Complaints:**

1. An employee with a harassment concern, who is not comfortable with the informal resolution options or has exhausted such options, may make a formal complaint to the Presiding Officer of the Complaints Committee constituted by the Management. The complaint shall have to be in writing and can be in form of a letter, preferably within 15 days from the date of occurrence of the alleged incident, sent in a sealed envelope. Alternately, the employee can send complaint through an email. The employee is required to disclose their name, department, division and location they are working in, to enable the Presiding Officer to contact them and take the matter forward.
2. The Presiding Officer of the Complaints Committee will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the complaint fall under the purview of Sexual Harassment, preferably within 30 days from receipt of the complaint. In the event, the allegation does not fall under the purview of Sexual Harassment or the allegation does not constitute an offence of Sexual Harassment, the Presiding Officer will record this finding with reasons and communicate the same to the complainant.
3. If the Presiding Officer of the Complaints Committee determines that the allegations constitute an act of sexual harassment, he/ she will proceed to investigate the allegation with the assistance of the Complaints Committee.
4. Where such conduct, on the part of the accused, amounts to a specific offence under the law, the Company shall initiate appropriate action in accordance with law by making a complaint with the appropriate authority.
5. The Complaints Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Managing Director as soon as practically possible and in any case, not later than 90 days from the

date of receipt of the complaint. Managing Director will ensure corrective action on the recommendations of the Complaints Committee and keep the complainant informed of the same.

Corrective action may include any of the following:

- a. Formal apology
  - b. Counselling
  - c. Written warning to the perpetrator and a copy of it maintained in the employee's file.
  - d. Change of work assignment / transfer for either the perpetrator or the victim.
  - e. Suspension or termination of services of the employee found guilty of the offence
6. In case the complaint is found to be false, the Complainant shall, if deemed fit, be liable for appropriate disciplinary action by the Management.

#### **VIII.CONFIDENTIALITY:**

The Company understands that it is difficult for the victim to come forward with a complaint of sexual harassment and recognizes the victim's interest in keeping the matter confidential.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
MITCON CONSULTANCY & ENGINEERING SERVICES LTD.**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of MITCON Consultancy & Engineering Services Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our audit report.

Key audit matters	How our audit addressed the key audit matter
<b>Investment in Subsidiaries</b>	
<p>The Company carries investments in subsidiaries in its standalone financial statements. There is a risk that the carrying amount of investments is impaired.</p> <p>Management tests investments for impairment which involves significant estimates and judgements. This is one of the key Management judgmental areas.</p> <p>Refer Note 40 to the standalone financial statements.</p>	<p>Our audit procedures include the following procedures:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of any internal or external impairment indicators for investments in subsidiary;</li> <li>• For investments where there was an impairment trigger, obtained cash flow forecasts as done by management and valuation reports of independent valuer considered by management for impairment assessment of investment</li> </ul>
<b>Tax provision</b>	
<p>The Company is required to estimate its income tax liabilities according to the tax laws. Further, there are matters of interpretation in terms of application of tax laws and rules.</p> <p>This requires Management to make judgements to determine the possible outcome of tax positions taken.</p> <p>Refer Note 44 to the standalone financial statements.</p>	<p>Our audit procedures include the following procedures:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the key tax positions;</li> <li>• Obtained a list of updates to tax assessments and tax litigations during the year including an assessment of the impact of these updates on the tax positions and assessment of outcomes;</li> <li>• Discussed with management and evaluated management's estimations of tax provisions.</li> </ul>

### Emphasis of Matter

We draw attention to the following matters in the Note 40 to the standalone financial statements regarding financial exposure of the company in the below mentioned subsidiary companies -

Krishna Windfarms Developers Private Limited (KWDPL)

- a. Company's investments in equity share capital of KWDPL of INR 120,388,200 pledged with Axis Trustee Services Limited for Loan availed by KWDPL from L&T Infrastructure Finance Company Limited
- b. Issue of Corporate Guarantee on behalf of KWDPL of INR 420,000,000 for availing loan from L&T Infrastructure Finance Company Limited
- c. Outstanding trade receivable of INR 7,910,859
- d. Outstanding inter-corporate loan of INR 148,149,525

- e. Outstanding Interest on inter-corporate loan & debentures aggregating to INR 24,650,634
- f. Out of the inter-corporate loan granted in earlier year, an amount of INR 75,000,000 was converted during the year into 75,00,000 10.50% Compulsorily Convertible Debentures of Rs.10/- each, which are convertible into equity shares after a period of 15 months, and are outstanding as on 31<sup>st</sup> March 2019.

MITCON Sun Power Ltd. (MSPL)

- a. Outstanding inter-corporate loan of INR 9,600,000
- b. Outstanding Interest on inter-corporate loan of INR 376,136

MITCON Solar Alliance Ltd. (MSAL)

- a. Outstanding inter-corporate loan of INR 170,917,327
- b. Outstanding Interest on inter-corporate loan of INR 4,876,191

Subsidiaries have incurred losses during current and / or previous year and net-worth of subsidiaries as at 31 March 2019 have been substantially / fully eroded. However, based on certain estimates like future business plans, growth prospects and valuation report of independent valuer, the management is of the opinion that above stated inter corporate loans, interest on inter corporate loans and trade receivables are good and recoverable and investment in debenture and equity of the subsidiaries does not require any reduction in value of investment and hence no provision in respect of aforesaid amounts has been made in the accompanying standalone financial statements.

Our opinion is not modified in respect of the matter above.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone financial statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matters described under Emphasis of Matter paragraph above may have an adverse effect on the functioning of the company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR JOSHI & SAHNEY  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg.No.104359W)

Sd/-  
H.M.JOSHI  
PARTNER  
ICAI Membership No.031689

PUNE

DATE: 24<sup>th</sup> May, 2019

## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of the company on the standalone financial statements as of and for the year ended March, 31, 2019)**

i. In respect of its fixed assets:

- a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- c) The title deeds of immovable properties, as disclosed in Note 11 on Property, Plant and Equipment to the standalone financial statements, are held in the name of the company.

ii. As the company does not have any inventory at the end of the year, the provisions of clause 3(ii) of the Order are not applicable to the company.

iii. The company has not granted any loans, secured or unsecured to firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. The company has granted loans to the under mentioned companies covered in the register maintained u/s 189 of the Act :

Krishna Windfarms Developers Private Limited (KWDPL) - Wholly owned subsidiary:

As per the terms agreed with the Subsidiary Company, repayment of principal amount and interest shall be done upon repayment of term loan availed by the said Subsidiary Company from another financial institution or on availability of cash surplus with Subsidiary Company after repayment of term loan and meeting all operational expenses. Repayment of INR 2,160,080 has been done towards principal amount during the year.

Out of the inter-corporate loan granted to KWDPL in earlier year an amount of INR 75,000,000/- was converted during the year into 7,500,000 10.50% Compulsorily Convertible Debentures of INR 10/- each, which are convertible into equity shares after a period of 15 months.

Inter-corporate loan aggregating to INR 148,149,525/- is outstanding from KWDPL as on 31.3.2019.

Interest on loans and debentures charged during the year amounts to INR 24,351,212. Repayment of INR 12,479,139 has been done towards outstanding interest for previous year including the amount of Tax Deducted at Source on the said interest deposited by the Subsidiary Company with the Government Authority. Interest outstanding as at the end of the year amounts to INR 24,650,634.

MITCON Sun Power Limited (MSPL) – Wholly owned subsidiary:

Inter-corporate loan granted during the year aggregating to INR 9,600,000 and interest thereon is INR 417,929. As per the terms agreed with the Subsidiary Company, repayment of principal amount and interest shall be done upon availability of cash surplus with Subsidiary Company after meeting all operational expenses. No repayment of principal amount and interest has been made by the Subsidiary Company during the year except the amount of Tax Deducted at Source on the said interest and deposited by the Subsidiary Company with the Government Authority.

MITCON Solar Alliance Limited (MSAL) - Subsidiary of MSPL:

Inter-corporate loan granted during the year aggregating to INR 270,917,327 and interest thereon is INR 5,417,992. As per the terms agreed with MSAL, repayment of principal amount and interest shall be done upon availability of cash surplus with MSAL after meeting all operational expenses. Repayment of INR 100,000,000 has been done towards principal amount. No payment of interest has been made by MSAL during the year except the amount of Tax Deducted at Source on the said interest and deposited by MSAL with the Government Authority.

- iv. Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion the company has not given any loans, guarantees or securities to any of its Directors or to any other persons in whom the Director is interested under provisions of Section 185 of the Act. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Act in respect of loans and investments made by it.
- v. The company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government has specified maintenance of cost records under Sec.148 (1) of the Act, applicable in respect of wind power generation activity of the company and we are of the opinion that prima facie such accounts and records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they were accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited with the appropriate authorities. As explained to us, the company did not have any dues on account of Sales Tax, Service Tax and duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Value added Tax,

Sales Tax, Service Tax, Goods & Service Tax, Cess, and other statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company, examined by us there are no dues of Sales Tax, Service Tax, Goods and Service Tax, duty of Custom, duty of Excise, Value added Tax and Cess as at 31st March 2019, which have not been deposited on account of any dispute.

- viii. 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 loans or borrowings from a Bank. The Company does not have any loan or borrowings from Financial Institutions or Government. There are no debenture holders.
- ix. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). The moneys raised by way of term loan from a bank during the year were applied for the purposes for which they were raised.
- x. Based upon the audit procedures performed and information and explanations given to us by the Management, we have neither come across any instance of fraud on or by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- xii. As the Company is not a nidhi company and the nidhi rules 2014 are not applicable to it, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company (See Note 39(iv) of Standalone financial statements).
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions

with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the company.

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

FOR JOSHI & SAHNEY  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg.No.104359W)

Sd/-  
H.M.JOSHI  
PARTNER  
ICAI Membership No.031689

PUNE

DATE: 24<sup>th</sup> May, 2019

## **Annexure B to Independent Auditors' Report**

**Referred to in paragraph 2(g) of the Independent Auditors' Report of even date to the members of MITCON Consultancy & Engineering Services Ltd. on the standalone financial statements for the year ended 31<sup>st</sup> March, 2019**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ('The Act').**

1. We have audited the internal financial controls over financial reporting with reference to standalone financial statements of MITCON Consultancy & Engineering Services Ltd. ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

2. 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 Act.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to standalone financial statements 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 as specified under section 143(10) of the Act 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls

over financial reporting with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to standalone financial statements, 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 standalone financial statements, whether due to fraud or error.

5. 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 with reference to standalone financial statements.

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

6. 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 standalone financial statements.

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

7. 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 with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting with reference to standalone financial statements were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components

of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR JOSHI & SAHNEY  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg.No.104359W)

Sd/-  
H.M.JOSHI  
PARTNER  
ICAI Membership No.031689

PUNE  
DATE: 24<sup>th</sup> May, 2019




**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**
**CIN - L74140PN1982PLC026933**
**BALANCE SHEET AS AT 31st MARCH, 2019**

Particulars		Note No.	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds</b>			
	(a) Share Capital	2	121,000,000.00	121,000,000.00
	(b) Reserves and Surplus	3	824,029,730.00	807,857,459.00
			<b>945,029,730.00</b>	<b>928,857,459.00</b>
(2)	<b>Non-Current Liabilities</b>			
	(a) Long Term Borrowings	4	86,419,195.00	-
	(b) Deferred Tax Liabilities (Net)	5	11,241,526.00	12,439,670.00
	(c) Other Long Term Liabilities	6	13,992,242.00	1,854,103.00
	(d) Long Term Provisions	7	5,706,360.00	5,209,920.00
			<b>117,359,323.00</b>	<b>19,503,693.00</b>
(3)	<b>Current Liabilities</b>			
	(a) Trade Payables	8		
	i) Total outstanding dues to Micro Enterprises and Small enterprises		1,209,067.00	-
	ii) Total outstanding dues to creditors other than Micro Enterprises and Small enterprises			
	- to related party		7,464,368.00	-
	- to others		68,555,611.00	80,466,319.00
	(b) Other Current Liabilities	9	29,149,622.00	29,832,951.00
	(c) Short-Term Provisions	10	11,667,497.00	7,684,742.00
			<b>118,046,165.00</b>	<b>117,984,012.00</b>
	<b>Total</b>		<b>1,180,435,218.00</b>	<b>1,066,345,164.00</b>
<b>II</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipment			
	(i) Tangible Assets	11	194,993,991.00	205,650,411.00
	(ii) Intangible Assets	11	6,524,135.00	8,602,896.00
			<b>201,518,126.00</b>	<b>214,253,307.00</b>
	(b) Non-Current Investments	12	229,737,691.00	59,185,123.00
	(c) Long Term Loans and Advances	13	465,620,221.00	329,389,613.00
			<b>695,357,912.00</b>	<b>388,574,736.00</b>
(2)	<b>Current Assets</b>			
	(a) Current Investments	14	-	6,000,000.00
	(b) Trade Receivables	15	120,994,833.00	155,349,255.00
	(c) Cash and Bank Balances	16	92,543,489.00	247,169,972.00
	(d) Short-Term Loans and Advances	17	69,988,828.00	54,969,551.00
	(e) Other Current Assets	18	32,030.00	28,343.00
			<b>283,559,180.00</b>	<b>463,517,121.00</b>
	<b>Total</b>		<b>1,180,435,218.00</b>	<b>1,066,345,164.00</b>

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached

For Joshi and Sahney

Chartered Accountants

ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-

H. M. Joshi

Partner

ICAI Membership. No. 031689

sd/-

JP Dange

Chairman

DIN: 03056226

sd/-

Dr. Pradeep Bavadekar

Managing Director

DIN:00879747

sd/-

Ram Mapari

Chief Financial Officer

Date: 24th May, 2019

Place: Pune

sd/-

Ankita Agarwal

Company

Secretary M No.

A49634

Date: 24th May, 2019

Place: Pune



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**CIN - L74140PN1982PLC026933**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019**

Particulars		Note No.	For the year ended 31st March, 2019 INR	For the year ended 31st March, 2018 INR
<b>I</b>	Revenue from Operations	19	583,501,911.00	583,762,237.00
<b>II</b>	Other Income	20	49,599,171.00	39,865,910.00
<b>III</b>	<b>Total Revenue (I +II)</b>		<b>633,101,082.00</b>	<b>623,628,147.00</b>
<b>IV</b>	Expenses:			
	Operating Costs	21	357,361,118.00	325,625,059.00
	Employee Benefit Expense	22	122,761,256.00	119,997,835.00
	Finance Costs	23	5,200,373.00	7,724,507.00
	Depreciation Expense - Tangible Assets	11	14,105,993.00	18,857,583.00
	Amortization Expense - Intangible Assets	11	4,478,761.00	6,369,003.00
	Other Expenses	24	92,618,407.00	104,848,181.00
	<b>Total Expenses</b>		<b>596,525,908.00</b>	<b>583,422,168.00</b>
<b>V</b>	Profit Before exceptional and extraordinary items & Tax (III-IV)		36,575,174.00	40,205,979.00
<b>VI</b>	Exceptional items (refer note 43)		1,605,078.00	(32,077.00)
<b>VII</b>	Profit Before extraordinary items & Tax (V-VI)		38,180,252.00	40,173,902.00
<b>VIII</b>	Extraordinary items		-	4,332,525.00
<b>IX</b>	Profit Before Tax (VII - VIII)		38,180,252.00	35,841,377.00
<b>X</b>	Tax Expense:			
	(1) Current Tax		11,300,000.00	9,100,000.00
	(2) Deferred Tax (Net)		(1,198,144.00)	(1,311,055.00)
	(3) Excess provision for Taxation of Earlier years		(3,263,190.00)	(214,676.00)
			<b>6,838,666.00</b>	<b>7,574,269.00</b>
<b>XI</b>	<b>Profit for the year</b>		<b>31,341,586.00</b>	<b>28,267,108.00</b>
<b>XII</b>	<b>Earnings per equity share (Face value INR. 10/-)</b>			
	Basic	<b>34</b>	<b>2.59</b>	<b>2.34</b>
	Diluted	<b>34</b>	<b>2.58</b>	<b>2.34</b>

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached  
 For Joshi and Sahney  
 Chartered Accountants  
 ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-  
 H. M. Joshi  
 Partner  
 ICAI Membership. No. 031689

sd/-  
 J P Dange  
 Chairman  
 DIN: 03056226

sd/-  
 Dr. Pradeep Bavadekar  
 Managing Director  
 DIN:00879747

Date: 24th May, 2019  
 Place: Pune

sd/-  
 Ram Mapari  
 Chief Financial Officer  
 Date: 24th May, 2019  
 Place: Pune

sd/-  
 Ankita Agarwal  
 Company Secretary  
 M No. A49634



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**CIN - L74140PN1982PLC026933**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018	
	INR	INR	INR	INR
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax:</b>		38,180,252.00		35,841,377.00
Adjustments for:				
Depreciation & Amortisation	18,584,754.00		25,226,586.00	
Finance Costs	5,200,373.00		7,724,507.00	
Loss on sale of fixed assets	-		72,821.00	
Provision for diminution in value of investment	118,922.00		32,077.00	
Gain on sale of Investment	(1,724,000.00)		(24,348.00)	
Interest income	(35,964,522.00)		(29,155,335.00)	
Gain on Redemption of Mutual Funds	(1,923,605.00)			
		(15,708,078.00)		3,876,308.00
Operating profit before Working Capital changes		22,472,174.00		39,717,685.00
Adjustments for changes in Working capital:				
Long term Loans and advances	64,251,039.00		(56,304,807.00)	
Trade Receivables	34,354,422.00		19,551,005.00	
Short term Loans and advances	(573,827.00)		4,671,768.00	
Other current assets	(3,687.00)		23,913,317.00	
Other long term liabilities	12,138,139.00		(862,500.00)	
Long term Provisions	496,440.00		(571,549.00)	
Trade Payables	(3,237,273.00)		19,341,191.00	
Other current liabilities	(683,329.00)		6,260,815.00	
Short term Provisions	3,982,755.00		349,705.00	
		110,724,679.00		16,348,945.00
Cash generated from operations		133,196,853.00		56,066,630.00
Income taxes paid / (refund) / [NET]		(22,482,260.00)		3,186,084.00
<b>Net Cash flow from Operating Activities</b>		110,714,593.00		59,252,714.00
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Fixed Assets:				
Purchase of Fixed Assets	(6,459,807.00)		(6,466,607.00)	
Sale proceeds of Fixed Assets	17,860.00		109,666.00	
Investments:				
Purchase of Investment - Non Current	(170,697,490.00)		(77,000.00)	
Loan to Associate and interest thereon	(200,481,647.00)		(238,088,166.00)	
Sale proceeds - Current Investment	7,923,605.00		235,136,667.00	
Sale proceeds - Non Current Investment	1,750,000.00			
Interest income	35,964,522.00		29,155,335.00	
<b>Net Cash from / (used) in investing activities</b>		(331,982,957.00)		19,769,895.00
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Long Term Borrowings	86,419,195.00		-	
Finance Cost	(5,200,373.00)		(7,724,507.00)	
Dividend & tax on Dividend paid	(14,576,941.00)		(14,563,275.00)	
<b>Net Cash flow from/(used) in financing activities</b>		66,641,881.00		(22,287,782.00)
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		(154,626,483.00)		56,734,827.00
Cash and Cash Equivalents (Opening balance)		247,169,972.00		190,435,145.00
Cash and Cash Equivalents (Closing balance)		92,543,489.00		247,169,972.00

Notes :

1 Figures in brackets represent outflows of cash and cash equivalents.

2 Cash and cash equivalents comprise of :

	<b>As at 31st Mar, 2019 INR</b>	<b>As at 31st Mar, 2018 INR</b>
<b>Cash and cash equivalents</b>		
Cash on hand	678,566.00	529,636
Cheques, drafts on hand	9,102,631.00	870,287
<b>Balance with Bank</b>		
Balances with banks (including deposits with less than 3 months maturity)	52,697,855.00	79,960,440
<b>Other bank balances</b>		
- Deposits with maturity of more than three months but less than 12 months	-	95,033,671
- Margin Money for Bank Guarantees	29,112,930.00	69,545,057
- Earmarked balances	951,507.00	1,230,881
<b>Total</b>	<b>92,543,489.00</b>	<b>247,169,972.00</b>

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached  
For Joshi and Sahney  
Chartered Accountants  
ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-  
H. M. Joshi  
Partner  
ICAI Membership. No. 031689

sd/-  
JP Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN:00879747

sd/-  
Ram Mapari  
Chief Financial Officer  
Date: 24th May, 2019  
Place: Pune

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune



## 1 SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of preparation of financial statements

a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention. The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013

b) The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis except for those items with significant uncertainties. The accounting policies applied are consistent with those used in the previous year.

### 1.2 Revenue Recognition

**A** Revenue from Consultancy / Project Services / Incubation / Environment Laboratory Services is recognised as per the terms of the specific contracts / work orders.

**B** Revenue from training programs is accounted as follows: -

i) Fees from the participants are accounted based on percentage completion of tenure of training program

ii) Revenue from Government sponsored training programs is recognized on completion of training program

iii) Revenue from training activities conducted on behalf of Maharashtra Knowledge Corporation Limited (MKCL), being not reasonably determinable, is recognised on receipt basis (See note 36)

**C** Revenue from Wind energy generation is recognised based on units generated.(Net of rebate)

**D** Interest income is recognised on a time proportion basis.

**E** Dividend income is recognised only when the company's right to receive the dividend is established.

### 1.3 Use of Estimates

Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date. Any revision to accounting estimates is recognized prospectively in current and future period.

### 1.4 Property, Plant & Equipment and Intangible Assets

i) The company has adopted Cost Model to measure the gross carrying amount of fixed assets.

ii) Tangible Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.

iii) Intangible assets are stated at the consideration paid for acquisition and customisation thereof less accumulated amortisation.

iv) Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress

v) Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

### 1.5 Depreciation / Amortisation

i) Depreciation on tangible fixed assets has been provided on straight line method over the estimated useful life of the asset in the manner prescribed in Schedule II of the Companies Act, 2013, except in the case of Wind Turbine Generator which is depreciated over 20 years as per technical evaluation by manufacturer

ii) Intangible asset being cost of Software capitalised is amortised over a period of three years.

ii) Residual value for all tangible assets except freehold land is considered @1% of cost

### 1.6 Impairment of Assets

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

### 1.7 Government Grants

Government grants in the nature of promoters' contribution are credited to Capital Grants under Reserves and Surplus and treated as a part of shareholders' funds. Utilisation thereof is as per covenants of grants received.

Such grants are reduced to the extent of utilisation thereof and depreciation charged and loss on sale or discard of fixed assets purchased there from.

Balance remaining in the Grant after completion of its intended purpose, is transferred to General Reserve.

### 1.8 Operating Lease

Operating lease payments are recognized as an expense in the Statement of Profit and Loss and Operating lease receipts are recognized as an income in the Statement of Profit and Loss.

### 1.9 Investments

i) Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.

ii) Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

### 1.10 Retirement Benefits

#### a) Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

#### b) Employment Benefits:

##### i) Defined Contribution Plans:

The company has Defined Contribution Plans for post employment benefit in the form of Provident Fund / Pension Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund / Pension Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**ii) Defined Benefit Plans:**

**a) Funded Plan:**

The company has defined benefit plan for post employment benefit in the form of gratuity for the employees which are administered through Life Insurance Corporation of India. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

**b) Non Funded Plan:**

The company has defined benefit plan for the employment benefit in the form of leave encashment for the employees. Liability for above defined benefit plan is provided on the basis of the valuation as at the Balance Sheet date carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

iii) The actuarial gains and losses arising during the year are recognized in the Statement of Profit and Loss for the year without resorting to any amortization.

**1.11 Income Tax**

**a) Current Taxation:**

Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961

Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.

**b) Deferred Tax**

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date.

**1.12 Earnings Per Share**

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**1.13 Foreign Currency Transaction**

**i) Initial Recognition :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii) Exchange Differences :**

Exchange differences arising on the settlement of foreign currency transactions are recognised as income or as expense in the year in which they arise.

**1.14 Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions** are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

**Contingent Liability** is disclosed in case of

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations;
- b) a present obligation arising from past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

**Contingent Assets** are neither recognised, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

**1.15 Segment Reporting**

The company identifies primary segments based on the dominant source, nature of risks, returns and the internal organization structure. The operating segments are the segments for which separate financial information is available and for which operating Profit/Loss amounts are evaluated regularly by the Management in deciding how to allocate resource and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

**1.16 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated

**1.17 Dividend**

Dividend is recognised as liability in the period in which it is declared by the Company (usually when approved by shareholders in General Meeting) or paid

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE 2 - SHARE CAPITAL**

Particulars	As at	As at
	31st March, 2019 INR	31st March, 2018 INR
<b>Authorised:</b> 25,000,000 Equity Shares of INR 10/- each.	250,000,000.00	250,000,000.00
<b>Issued, Subscribed and Paid up:</b> 12,100,000 Equity Shares of INR 10/- each.	121,000,000.00	121,000,000.00
<b>Total</b>	<b>121,000,000.00</b>	<b>121,000,000.00</b>

**Notes:**

**a) Reconciliation of the no. of shares :**

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	No of shares	Amount	No of shares	Amount
No of Equity shares outstanding at the beginning of the year (Face Value of INR 10/-)	12,100,000	121,000,000.00	12,100,000	121,000,000
No of Equity shares outstanding at the end of the year ( Face value of INR10/-)	12,100,000	121,000,000.00	12,100,000	121,000,000

**b) Rights, preferences and restrictions attached to shares:**

The company has one class of equity shares having a par value of INR 10/- per share. Each equity holder is entitled to one vote per share and have a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders.

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

**c) Shares allotted as fully paid-up by way of bonus shares (during immediately preceding 5 years):**

Particulars	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
Equity Shares allotted as fully paid-up bonus shares by capitalisation of accumulated profits	-	-	-	-	-

**d) Number of Equity shares held by each shareholder holding more than 5% shares in the company are as follows:**

Particulars	Number of shares as at 31st March, 2019 of INR10/-each	% of shares held	Number of shares as at 31st March, 2018 of INR10/-each	% of shares held
1) SIDBI Trustee Company Limited A/c India Opportunities Ltd	1,638,000	13.54%	1,638,000	13.54%
2) Small Industries Development Bank of India	1,000,000	8.26%	1,000,000	8.26%
3) SICOM Ltd.	-	0.00%	800,000	6.61%
4) Mukul Mahavir Prasad Agrawal	752,000	6.21%	752,000	6.21%

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE 3 - RESERVES AND SURPLUS**

Particulars	INR.	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Capital Grants :</b> <b>Capital Grant Received from :</b>			
<b>1) Ministry of Food Processing Industry, Govt. of India</b> For setting up Food Processing Training Centre Less :- Depreciation for the year <b>Closing Balance</b>	3,810.00  3,810.00	-	9,691.00 5,881.00 3,810.00
<b>2) Grant received from MSME under ASPIRE scheme (For Upgradation of Technical Business Incubator)</b> Opening Balance Add: received during the year Less :- Utilised towards consumable purchase Less :- Depreciation for the year <b>Closing Balance</b>	1,992,514.00 - 588,564.00	1,403,950.00	2,585,560.00 - 593,046.00 1,992,514.00
<b>Securities Premium:</b> As per last Balance Sheet		173,557,818.00	173,557,818.00
<b>General Reserve:</b> Opening Balance		91,276,262.00	91,276,262.00
<b>Surplus in Statement of Profit &amp; Loss</b> Opening Balance Less: Dividend INR 1 per share (previous year INR 1 per share) Less: Dividend distribution tax Add: Profit for the year	541,027,055.00 12,100,000.00 2,476,941.00 31,341,586.00	557,791,700.00	527,323,222.00 12,100,000.00 2,463,275.00 28,267,108.00 541,027,055.00
<b>Closing Balance</b>		<b>557,791,700.00</b>	<b>541,027,055.00</b>
<b>Total</b>		<b>824,029,730.00</b>	<b>807,857,459.00</b>

Note: Grant remaining unspent received in earlier year from Technology Development Board , being repayable on demand, has been classified and regrouped as current liability and loan given to incubatee out of said grant has been regrouped under Current Assets



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF FINANCIAL STATEMENTS  
 NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
a) Loan against property # A) from ICICI bank Ltd.	86,419,195.00	-
<b>Total</b>	<b>86,419,195.00</b>	<b>-</b>

# Term Loan - Nature of Security	Terms of Repayment
Loan against property from ICICI Bank Limited, Total balance outstanding of INR 89,284,393/- is secured by hypothecation of office premises of the Company at Kubera Chambers, Shivajinagar, Pune .	1) Repayment of INR 7 crore loan @ 9.50% p.a.- in 180 monthly installments starting from 5th December, 2018, last installment due on 5th November, 2033 . 2) Repayment of INR 2 crore loan @ 10.55% p.a.- in 180 monthly installments starting from 5th April, 2019, last installment due on 5th March, 2034 .

NOTE 5 - Deferred Tax

(i) Break up of Deferred Tax Liability as at year end :

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Depreciation	15,554,617.00	14,860,966.00
<b>Total</b>	<b>15,554,617.00</b>	<b>14,860,966.00</b>

(ii) Break up of Deferred Tax Asset as at year end:

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Leave encashment / gratuity / doubtful debts	4,313,091.00	2,421,296.00
<b>Total</b>	<b>4,313,091.00</b>	<b>2,421,296.00</b>
<b>(iii) Deferred Tax Liability (net)</b>	<b>11,241,526.00</b>	<b>12,439,670.00</b>

NOTE 6 -OTHER LONG TERM LIABILITIES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Retention money from vendor	3,992,242.00	1,854,103.00
Security deposit (from related party)	10,000,000.00	-
<b>Total</b>	<b>13,992,242.00</b>	<b>1,854,103.00</b>

NOTE 7 - LONG TERM PROVISIONS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Leave Encashment	5,706,360.00	5,209,920.00
<b>Total</b>	<b>5,706,360.00</b>	<b>5,209,920.00</b>

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF FINANCIAL STATEMENTS  
 NOTE 8 - TRADE PAYABLES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Trade Payables		
i) total outstanding dues to Micro Enterprises and Small enterprises	1,209,067.00	-
ii) total outstanding dues to creditors other than Micro Enterprises and Small enterprises		
To Related party	7,464,368.00	-
To Others	68,555,611.00	80,466,319.00
<b>Total</b>	<b>77,229,046.00</b>	<b>80,466,319.00</b>

NOTE 9 - OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Other Payables</b>		
Advance from Customers	5,258,029.00	5,885,964.00
Amount refundable to Associate company	-	10,810,922.00
Grant repayable on demand - Technology Development Board	4,820,317.00	4,694,671.00
Current Maturities of other long term loans #	2,865,198.00	-
Interest on loan accrued but not due	607,506.00	-
Provident Fund Contribution Employee & Employer	1,439,556.00	1,444,239.00
ESIC Payable	61,356.00	46,277.00
TDS & GST Payable	11,273,281.00	5,814,371.00
Security Deposits	2,824,379.00	1,136,507.00
<b>Total</b>	<b>29,149,622.00</b>	<b>29,832,951.00</b>

# - For particulars of security and terms of repayment see note 4

NOTE 10 - SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Leave Encashment	8,497,109.00	7,684,742.00
Provision for Gratuity	3,170,388.00	-
<b>Total</b>	<b>11,667,497.00</b>	<b>7,684,742.00</b>

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE 12 - NON CURRENT INVESTMENTS**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Investments (At Cost)</b>		
<b>Investment in Subsidiaries - (Trade, Unquoted)</b>		
5,100 Fully paid up Equity shares of INR 10/- each of MITCON Multiskills Ltd	18,923.00	51,000.00
Less: Provision for Diminution in value of investment	(18,923.00)	(32,077.00)
	-	18,923.00
12,000,049 (PY 5,880,000) Fully paid up Equity shares of INR 10/- each of Krishna Windfarms Developers Private Limited (KWDPL) #	120,388,690.00	59,065,200.00
10.50% 75,00,000 (PY Nil) Compulsarily Convertible Debentures of INR 10/- each of Krishna Windfarms Developers Private Limited ##	75,000,000.00	-
10,000 (PY Nil) Fully paid up Equity shares of INR 10/- each of MITCON Sun Power Ltd	100,000.00	-
10,000 (PY Nil) Fully paid up Equity shares of INR 10/- each of MITCON Forum for Social Development (refer note 42)	1.00	-
10,000 (PY Nil) Fully paid up Equity shares of INR 10/- each of MITCON Valuers and Advisors Private Limited	100,000.00	-
2,300,000 (PY Nil) Fully paid up Equity shares of INR 10/- each of MITCON Trusteeship Services Private Limited	23,000,000.00	-
<b>Investment in Associates - (Trade, Unquoted)</b>		
Nil (PY 2600) fully paid up Equity shares of INR 10/- each of MITCON Megaskill Centers Pvt. Ltd.	-	26,000.00
4,900 (PY Nil) Fully paid up Equity shares of INR 10/- each of MITCON Insolvency Professional Services Private Limited (invested at the premium of INR 2250/- per share)	11,074,000.00	-
<b>Non-trade, Unquoted</b>		
<b>Other Investments:</b>		
<b>In Government Securities -</b>		
National Savings Certificates	75,000.00	75,000.00
<b>Total</b>	<b>229,737,691.00</b>	<b>59,185,123.00</b>

Aggregate amount of unquoted investments INR 229,737,691/- (Previous Year INR 59,185,123/-)

# - 12,000,000 Equity Shares of KWDPL are pledged with Axis Trustee Services Ltd. for term loan of INR 420,000,000/- availed by KWDPL from L & T Infrastructure Finance Company Limited.

## - During the year the company converted partial loan given to M/s Krishna Windfarms Developers Private Limited of INR 75,000,000/- into 75,00,000 compulsarily convertible debentures (@ 10.50% p.a.) of Rs.10/- each, convertible into Equity Shares after fifteen months.

Particulars	TANGIBLE ASSETS											Grant Assets					INTANGIBLE ASSETS		Total of Tangible & Intangible Assets		
	Land-Freehold	Improvement to Leasehold Properties	Building #	Energy Audit Equipments	Furniture & Fixture	Vehicle	Office Equipment	Environment & BT Equipments	Computer & Printers	Electrical Installations & Equipments	Wind Power Project	Total	Office Equipment	Furniture & Fixture	Computer & Printers	Electrical Installations & Equipments	Total	Total of Tangible & Grant Assets		Computer Softwares	
																					INR
<b>COST</b>																					
As at April 1, 2017	200,000	12,084,654	173,101,958	13,562,945	36,338,811	6,502,423	30,834,957	12,721,216	40,067,994	13,151,657	41,982,900	380,549,515	7,665,664	1,021,551	432,000	867,660	9,986,875	390,536,390	44,987,123	435,523,513	
Additions	-	-	-	15,357	236,491	59,979	1,198,161	75,422	653,696	-	-	2,239,106	-	-	-	-	-	2,239,106	10,237,228	12,476,334	
Disposals / adjustments	-	-	-	-	6,188	-	643,021	-	557,531	-	-	1,206,740	49,026	-	-	-	49,026	1,255,766	119,200	1,374,966	
<b>Balance as at March 31, 2018</b>	<b>200,000</b>	<b>12,084,654</b>	<b>173,101,958</b>	<b>13,578,302</b>	<b>36,569,114</b>	<b>6,562,402</b>	<b>31,390,097</b>	<b>12,796,638</b>	<b>40,164,159</b>	<b>13,151,657</b>	<b>41,982,900</b>	<b>381,581,881</b>	<b>7,616,638</b>	<b>1,021,551</b>	<b>432,000</b>	<b>867,660</b>	<b>9,937,849</b>	<b>391,519,730</b>	<b>55,105,151</b>	<b>446,624,881</b>	
As at April 1, 2018	200,000	12,084,654	173,101,958	13,578,302	36,569,114	6,562,402	31,390,097	12,796,638	40,164,159	13,151,657	41,982,900	381,581,881	7,616,638	1,021,551	432,000	867,660	9,937,849	391,519,730	55,105,151	446,624,881	
Additions	-	-	2,838,710	67,386	543,050	-	167,327	-	443,334	-	-	4,059,807	-	-	-	-	-	-	6,459,807	10,237,228	12,476,334
Disposals / adjustments	-	-	-	-	26,301	-	468,112	-	1,935,266	-	-	2,429,679	117,700	-	-	-	117,700	2,547,379	2,547,379	2,547,379	
<b>Balance as at March 31, 2019</b>	<b>200,000</b>	<b>12,084,654</b>	<b>175,940,668</b>	<b>13,645,688</b>	<b>37,085,863</b>	<b>6,562,402</b>	<b>31,089,312</b>	<b>12,796,638</b>	<b>38,672,227</b>	<b>13,151,657</b>	<b>41,982,900</b>	<b>383,212,009</b>	<b>7,498,938</b>	<b>1,021,551</b>	<b>432,000</b>	<b>867,660</b>	<b>9,820,149</b>	<b>393,032,158</b>	<b>57,505,151</b>	<b>450,537,309</b>	
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>																					
As at April 1, 2017	-	5,767,578	13,874,850	11,611,913	19,391,398	4,220,491	24,790,258	7,356,946	36,622,223	7,127,265	29,350,199	160,113,121	5,074,537	1,008,116	432,000	858,317	7,372,970	167,486,091	40,252,452	207,738,543	
Depreciation Charge for the year	-	944,946	2,883,401	888,335	3,960,192	635,255	2,953,361	2,300,146	1,953,157	1,193,389	1,145,401	18,857,583	594,103	2,893	-	2,053	599,049	19,456,632	6,369,003	25,825,635	
Disposals / adjustments	-	-	-	-	4,546	-	462,177	-	557,655	-	-	1,024,378	49,026	-	-	-	49,026	1,073,404	119,200	1,192,604	
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>6,712,524</b>	<b>16,758,251</b>	<b>12,500,248</b>	<b>23,347,044</b>	<b>4,855,746</b>	<b>27,281,442</b>	<b>9,657,092</b>	<b>38,017,725</b>	<b>8,320,654</b>	<b>30,495,600</b>	<b>177,946,326</b>	<b>5,619,614</b>	<b>1,011,009</b>	<b>432,000</b>	<b>860,370</b>	<b>7,922,993</b>	<b>185,869,319</b>	<b>46,502,255</b>	<b>232,371,574</b>	
Depreciation Charge for the year	-	819,624	2,875,515	404,685	2,901,293	614,881	1,711,726	1,237,647	1,382,898	1,020,974	1,136,750	14,105,993	587,895	2,622	-	1,857	592,374	14,698,367	4,478,761	19,177,128	
Disposals / adjustments	-	-	-	-	26,301	-	450,282	-	1,935,266	-	-	2,411,849	117,670	-	-	-	117,670	2,529,519	2,529,519	2,529,519	
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>7,532,148</b>	<b>19,633,766</b>	<b>12,904,933</b>	<b>26,222,036</b>	<b>5,470,627</b>	<b>28,542,886</b>	<b>10,894,739</b>	<b>37,465,357</b>	<b>9,341,628</b>	<b>31,632,350</b>	<b>189,640,470</b>	<b>6,089,839</b>	<b>1,013,631</b>	<b>432,000</b>	<b>862,227</b>	<b>8,397,697</b>	<b>198,038,167</b>	<b>50,981,016</b>	<b>249,019,183</b>	
<b>NET BLOCK at March 31, 2019</b>	<b>200,000</b>	<b>4,552,506</b>	<b>156,306,902</b>	<b>740,755</b>	<b>10,863,827</b>	<b>1,091,775</b>	<b>2,546,426</b>	<b>1,901,899</b>	<b>1,206,870</b>	<b>3,810,029</b>	<b>10,350,550</b>	<b>193,571,539</b>	<b>1,409,099</b>	<b>7,920</b>	<b>-</b>	<b>5,433</b>	<b>1,422,452</b>	<b>194,993,991</b>	<b>6,524,135</b>	<b>201,518,126</b>	
<b>NET BLOCK at March 31, 2018</b>	<b>200,000</b>	<b>5,372,130</b>	<b>156,343,707</b>	<b>1,078,054</b>	<b>13,222,070</b>	<b>1,706,656</b>	<b>4,108,655</b>	<b>3,139,546</b>	<b>2,146,434</b>	<b>4,831,003</b>	<b>11,487,300</b>	<b>203,635,555</b>	<b>1,997,024</b>	<b>10,542</b>	<b>-</b>	<b>7,290</b>	<b>2,014,856</b>	<b>205,650,411</b>	<b>8,602,896</b>	<b>214,253,307</b>	

# - Includes Nagpur office premises having WDV INR 10,953,384/-, which has been mortgaged in favour of Bank of Baroda, Shivajinagar branch, Pune for non fund based limit of INR 50,000,000/-.

# - Includes office premises at Kubera Chambers Shivajinagar Pune having WDV as on 31st March, 2019, INR 13,641,822/-, which has been mortgaged on in favour of ICICI Bank Limited, Shivajinagar branch, Pune for loan of INR 90,000,000/- obtained against property

# - Includes leasehold office premises of INR 2,838,710/-.

## - Out of above, depreciation of INR 14,105,993/- has been charged against Profit and balance INR 592,374/- has been reduced from respective Grants

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS  
NOTE 13 - LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Unsecured, Considered Good</b>		
Capital Advances	-	63,992,650.00
Share Application money to Subsidiary	80,000,000.00	-
Security Deposits	25,631,637.00	25,631,637.00
Prepaid Expenses	28,118.00	57,950.00
Prepaid gratuity contribution	-	1,619,210.00
Loan to Incubatee	1,390,653.00	-
Loan to related party		
Krishna Windfarms Developers Private Limited	148,149,525.00	225,309,605.00
MITCON Sun Power Limited	9,600,000.00	-
MITCON Solar Alliance Limited	170,917,327.00	-
Interest on loan to related party		
Krishna Windfarms Developers Private Limited	24,650,634.00	12,778,561.00
MITCON Sun Power Limited	376,136.00	-
MITCON Solar Alliance Limited	4,876,191.00	-
<b>Total</b>	<b>465,620,221.00</b>	<b>329,389,613.00</b>

NOTE 14 -CURRENT INVESTMENTS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Others</b>		
<b>Quoted at Cost</b>		
Investments in Mutual funds	-	6,000,000.00
<b>Total</b>	<b>-</b>	<b>6,000,000.00</b>

Particulars	INR	INR
Aggregate value of Quoted investment	-	6,000,000.00
Market value of Quoted investment	-	7,834,480.00

PARTICULARS OF INVESTMENTS	Face Value Per Unit	As at 31st March 2019		As at 31st March, 2018	
	INR	Nos.	INR	Nos.	INR
Reliance Short Term Fund growth plan growth option	-	-	-	232,580.68	6,000,000.00
<b>TOTAL</b>				<b>232,580.68</b>	<b>6,000,000.00</b>

NOTE 15 -TRADE RECEIVABLES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured considered good #	38,900,083.00	73,214,232.00
Unsecured considered doubtful	2,320,928.00	-
Less: Provision for Doubtful Debts	(2,320,928.00)	-
	38,900,083.00	73,214,232.00
Others - Unsecured considered good ##	82,094,750.00	82,135,023.00
<b>Total</b>	<b>120,994,833.00</b>	<b>155,349,255.00</b>

# - Includes INR 7,910,859/- (PY 17,794,711/-) receivable from related parties  
## - Includes INR 599,589 (PY 2,274,029/-) receivable from related parties

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF FINANCIAL STATEMENTS  
 NOTE 16 - CASH AND BANK BALANCES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Cash and Cash Equivalents</b>		
Cash on Hand	678,566.00	529,636.00
Cheques, Drafts on Hand	9,102,631.00	870,287.00
<b>Balance with Bank</b>		
Balances with banks (including deposits with less than 3 months maturity)	52,697,855.00	79,960,440.00
<b>Other Bank Balances</b>		
Deposits with maturity of more than three months but less than 12 months	-	95,033,671.00
Margin Money for Bank Guarantees #	29,112,930.00	69,545,057.00
Earmarked Balances (in respect of TDB Grant)	951,507.00	1,230,881.00
<b>Total</b>	<b>92,543,489.00</b>	<b>247,169,972.00</b>

# - Includes Deposit of INR 28,669,058/- (PY INR 50,000,000/-) on which charge has been created in favour of Bank of Baroda, Shivajinagar branch, Pune for non fund based limit of INR 50,000,000/- (PY INR 200,000,000/-)

NOTE 17 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Unsecured, Considered Good</b>		
Prepaid Expenses	4,731,511.00	4,666,060.00
Advance to Others	3,417,642.00	1,581,478.00
Security Deposits	10,015,970.00	9,840,610.00
Travel Advances to Staff	1,262,071.00	325,657.00
Income Tax paid less Provisions	49,561,634.00	35,116,184.00
Loan to Incubatee	1,000,000.00	3,439,562.00
<b>Total</b>	<b>69,988,828.00</b>	<b>54,969,551.00</b>

NOTE 18 - OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Interest Accrued on NSC	32,030.00	28,343.00
<b>Total</b>	<b>32,030.00</b>	<b>28,343.00</b>

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF FINANCIAL STATEMENTS  
 NOTE 19- REVENUE FROM OPERATIONS

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Sale of Services	579,808,902.00	579,622,867.00
Other Operating Revenues	3,693,009.00	4,139,370.00
<b>Total</b>	<b>583,501,911.00</b>	<b>583,762,237.00</b>

Details of Sale of Services :	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Consultancy Fees	176,175,927.00	190,319,407.00
Project Revenue	260,924,042.00	238,139,007.00
Income from Vocational Training	115,288,963.00	112,083,932.00
Income from IT Courses	13,770,376.00	17,122,247.00
Income from Laboratories	13,649,594.00	21,958,274.00
<b>Total</b>	<b>579,808,902.00</b>	<b>579,622,867.00</b>
<b>Details of Other Operating Revenue :</b>		
Income from Wind Power Generation (Net of rebate )	3,693,009.00	4,139,370.00
<b>Total</b>	<b>3,693,009.00</b>	<b>4,139,370.00</b>

NOTE 20 - OTHER INCOME

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Interest Income from		
- Bank Deposits	5,657,346.00	11,761,647.00
- Inter corporate Loan to related parties	30,187,133.00	14,198,402.00
- Other	120,043.00	3,195,286.00
Gain on sale of Mutual Fund	1,923,605.00	24,348.00
Rental Income	3,565,016.00	-
Sundry Provisions and Credit Balances no longer required, written back	6,710,063.00	8,444,013.00
Recovery of Bad Debts	602,426.00	770,000.00
Other non-Operating Income	833,539.00	1,472,214.00
<b>Total</b>	<b>49,599,171.00</b>	<b>39,865,910.00</b>

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF FINANCIAL STATEMENTS  
 NOTE 21- Operating Costs

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Expenses on IT, VTP Training Activities	80,287,610.00	70,397,591.00
Professional Fees	47,145,771.00	64,208,330.00
Project Costs	229,927,737.00	191,019,138.00
<b>Total</b>	<b>357,361,118.00</b>	<b>325,625,059.00</b>

NOTE 22 - EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Salaries and Wages	104,350,396.00	104,131,978.00
Contribution to Provident Fund	9,478,260.00	9,870,646.00
Contribution to Gratuity & Leave encashment	5,911,216.00	2,638,149.00
Staff Welfare Expenses	3,021,384.00	3,357,062.00
<b>Total</b>	<b>122,761,256.00</b>	<b>119,997,835.00</b>

NOTE 23 - FINANCE COSTS

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Interest Expense	3,788,749.00	130,863.00
Bank charges and Commission	1,411,624.00	7,593,644.00
<b>Total</b>	<b>5,200,373.00</b>	<b>7,724,507.00</b>



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE 24 - OTHER EXPENSES**

<b>Particulars</b>	<b>For the year ended on 31st March, 2019 INR</b>	<b>For the year ended on 31st March, 2018 INR</b>
Power and Fuel	5,907,515.00	6,240,541.00
Office Rent	5,967,333.00	8,238,873.00
<b>Repairs and Maintenance -</b>		
Buildings	1,412,628.00	1,486,961.00
Office & Other Equipment	3,477,733.00	4,653,732.00
Others	810,685.00	1,434,120.00
Insurance	1,531,106.00	2,109,468.00
Rates & Taxes	563,402.00	531,565.00
<b>Auditor's Remuneration</b>		
Statutory Audit	600,000.00	858,000.00
Certification	29,750.00	18,000.00
<b>Administrative and General Expenses</b>		
Travelling Expenses	21,876,726.00	24,922,429.00
Printing, Stationery and computer consumable	9,539,746.00	10,515,025.00
Advertisement	3,142,645.00	4,120,390.00
Security Expenses	2,118,331.00	4,651,757.00
Telephone, Mobile Expenses	2,440,598.00	2,921,482.00
Business Promotion Expenses	1,834,248.00	1,760,146.00
Registration and Legal Fees	1,812,309.00	2,340,620.00
Postage , Fax and Courier	1,413,480.00	1,340,325.00
Books & Periodicals Subscriptions and Membership Fees	691,292.00	867,703.00
Housekeeping	997,892.00	1,545,639.00
Laboratory Consumables	520,689.00	264,393.00
Directors Sitting Fees	480,000.00	590,000.00
Expenditure towards Corporate Social Responsibility (CSR) activities	2,394,245.00	-
Provision for Doubtful Debts	2,320,928.00	-
Bad Debts written off	17,375,259.00	18,816,611.00
Donations	30,000.00	48,000.00
Loss on Disposal / discard of Assets	-	72,821.00
General Expenses	3,329,867.00	4,499,580.00
<b>Total</b>	<b>92,618,407.00</b>	<b>104,848,181.00</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

25 **Utilisation of Incubatee Grant**  
a) Technology Development Board (TDB), Govt. of India has approved scheme 'Seed Support System for Start-ups in Incubators' for providing financial assistance as seed support for start-ups in the MITCON incubator as growth oriented initiative between the TDB and MITCON. The scheme is to make available early stage financial assistance as seed support for start-up units located at the MITCON incubator for further development and pre-commercialization of technologies. Accordingly MITCON has received grant of INR 4,000,000/- from TDB during the year ended 31st March, 2012. Term Loan disbursed and outstanding to incubatees aggregating to INR 2,390,653/- outstanding as on 31st March, 2019 is classified as current / non current assets. Refund to TDB / Disbursement against this grant has been deducted from Grant received. Grant remaining unutilised aggregating to INR 4,820,317/- being repayable on demand is classified under current liability.

b) Interest received on deployment of unutilised grant amount and interest received on loans disbursed to incubatee, is credited to grant (net of taxes).

26 **Contingent liability not provided for**

Particulars	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
a) Guarantees given by bankers on behalf of the Company		
- To Customers	31,720,191.00	28,630,754.00
b) Guarantees given by bankers on behalf of Associate company MITCON Megaskill Centers Private Limited to Jharkhand Skill Development Mission Society, Govt of Jharkhand (JSDM).		
- for Advance payment	-	127,247,200.00
- for Performance	-	10,048,000.00
c) Guarantees given by bankers on behalf of Clear Maze Consulting Private Limited to Rajasthan Skill and Livelihoods Development Corporation (RSLDC), Jaipur	-	3,776,088.00
d) Corporate Guarantees issued by the Company on behalf of Krishna Windfarms Developers Private Limited (KWDPL) for loan availed by KWDPL from L & T Infrastructure Finance Company Limited	420,000,000.00	420,000,000.00
e) Claims against the company not acknowledged as debt - Arbitration petition in respect of money claim is pending before Arbitration Tribunal. The company has made counter claims against the claimant before the said Tribunal. Pending completion of Arbitration proceedings, the liability (if any) is not ascertainable		-
f) An ex-employee has filed a claim before First Labour Court, Pune. The company has filed written statement for dismissal of the claim.	164,000.00	164,000.00

27 **Payments to Auditors - (Net of GST)**

	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
For Audit	600,000.00	600,000.00
For Certification	29,750.00	16,559.00
<b>Total</b>	<b>629,750.00</b>	<b>616,559.00</b>

28 **Value of Imported and indigenous raw material & components consumed**

	Year ended			
	31st March, 2019		31st March, 2018	
	% of total consumption	Amount	% of total consumption	Amount
Imported	63.73%	106,686,773.00	-	-
Indigenous	36.27%	60,728,463.00	-	-
<b>Total</b>	<b>100.00%</b>	<b>167,415,236.00</b>	<b>-</b>	<b>-</b>

29 **Expenditure and earnings in foreign currencies**

Expenditure in foreign currency	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
Consulting Fees	2,046,084.00	282,504.00
Travelling expenses	427,452.00	476,770.00
Software Licence fees	381,710.00	-
Subscription & Membership Fees	-	139,494.00
Insurance	-	49,176.00
<b>Total</b>	<b>2,855,246.00</b>	<b>947,944.00</b>

Earning in foreign currency	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
Professional fees	15,311,807.00	1,196,396.00
<b>Total</b>	<b>15,311,807.00</b>	<b>1,196,396.00</b>

30 Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small and Medium Enterprises, which are outstanding for more than the stipulated period are given below:

Particulars	31 March, 2019	31 March, 2018 #
a) Dues remaining unpaid as at		
Principal	1,209,067.00	-
Interest on the above	-	-
b) Amount of payment made to supplier beyond the appointed day during the year		
Principal paid beyond the appointed date	-	-
Interest paid in terms of Section 16 of the Act	-	-
c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year		
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
d) Amount of interest accrued and remaining unpaid as at		
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-

# - Based on the documents / information available with the Company, there were no acknowledged dues to suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

31 **Disclosure pursuant to Accounting Standard (AS 15) - Revised 2005 "Employee Benefits"**

**A Defined contribution plans:**

The company has recognized the following amounts in the Statement of Profit & Loss for the year :

- i Contribution to employees provident fund INR 6,221,138/- (P.Y. INR 6,407,650/-)
- ii Contribution to employees family pension Fund INR. 2,155,092/- (P.Y. INR 2,292,070/-)

**B Defined benefit plans - Gratuity**

The company makes annual contribution to the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part there of in excess of 6 month. Vesting occurs only upon completion of 5 years of service except in case of death or permanent disability. The present value of defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at the balance sheet date.

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
<b>i Reconciliation of opening and closing balances of the Present Value of the defined benefit obligation:</b>		
Present Value of defined benefit obligation at the beginning of the year	21,721,635.00	20,629,593.00
Interest cost	1,548,924.00	1,406,274.00
Current service cost	2,731,924.00	3,122,690.00
past service cost	-	3,131,378.00
Actuarial losses / (gains)	2,111,011.00	(4,372,277.00)
Benefits paid	(3,727,267.00)	(2,196,023.00)
Present value of defined benefit obligation at the close of the year	<b>24,386,227.00</b>	<b>21,721,635.00</b>

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
<b>ii Changes in the fair value of Plan Assets and the reconciliation thereof:</b>		
Fair value of plan assets at the beginning of the year	23,340,845.00	23,516,052.00
Add: expected return on plan assets	1,683,022.00	1,813,443.00
Add / (less) : actuarial (losses) / gains	(82,035.00)	(84,250.00)
Add : contributions by employer	200,000.00	500,000.00
Less: benefits paid	(3,727,267.00)	(2,196,023.00)
Less: mortality charges and taxes	(198,726.00)	(208,377.00)
Fair value of plan assets at the close of the year	<b>21,215,839.00</b>	<b>23,340,845.00</b>
Actual Return on Plan Assets	1,600,987.00	1,729,193.00

	Year ended	
	31st March, 2018	31st March, 2017
	INR	INR
<b>iii Amount recognized in the Balance Sheet:</b>		
<b>Present Value of Obligation as at the end of year</b>	<b>24,386,227.00</b>	<b>21,721,635.00</b>
<b>Fair Value of Plan Assets as at the end of year</b>	<b>21,215,839.00</b>	<b>23,340,845.00</b>
<b>Funded Status</b>	<b>(3,170,388.00)</b>	<b>1,619,210.00</b>
<b>Current Liability</b>	<b>3,170,388.00</b>	-
<b>Non - Current Liability</b>	<b>21,215,839.00</b>	<b>21,721,635.00</b>
Unrecognised Actuarial ( gains ) / losses	-	-
Net Asset / ( Liability)	(3,170,388.00)	1,619,210.00
Fair value of plan assets , in excess of present value of obligations, being adjustable against future contributions is recognised in the books of account.		

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
<b>iv Amounts recognised in the Statement of Profit and Loss are as follows:</b>		
Current service cost	2,731,924.00	3,122,690.00
Past Service Cost	-	3,131,378.00
Interest cost	1,548,924.00	1,406,274.00
Expected return on plan assets	(1,683,022.00)	(1,813,443.00)
Curtalement cost / ( Credit )	-	-
Settlement Cost / ( Credit )	-	-
Net Actuarial (Gain ) / Loss recognised in the year	2,193,046.00	(4,288,027.00)
Expenses Recognised in the Statement of Profit & Loss at the end of year	<b>4,790,872.00</b>	<b>1,558,872.00</b>

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
<b>v Amount for the current year:</b>		
Present value of obligation	24,386,227.00	21,721,635.00
Plan assets	21,215,839.00	23,340,845.00
<b>Surplus / (Deficit)</b>	<b>(3,170,388.00)</b>	<b>1,619,210.00</b>

	Year ended	
	31st March, 2019	31st March, 2018
	Percentage (%)	Percentage (%)
<b>vi Broad categories of Plan Assets as a percentage of total assets as at</b>		
Insurer managed funds	100.00%	100.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

	Year ended	
	31st March, 2019	31st March, 2018
	Percentage (%)	Percentage (%)
<b>vii Actuarial Assumptions :</b>		
Discount rate	7.60%	7.80%
Rate of increase in Compensation levels	9.50%	9.50%
Rate of return on plan assets	7.80%	8.00%
Expected Average remaining working lives of employees ( years )	7.82	8.00

- C** The company provides for accumulation of compensated absences by its employees. The employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods to receive cash in lieu thereof as per company policy. The company records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The total liability recorded by the company towards this benefit as at 31 March, 2019 is INR 14,203,469/- (Previous Year INR 12,894,662/-).
- 32** The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either of the parties and also contain a clause for renewal of the lease agreement. Lease payments and receipts on cancellable operating lease arrangements debited / credited to Statement of Profit and Loss are as under.

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
<b>Cancellable leases</b>		
<b>Lease payments debited to the Statement of Profit and Loss</b>		
Lease rent for office	5,907,515.00	8,238,873.00
<b>Lease receipts credited to the Statement of Profit and Loss</b>		
Lease rent for office	3,565,016.00	-

- 33** Related Party Disclosures Under Accounting Standard 18 - "Related Party Disclosures", have been identified on the basis of representation made by the Management and taken on record by the Board of Directors and relied upon by the auditors. Disclosures of transactions with Related Parties are as under:

**a Related Parties**

**Subsidiary of Company**

Krishna Windfarms Developers Private Limited (KWDP)  
MITCON Sun Power Limited (MSPL)  
MITCON Forum for Social Development (MFSD)  
MITCON Trusteeship Services Private Limited (MTSPL)  
MITCON Valuers & Advisors Private Limited (MVAPL)

**Subsidiary of MSPL**

MITCON Solar Alliance Limited (MSAL)

**Associate :**

MITCON Insolvency Professional Services Private Limited (MIPSPL)

**Related Party where significant influence exists:**

Mitcon Foundation (Charitable Trust) (Common Managing Director and Managing Trustee)

**Key Management personnel:**

Dr. Pradeep Bavadekar, Managing Director

b Transactions with Related Parties:

Sr. No.	Nature of transactions / Name of Related Party	2018-19 INR	2017-18 INR
I	<b>Subsidiary</b>		
	<b>MITCON Forum for Social Development (MFSD)</b>		
	Contribution to Equity ( 10,000 shares of INR 10/- each)	100,000.00	-
	Rent income (net of GST)	80,000.00	-
	Training expenses	9,591,101.00	-
	<b>MITCON Trusteeship Services Private Limited (MTSPL)</b>		
	Contribution to Equity ( 2,300,000 shares of INR 10/- each)	23,000,000.00	-
	Share Application Money paid	80,000,000.00	-
	Expenses incurred (net of GST)	203,655.00	-
	<b>MITCON Valuers and Advisors Private Limited (MVAPL)</b>		
	Contribution to Equity ( 10,000 shares of INR 10/- each)	100,000.00	-
	Rent income (net of GST)	60,000.00	-
	Expenses incurred (net of GST)	162,100.00	-
	<b>Krishna Windfarms Developers Private Limited (KWDPL)</b>		
	Income from Project Services	8,497,064.00	235,754,536.00
Rent income (net of GST)	180,000.00	-	
Inter Corporate Loan disbursed	-	226,445,879.00	
Interest Charged on Inter Corporate Loan & Debentures	24,351,212.00	14,198,402.00	
Corporate Guarantees issued to L & T Infrastructure Finance Company Limited ( L & T) for loan availed by KWDPL.	-	420,000,000.00	
Contribution to Rights Equity Issue ( 49 shares of INR 10/- each)	490.00	-	
Conversion of existing loan into debentures (10.50% Compulsarily Convertible Debentures - 75,00,000 debentures of INR 10/- each)	75,000,000.00	-	
<b>MITCON Solar Alliance Limited</b>			
Income from Project Services	231,700,980.00	-	
Rent income (net of GST)	100,000.00	-	
Inter Corporate Loan disbursed	270,917,327.00	-	
Interest Charged on Inter Corporate Loan	5,417,992.00	-	
<b>MITCON Sun Power Limited (MSPL)</b>			
Contribution to Equity ( 10,000 shares of INR 10/- each)	100,000.00	-	
Inter Corporate Loan disbursed	9,600,000.00	-	
Interest Charged on Inter Corporate Loan	417,929.00	-	
Rent income (net of GST)	110,000.00	-	
Expenses incurred (net of GST)	33,234.00	-	
<b>MITCON Multiskills Limited (refer note no. 41(i))</b>			
Contribution to Equity ( 5,100 shares of INR 10/- each)	-	51,000.00	
II	<b>Associates:</b>		
	<b>MITCON Megaskill Centers Private Limited (MMCPL) (refer note no. 41 (ii))</b>		
	Bank Guarantee Expenses incurred by Company and reimbursed by MMCPL (net of Taxes)	-	15,489,129.00
	Reimbursement of expenses received (net of taxes)	1,055,656.00	-
	Guarantees given by bankers on behalf of MMCPL to Jharkhand Skill Deveopment Mission Society (JSDMS)	-	-
	1) for Advance payment	-	127,247,200.00
	2) for Performance	-	10,048,000.00
	Contribution to Equity (2,600 shares of INR 10/- each)	-	26,000.00
	<b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b>		
	Contribution to Equity (4,900 shares of INR 10/- each including premium of INR 11,025,000/-)	11,074,000.00	-
Receipt of Security Deposit	10,000,000.00	-	
Rent income (net of GST)	105,000.00	-	
Reimbursement of expenses received (net of taxes)	321,803.00	-	
III	<b>Related Party where significant influence exists:</b>		
	<b>MITCON Foundation</b>		
Training fees received (net of Taxes)	3,000,000.00	149,197.00	
Rent paid / expenses reimbursed (net of Taxes)	-	2,300,448.00	
IV	<b>Key Management Personnel (KMP)</b>		
	Dr. Pradeep Bavadekar		
	A) Remuneration #		
	Salary	7,140,000.00	6,900,000.00
	Contribution to Providend Fund	737,295.00	696,720.00
	Super Annuation Fund and others	921,618.00	909,865.00
B) Dividend	560,000.00	560,000.00	
V	<b>Outstanding as on 31st March</b>		
	<b>a</b>		
	<b>Accounts Receivable</b>		
	<b>Krishna Windfarms Developers Private Limited.</b>		
	Towards Project Services	7,910,859.00	20,068,740.00
	Towards Inter Corporate Loan	148,149,525.00	225,309,605.00
	Towards Interest Charged on Inter Corporate Loan	24,650,634.00	12,778,561.00
	<b>MITCON Trusteeship Services Private Limited (MTSPL)</b>		
	Towards Expenses	203,655.00	-
	<b>MITCON Valuers and Advisors Private Limited (MVAPL)</b>		
	Towards Expenses	232,900.00	-
	<b>MITCON Sun Power Limited (MSPL)</b>		
	Towards Inter Corporate Loan disbursed	9,600,000.00	-
	Towards Interest Charged on Inter Corporate Loan	376,136.00	-
	Towards Rent	129,800.00	-
	Towards Expenses	33,234.00	-
	<b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b>		
	Towards Expenses	472,462.00	-
	<b>MITCON Solar Alliance Limited</b>		
	Towards Inter Corporate Loan disbursed	170,917,327.00	-
	Towards Interest Charged on Inter Corporate Loan	4,876,191.00	-
	<b>b</b>		
<b>Accounts Payable</b>			
Dr. Pradeep Bavadekar - Remuneration Payable	352,050.00	346,528.00	
<b>MITCON Mega Skill Centers Pvt. Ltd.</b>			
Bank Guarantee expenses refunded by bank payable	-	10,810,922.00	
<b>MITCON Forum for Social Development (MFSD)</b>			
Towards Training Activities	7,464,368.00	-	
<b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b>			
Towards Security Deposit	10,000,000.00	-	
<b>c</b>			
<b>Investment in Debentures</b>			
<b>Krishna Windfarms Developers Private Limited.</b>			
10.50% Compulsarily Convertible Debentures	75,000,000.00	-	

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

d	<b>Guarantees to Associates</b> <b>Krishna Windfarms Developers Private Limited.</b> Corporate Guarantees issued to L & T Infrastructure Finance Company Limited (L & T) for loan availed by KWDPL from L & T	420,000,000.00	420,000,000.00
	<b>MITCON Mega Skill Centers Pvt. Ltd.</b> Guarantees given by bankers on behalf of MMCPCL to Jharkhand Skill Development Mission Society (JSDMS)		
	1) for Advance payment	-	127,247,200.00
	2) for Performance	-	10,048,000.00

# As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the KMP are not included above.

34 In accordance with the Accounting Standard (AS -20) on "Earnings Per Share", computation of basic and diluted earnings per share is as under:

	Particulars	Year ended	
		31st March, 2019	31st March, 2018
		INR	INR
<b>A</b>	<b>Earnings for the year</b>		
A.1	Net profit as per statement of profit and loss	31,341,586	28,267,108
<b>B</b>	<b>Weighted average number of equity shares for Earnings Per Share computation</b>		
B.1	Number of shares at the beginning of the year (nos)	12,100,000	12,100,000
B.2	Number of shares allotted during the year (nos)	-	-
B.3	Weighted Average Equity Shares allotted during the year	-	-
B.4	Number of Potential Equity Shares (nos) (Refer Note 39 (iv))	1,628,077	-
B.5	Weighted average Potential Equity Shares	35,684	-
	<b>Weighted average number of equity shares for</b>		
B.5	(a) Basic Earnings Per Share (B1 + B3) (nos)	12,100,000	12,100,000
B.6	(b) diluted Earnings Per Share (B1 + B3 + B5) (nos)	12,135,684	12,100,000
<b>C</b>	<b>Earnings per share</b>		
C.1	i) Basic ( A1 / B5 )	2.59	2.34
C.2	ii) Diluted ( A1 / B6 )	2.58	2.34
<b>D</b>	<b>face value per share</b>	10	10

35 Balances of trade receivables and trade payables are subject to reconciliation and confirmation by respective parties.

36 **Tuition fees received from MKCL**

MITCON is a Training provider to Maharashtra Knowledge Corporation Limited (MKCL) for their MS-CIT and other courses. Fees of these training courses are directly collected by MKCL. On completion of these training programmes Tuition fees are shared by MKCL with the Company as per the Terms of Agreement. However as the Company's share of fees is not independently determinable by the Company prior to actual receipt thereof, these are accounted for on receipt basis.

37 **Commitments:**

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advance) in respect of purchase of:		
Tangible Fixed assets	487,550.00	-
Intangible Fixed assets	2,592,000.00	5,380,000.00

38 **Segment Reporting**

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company's Primary Segments are

- 1 Consultancy and Training
- 2 Project Services
- 3 Wind Power Generation

The above business segments have been identified considering:

- a. The nature of the products/ operation
- b. The related risks and returns
- c. The internal financial reporting systems of the organization.

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

Particulars	For the year ended 31st March, 2019 INR	For the year ended 31st March, 2018 INR
<b>Segment Revenue</b>		
Consultancy and Training	318,884,860.00	341,483,860.00
Project Services	260,924,042.00	238,139,007.00
Wind Power Generation	3,693,009.00	4,139,370.00
<b>Revenue from Operations</b>	<b>583,501,911.00</b>	<b>583,762,237.00</b>
<b>Segment Results :</b>		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	(26,408,320.20)	(30,332,952.00)
Project Services	19,171,263.20	33,619,637.00
Wind Power Generation	1,018,511.00	413,289.00
<b>Total Segment Result</b>	<b>(6,218,546.00)</b>	<b>3,699,974.00</b>
Unallocable income net of unallocable expenditure	13,634,649.00	10,710,575.00
Interest Income	35,964,522.00	29,155,335.00
<b>Total</b>	<b>43,380,625.00</b>	<b>43,565,884.00</b>
Less: Finance Cost	5,200,373.00	7,724,507.00
Total Profit Before Tax	38,180,252.00	35,841,377.00
<b>Less Provision for Tax</b>		
Current Tax	11,300,000.00	9,100,000.00
Deferred Tax	(1,198,144.00)	(1,311,055.00)
Excess provision for Taxation of Earlier years	(3,263,190.00)	(214,676.00)
<b>Profit After Tax</b>	<b>31,341,586.00</b>	<b>28,267,108.00</b>
<b>Total carrying amount of segment assets</b>		
Consultancy and Training	813,580,132.00	793,261,326.00
Project Services	356,504,536.00	258,156,976.00
Wind Power Generation	10,350,550.00	11,487,300.00
<b>Total Segment assets</b>	<b>1,180,435,218.00</b>	<b>1,062,905,602.00</b>
<b>Total carrying amount of segment liabilities</b>		
Consultancy and Training	232,441,349.50	112,872,602.00
Project Services	2,964,138.50	19,920,432.00
Wind Power Generation	-	-
<b>Total Segment liabilities</b>	<b>235,405,488.00</b>	<b>132,793,034.00</b>
<b>Depreciation &amp; Amortisation</b>		
Consultancy and Training	17,448,004.00	24,081,185.00
Project Services	-	-
Wind Power Generation	1,136,750.00	1,145,401.00
<b>Total Depreciation &amp; Amortisation</b>	<b>18,584,754.00</b>	<b>25,226,586.00</b>

Note: Windpower generation business is subject to Seasonal variations in winds, hence the results for the year are not necessarily comparable with the results of the previous years performance.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

- 39 i During the year ended 31st March, 2019 the company has incorporated wholly owned subsidiary companies viz.  
a) MITCON Sun Power Limited (paid up capital of INR 100,000/-)  
b) MITCON Forum for Social Development (paid up capital of INR 100,000/-)  
c) MITCON Valuers and Advisors Private Limited (paid up capital of INR 100,000/-) and  
d) MITCON Trusteeship Services Private Limited (paid up capital of INR 23,000,000/-)
- ii During the year ended 31st March, 2019, the company's subsidiary viz. MITCON Sun Power Limited (MSPL) has incorporated a subsidiary in association with Pudumjee Paper Products Limited viz. MITCON Solar Alliance Limited in which the MSPL holds 50.01% Equity interest.
- iii During the year ended 31st March, 2019, the Company has invested INR 11,074,000/- (including premium of INR 11,025,000/-) for acquisition of 4,900 Equity Shares of INR 10/- each, being 49% of the paid up Equity share capital of Versatile Insolvency Professional Services Private Limited. Subsequently the name of the company was changed to MITCON Insolvency Professional Services Private Limited (MIPSPL). MIPSPL is an Associate Company.
- iv On 23rd March, 2019, through postal ballot, shareholders approved the acquisition of 51% (25,500 equity shares) of the share capital of Shrikhande Consultants Private Limited (SCPL) from shareholders of SCPL and to issue upto 16,28,077 equity shares of the Company having face value of INR 10/- each at premium of INR 42/- each for consideration other than cash by way of preferential allotment to the shareholders of SCPL. Allotment of equity shares of the company is pending as on 31.3.2019.
- 40 i During the year the company acquired additional 51% equity shares of Krishna Windfarms Developers Private Limited (KWDPL) on 20th February, 2019 whereby KWDPL has become a wholly owned subsidiary of the company. The Equity holding of the Company in KWDPL is 12,000,049 Equity shares of Face Value of INR 10/- each, aggregating to INR 120,388,690/-
- KWDPL has during the year ended 31st March, 2018 availed Term Loan facility of INR 420,000,000 from L & T Infrastructure Finance Company Ltd. As security against this loan, the company has -  
(a) pledged its investment in 1,20,00,000 equity shares of KWDPL aggregating to face value of INR 120,000,000/- with Axis Trustee Services Ltd. (b) issued Corporate Guarantee of INR 420,000,000 in favour of L & T Infrastructure Finance Company Ltd
- During the year, company has partly converted existing loan given to Krishna Windfarms Developers Private Limited into 75,00,000, 10.50% Compulsorily Convertible Debentures of INR 10/- each aggregating to Rs.7,50,00,000/- The debentures issued are convertible into equity shares after 15 months from the date of issue. There is no payment schedule specified in respect of interest due on debentures. Debenture Interest outstanding as on 31st March, 2019 is INR 3,926,714/- Balance of loan outstanding as on 31st March, 2019 is INR 148,149,525/-, interest outstanding thereon is INR 24,650,634/- and trade receivable outstanding is INR 7,910,859/-
- ii The company has given intercorporate loan to MITCON Solar Alliance Limited (MSAL) during the year ended 31st March, 2019 amounting to INR270,917,324/-out of which INR 170,917,324/- is outstanding and interest outstanding thereon is INR 4,876,191/-
- iii The company has given intercorporate loan to MITCON Sun Power Limited (MSPL) during the year ended 31st March, 2019 amounting to INR 9,600,000/- which is outstanding and interest outstanding thereon is INR 376,136/-
- The solar power projects of KWDPL, MSAL and MSPL are fully operational as on balance sheet date. Subsidiaries are negotiating with existing / prospective lenders and are in process of switching lender in order to get benefit of reduced finance cost to improve profitability. Based on certain estimates like future business plans, growth prospects and valuation report of independent valuer, the management is of the opinion that above stated inter corporate loans, interest on inter corporate loans and trade receivable are good and recoverable and investment in debenture and equity of the subsidiaries does not require any reduction in value of investment.
- 41 i During the year, MITCON Multiskills Limited, a subsidiary company has been struck off from the the Register of Companies under section 248(5) of the Companies Act, 2013 vide letter dated 27th March, 2019 received from Office of the Registrar of Companies, Pune.
- ii During the year entire stake of 26% held by the company in MITCON Megaskill Centers Private Limited (MMCPCL) has been disposed off and sold. Consequently MMCPCL has ceased to be an Associate of the Company.
- 42 Para 5 of the Memorandum of Association of MITCON Forum for Social Development (MFSD) prohibits payment or transfer of profit to the member by way of dividend, bonus or otherwise. Para 10 of the Memorandum of Association of MFSD prohibits distribution of remaining assets of the company on winding up or dissolution to the members. As the company will not recover any amount from the investment made in MFSD in future, company has written down the value of investment in MFSD to INR 1/-
- 43 Exceptional items comprise of:

Sr. No.	Particulars	Amount
1	Profit on sale of Investment in Associate - MITCON Megaskill Centers Private Limited	1,724,000
2	Diminution in investment in Subsidiary MITCON Forum for Social Development MITCON Multiskills Limited	(99,999) (18,923)
		<u>1,605,078</u>

- 44 Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961. The company has estimated its income tax liabilities according to the Tax Laws. Management makes interpretation in terms of application of tax laws and rules to determine the possible outcome of tax provisions taken. Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.

- 45 The Board of Directors have proposed final dividend of INR 1/- per equity share (10%) of INR 10 each for the financial year 2018-19 (P Y INR 1/- per Equity Share)

- 46 Previous years figures have been re-grouped , reclassified wherever necessary to make them comparable with current year's figures

Signatures to the Notes 1 to 46, forming part of the Financial Statements.

For and on behalf of the Board

sd/-  
JP Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN: 00879747

sd/-  
Ram Mapari  
Chief Financial Officer

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MITCON CONSULTANCY & ENGINEERING SERVICES LTD.**

#### **Report on the Audit of the Consolidated Financial Statements**

##### **Opinion**

We have audited the accompanying consolidated financial statements of MITCON Consultancy & Engineering Services Limited (hereinafter referred to as "the Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Associates which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associates as at March 31, 2019, of consolidated profit, and its consolidated cash flows for the year then ended.

##### **Basis for Opinion**

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

##### **Key Audit Matters**

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

these matters. We have determined the matters described below to be the key audit matters to be communicated in our audit report:

Key audit matter	How our audit addressed the key audit matter
<b>Tax provision</b>	
<p>The Company is required to estimate its income tax liabilities according to the tax laws. Further, there are matters of interpretation in terms of application of tax laws and rules.</p> <p>This requires Management to make judgements to determine the possible outcome of tax positions taken.</p> <p>Refer Note 44 to the Consolidated Financial Statements.</p>	<p>Our audit procedures include the following procedures:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the key tax positions;</li> <li>• Obtained a list of updates to tax assessments and tax litigations during the year including an assessment of the impact of these updates on the tax positions and assessment of outcomes;</li> <li>• Discussed with management and evaluated management’s estimations of tax provisions.</li> </ul>

### Emphasis of Matter

We draw attention to the following matters in the Note 39 to the Consolidated Financial Statements regarding financial exposure of the company in the below mentioned subsidiary companies -

Krishna Windfarms Developers Private Limited (KWDPL)

- a. Company’s investments in equity share capital of KWDPL, amounting to INR 120,388,200 pledged with Axis Trustee Services Limited for Loan availed by KWDPL from L&T Infrastructure Finance Company Limited,
- b. Issue of Corporate Guarantee on behalf of KWDPL of INR 420,000,000 for availing loan from L&T Infrastructure Finance Company Limited,
- c. Outstanding trade receivable of INR 7,910,859
- d. Outstanding inter-corporate loan of INR 148,149,525
- e. Outstanding Interest on inter-corporate loan & debentures aggregating to INR 24,650,634
- f. Out of the inter-corporate loan granted in earlier year, an amount of INR 75,000,000 was converted during the year into 75,00,000 10.50% Compulsorily Convertible Debentures of Rs.10/- each, which are convertible into equity shares after a period of 15 months, and are outstanding as on 31<sup>st</sup> March 2019.

MITCON Sun Power Ltd. (MSPL)

- a. Outstanding inter-corporate loan of INR 9,600,000
- b. Outstanding Interest on inter-corporate loan of INR 376,136

MITCON Solar Alliance Ltd. (MSAL)

- a. Outstanding inter-corporate loan of INR 170,917,327
- b. Outstanding Interest on inter-corporate loan of INR 4,876,191

Subsidiaries have incurred losses during current and / or previous year and net-worth of subsidiaries as at 31 March 2019 have been substantially / fully eroded. However, based on certain estimates like future business plans, growth prospects and valuation report of independent valuer, the management is of the opinion that above stated inter corporate loans, interest on inter corporate loans and trade receivables are good and recoverable and investment in debenture and equity of the subsidiaries does not require any reduction in value of investment and hence no provision in respect of aforesaid amounts has been made in the accompanying Consolidated Financial Statements.

Our opinion is not modified in respect of the matter above.

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on

whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

We did not audit the financial statements of the subsidiaries whose financial statements reflect total assets of INR 797,429,149 total revenue of INR 92,504,326 and net cash outflows amounting to INR 31,921,553 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of INR 13,717,958 out of transaction with Associates as considered in the Consolidated Financial Statements for the year ended March 31, 2019 in respect of the Associate companies whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiaries and associate companies and our report in terms of sub-sections (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

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

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) The matters described under Emphasis of Matter paragraph above may have an adverse effect on the functioning of the company
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies,

associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates – Refer Note 27 to the Consolidated Financial Statements.
- ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies incorporated in India

FOR JOSHI & SAHNEY  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg.No.104359W)

Sd/-  
H.M.JOSHI  
PARTNER  
ICAI Membership No.031689

PUNE  
DATE: 24<sup>th</sup> May, 2019

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MITCON CONSULTANCY & ENGINEERING SERVICES LTD.**

**Referred to in Paragraph 1(g) of the Independent Auditor's Report on the Consolidated Financial Statements of MITCON CONSULTANCY & ENGINEERING SERVICES LTD. for the year ended 31<sup>st</sup> March 2019.**

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting with reference to Consolidated Financial Statements of **MITCON CONSULTANCY & ENGINEERING SERVICES LTD.** (hereinafter referred to as "the Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Associate companies which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

1. The respective Board of Directors of the Holding company, its subsidiary companies and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "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 the respective 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 Act.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to Consolidated Financial Statements 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") issued by the ICAI and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

3. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
4. We believe that the audit evidence we have obtained and the audit evidence obtained below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

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

5. 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 Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

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

6. Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

7. In our opinion, the Holding Company, its subsidiary companies (associate company is exempt from the reporting requirements u/s 143(3)(i) of the Companies Act, 2013), which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to Consolidated Financial Statements and such internal financial controls over financial reporting with reference to Consolidated Financial Statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **Other Matters**

8. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements in so far as it relates to subsidiary companies (associate company is exempt from the reporting requirements u/s 143(3)(i) of the Companies Act, 2013), which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter

FOR JOSHI & SAHNEY  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg.No.104359W)

Sd/-  
H.M.JOSHI  
PARTNER  
ICAI Membership No.031689

PUNE  
DATE: 24<sup>th</sup> May, 2019

**MITCON CONSULTANCY & ENGINEERING SERVICES**

**LIMITED**

*1<sup>st</sup> floor, Kubera Chambers, Shivaji Nagar,  
Pune-411005*

**3<sup>rd</sup> CONSOLIDATED ANNUAL REPORT**

**F.Y. 2018-2019**

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
CIN - I74140PN1982PLC026933  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**



Particulars		Note No.	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	2	121,000,000.00	121,000,000.00
	(b) Reserves and Surplus	3	749,038,063.00	763,139,101.00
			<b>870,038,063.00</b>	<b>884,139,101.00</b>
<b>(2)</b>	<b>Minority Interest</b>		-	18,180.00
<b>(3)</b>	<b>Non-Current Liabilities</b>			
	(a) Long Term Borrowings	4	439,756,176.00	-
	(b) Deferred Tax Liabilities (Net)	5	11,241,526.00	12,439,670.00
	(c) Other Long Term Liabilities	6	13,992,242.00	1,854,103.00
	(d) Long Term Provisions	7	5,739,719.00	5,209,920.00
			<b>470,729,663.00</b>	<b>19,503,693.00</b>
<b>(4)</b>	<b>Current Liabilities</b>			
	(a) Trade Payables	8		
	i) Total outstanding dues to Micro Enterprises and Small enterprises		1,209,067.00	-
	ii) Total outstanding dues to creditors other than Micro Enterprises and Small enterprises		78,149,873.00	80,476,621.00
	(b) Other Current Liabilities	9	71,117,121.00	29,832,951.00
	(c) Short-Term Provisions	10	11,667,497.00	7,684,742.00
			<b>162,143,558.00</b>	<b>117,994,314.00</b>
	<b>Total</b>		<b>1,502,911,284.00</b>	<b>1,021,655,288.00</b>
<b>II</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipment			
	(i) Tangible Assets	11	1,017,682,937.00	205,650,411.00
	(ii) Intangible Assets	11	35,378,398.00	8,602,896.00
	(iii) Goodwill on Consolidation		36,083,819.00	-
	(iv) Capital work in progress		499,730.00	-
			<b>1,089,644,884.00</b>	<b>214,253,307.00</b>
	(b) Deferred Tax Assets (Net)	12	16,450,412.00	-
	(c) Non-Current Investments	13	10,861,084.00	14,447,844.00
	(d) Long Term Loans and Advances	14	37,748,258.00	332,829,175.00
			<b>65,059,754.00</b>	<b>347,277,019.00</b>
<b>(2)</b>	<b>Current Assets</b>			
	(a) Current Investments	15	-	6,000,000.00
	(b) Trade Receivables	16	168,366,045.00	155,349,255.00
	(c) Cash and Bank Balances	17	109,104,279.00	247,217,375.00
	(d) Short-Term Loans and Advances	18	70,568,341.00	51,529,989.00
	(e) Other Current Assets	19	167,981.00	28,343.00
			<b>348,206,646.00</b>	<b>460,124,962.00</b>
	<b>Total</b>		<b>1,502,911,284.00</b>	<b>1,021,655,288.00</b>

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached  
For Joshi and Sahney  
Chartered Accountants  
ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-  
H. M. Joshi  
Partner  
ICAI Membership. No. 031689

sd/-  
J P Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN:00879747

sd/-  
Ram Mapari  
Chief Financial Officer

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune

Date: 24th May, 2019  
Place: Pune



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
CIN - L74140PN1982PLC026933  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Note No.	For the year ended 31st	For the year ended 31st
		March, 2019	March, 2018
		INR	INR
Revenue from Operations	20	357,362,659.00	583,762,238.00
Other Income	21	41,021,374.00	39,865,910.00
<b>Total Revenue</b>		<b>398,384,033.00</b>	<b>623,628,148.00</b>
<b>Expenses:</b>			
Operating Costs	22	132,690,756.00	325,641,559.00
Employee Benefit Expense	23	123,798,395.00	119,997,835.00
Finance Costs	24	3,978,997.00	7,739,664.00
Depreciation Expense - Tangible Assets	11	19,062,945.00	18,857,583.00
Amortization Expense - Intangible Assets	11	4,580,055.00	6,369,003.00
Other Expenses	25	95,568,146.00	104,879,421.00
<b>Total Expenses</b>		<b>379,679,294.00</b>	<b>583,485,065.00</b>
Profit Before exceptional and extraordinary items & Tax		18,704,739.00	40,143,083.00
Exceptional items (Refer Note 42)		1,631,078.00	-
<b>Profit Before extraordinary items &amp; Tax</b>		<b>20,335,817.00</b>	<b>40,143,083.00</b>
Extraordinary items		-	4,332,525.00
<b>Profit Before Tax</b>		<b>20,335,817.00</b>	<b>35,810,558.00</b>
<b>Tax Expense:</b>			
(1) Current Tax		11,300,000.00	9,100,000.00
(2) Deferred Tax (Net)		(2,437,238.00)	(1,311,055.00)
(3) Excess provision for Taxation of Earlier years		(3,263,190.00)	(214,676.00)
		<b>5,599,572.00</b>	<b>7,574,269.00</b>
<b>Profit after tax</b>		<b>14,736,245.00</b>	<b>28,236,289.00</b>
(before adjustment for minority interest)			
Add: Share of Loss of minority interest transferred (Refer Note 1.2(d))		49,990.00	30,820.00
<b>Profit after tax</b>		<b>14,786,235.00</b>	<b>28,267,109.00</b>
(after adjustment for minority interest)			
Less: Unrealised profit out of transactions with Associates		-	(18,513,441.00)
Less : Share in Loss of Associates			
MITCON Insolvency Professional Services Private Limited		(287,917.00)	-
Krishna Windfarm Developers Private Limited (Upto 19.02.2019)		(13,430,041.00)	(11,200,133.00)
MITCON Megaskill Centres Private Limited		-	(26,000.00)
<b>Profit / (Loss) for the year</b>		<b>1,068,277.00</b>	<b>(1,472,465.00)</b>
<b>Earnings per equity share (Face value INR. 10/-)</b>			
Basic	33	0.09	(0.12)
Diluted	33	0.09	(0.12)

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached  
For Joshi and Sahney  
Chartered Accountants  
ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-  
H. M. Joshi  
Partner  
ICAI Membership. No. 031689

sd/-  
J P Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN:00879747

sd/-  
Ram Mapari  
Chief Financial Officer

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune

Date: 24th May, 2019  
Place: Pune



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
CIN - L74140PN1982PLC026933  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Year ended 31st March, 2019		Year ended 31st March, 2018	
	INR	INR	INR	INR
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax:		20,335,817.00		35,810,558.00
Adjustments for:				
Depreciation & Amortisation	23,643,000.00		25,226,586.00	
Finance Costs	3,978,997.00		7,739,664.00	
Loss on sale of fixed assets	-		72,821.00	
Diminution in Value of Investment	99,999.00		-	
Gain on Sale of Investment	(1,750,000.00)		-	
Interest income	(27,685,584.00)		(29,155,335.00)	
Gain on redemption of Mutual fund	(1,923,605.00)		(24,348.00)	
		(3,637,193.00)		3,859,388.00
Operating profit before Working Capital changes		16,698,624.00		39,669,946.00
Adjustments for changes in Working capital:				
Long term Loans and advances	56,992,751.00		(56,304,807.00)	
Trade Receivables	(13,016,790.00)		19,551,005.00	
Short term Loans and advances	(4,554,107.00)		4,671,768.00	
Other current assets	(139,638.00)		23,913,317.00	
Other long term liabilities	12,138,139.00		(862,500.00)	
Long term Provisions	529,799.00		(571,549.00)	
Trade Payables	(1,117,681.00)		19,351,493.00	
Other current liabilities	41,284,170.00		6,260,815.00	
Short term Provisions	3,982,755.00	96,099,398.00	349,705.00	16,359,247.00
Cash generated from operations		112,798,022.00		56,029,193.00
Income taxes paid / (refund) / [NET]		(37,732,373.00)		3,186,084.00
<b>Net Cash flow from Operating Activities</b>		75,065,649.00		59,215,277.00
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
<u>Fixed Assets:</u>				
Purchase of Fixed Assets	(317,798,070.00)		(6,466,607.00)	
Purchase of Fixed Assets through Acquisition of stake in Subsidiaries	(578,769,452.00)			
Capital WIP	(499,730.00)			
Sale proceeds of Fixed Assets	-		109,663.00	
<u>Investments:</u>				
Purchase of investment - Non Current	(24,604,041.00)		(26,000.00)	
Sale proceeds / Conversion of investment	13,544,965.00		235,136,667.00	
Sale proceeds - Mutual Funds	7,923,605.00		-	
Loan to Associate and interest thereon	238,088,166		(238,088,166.00)	
Interest income	27,685,584.00		29,155,335.00	
<b>Net Cash from \ (used) in investing activities</b>		(634,428,973.00)		19,820,892.00
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Minority Interest	49,990.00		49,000.00	
Long Term Borrowings	439,756,176.00		-	
Finance Cost	(3,978,997.00)		(7,739,664.00)	
Dividend & tax on Dividend paid	(14,576,941.00)		(14,563,275.00)	
<b>Net Cash flow from/(used) in financing activities</b>		421,250,228.00		(22,253,939.00)
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		(138,113,096.00)		56,782,230.00
Cash and Cash Equivalents (Opening balance)		247,217,375.00		190,435,145.00
Cash and Cash Equivalents (Closing balance)		109,104,279.00		247,217,375.00

Notes :

1 Figures in brackets represent outflows of cash and cash equivalents.

2 Cash and cash equivalents comprise of :

Particulars	As at 31st Mar, 2019 INR	As at 31st Mar, 2018 INR
<b>Cash and cash equivalents</b>		
Cash on hand	678,566.00	529,636.00
Cheques, drafts on hand	9,103,121.00	870,287.00
<b>Balance with Bank</b>		
Balances with banks (including deposits with less than 3 months maturity)	69,258,155.00	80,007,843.00
<b>Other bank balances</b>		
Deposits with maturity of more than three months but less than 12 months	-	95,033,671.00
Margin Money for Bank Guarantees	29,112,930.00	69,545,057.00
Earmarked balances	951,507.00	1,230,881.00
<b>Total</b>	<u>109,104,279.00</u>	<u>247,217,375.00</u>

See Accompanying Notes (1 To 46) Forming Integral Part of The Financial Statements

In terms of our report attached  
For Joshi and Sahney  
Chartered Accountants  
ICAI Firm Reg. No. 104359W

For and on behalf of the Board

sd/-  
H. M. Joshi  
Partner  
ICAI Membership. No. 031689

sd/-  
J P Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN:00879747

sd/-  
Ram Mapari  
Chief Financial Officer

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune

Date: 24th May, 2019  
Place: Pune



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 SIGNIFICANT ACCOUNTING POLICIES

## 1.1 Basis of preparation of financial statements

a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention. The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013

b) The financial statements are prepared under the historical cost convention, on an accrual basis of accounting and recognises income and expenditure on accrual basis except for those items with significant uncertainties. The accounting policies applied are consistent with those used in the previous year. The financial statements comprises the financial statement of the Company and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associate.

## 1.2 Principles of Consolidation

**Group Companies included for Consolidation -**

List of subsidiaries included in consolidation and the parent company's shareholding are as under:

Sr. No.	Name	Country of Incorporation	% Holding*	Immediate Parent Company	Period of Financial Statements
1	MITCON SUN POWER LIMITED (MSPL)	India	100%	MITCON Consultancy and Engineering Services Limited	24th April 2018 to 31st March 2019
2	KRISHNA WINDFARMS DEVELOPERS PRIVATE LIMITED (KWDPL) (Refer note 39(i))	India	100%	MITCON Consultancy and Engineering Services Limited	20th February 2019 to 31st March 2019
3	MITCON TRUSTEESHIP SERVICES PRIVATE LIMITED (MTSPL)	India	100%	MITCON Consultancy and Engineering Services Limited	22nd November 2018 to 31st March 2019
4	MITCON VALUERS AND ADVISORS PRIVATE LIMITED (MVAPL)	India	100%	MITCON Consultancy and Engineering Services Limited	20th September 2018 to 31st March 2019
5	MITCON SOLAR ALLIANCE LIMITED (MSAL)	India	50.01%	Mitcon Sun Power Limited	15th May 2018 to 31st March 2019

\* including holding through subsidiary companies



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Associates Included in consolidation and the parent company's shareholding is as under:**

Sr. No.	Name	Country of Incorporation	% Holding	Associate of the Company	Period of Financial Statements
1	MITCON INSOLVENCY PROFESSIONALS PRIVATE LIMITED	India	49%	MITCON Consultancy and Engineering Services Limited	12th June 2018 to 31st March 2019
2	KRISHNA WINDFARMS DEVELOPERS PRIVATE LIMITED (KWDPL)	India	49%	MITCON Consultancy and Engineering Services Limited	1st April 2018 to 19th Feb 2019

The consolidated financial statements have been prepared on the following basis

a) The financial statements of the Company have been combined on line - by - line basis by adding together the book value of like items of assets, liabilities, income and expenses of the Subsidiary Companies after fully eliminating intra-group balances, intra-group transactions and unrealised profit or loss as per Accounting Standard (AS-21) - Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.

b) The goodwill on consolidation is recognised in the consolidated financial statements. It represents the excess of cost of acquisition / carrying value of investment in Consolidated financial statements, at each point of time of making the investment in the subsidiary over Group's share in the net worth of a subsidiary and an associate as per Accounting Standard (AS) 21 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation is not amortised but tested for impairment.

c) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner, as the Company's Financial Statements

d) Minority Interest in the net Income and net Assets of the Consolidated Financial Statements is computed and shown separately. As per Para 26 of AS - 21 'Consolidated Financial Statements', the excess loss, and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

e) Investment in associate company has been accounted for under the Equity method as per Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India

**f) Group Company not included for Consolidation -**

Sr. No.	Name	Country of Incorporation	% Holding	Immediate Parent Company	Period of Financial Statements
1	MITCON FORUM FOR SOCIAL DEVELOPMENT (MFSD)	India	100%	MITCON Consultancy and Engineering Services Limited	10th July 2018 to 31st March 2019

Mitcon Forum for Social Development (MFSD), a Section 8 Company being wholly owned subsidiary, has been excluded from consolidation pursuant to Section 129 and Section 133 of the Companies Act 2013 read with Accounting Standard (AS) 21 "Consolidated Financial Statements" Para 11 which states that a subsidiary should be excluded from consolidation when it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent.

Para 5 of the Memorandum of Association of MFSD prohibits payment or transfer of profit to the member by way of dividend, bonus or otherwise. Para 10 of the Memorandum of Association of MFSD prohibits distribution of remaining assets of the company on winding up or dissolution to the members.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**1.3 Revenue Recognition**

- A** Revenue from Consultancy / Project Services / Incubation / Environment Laboratory Services is recognised as per the terms of the specific contracts / work orders.
- B** Revenue from training programs is accounted as follows: -
  - i) Fees from the participants are accounted based on percentage completion of tenure of training program
  - ii) Revenue from Government sponsored training programs is recognized on completion of training program
  - iii) Revenue from training activities conducted on behalf of Maharashtra Knowledge Corporation Limited (MKCL), being not reasonably determinable, is recognised on receipt basis (refer note 35)
- C** Revenue from Wind energy generation & Solar power generation is recognised based on units generated and / or utilized by the customers. (Net of rebate)
- D** Revenue from annual fees for trusteeship services and servicing fees are recognised, on a straight line basis, over the period when services are performed.
- E** Interest income is recognised on a time proportion basis.
- F** Dividend income is recognised only when the company's right to receive the dividend is established.

**1.4 Use of Estimates**

Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date. Any revision to accounting estimates is recognized prospectively in current and future period.

**1.5 Property, Plant & Equipment and Intangible Assets**

- i) The company has adopted Cost Model to measure the gross carrying amount of fixed assets.
- ii) Tangible Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- iii) Intangible assets are stated at the consideration paid for acquisition and customisation thereof less accumulated amortisation. Grid Connectivity rights acquired by the group, the value of which is not expected to diminish in the foreseeable future are capitalized and recorded in the balance sheet at cost of acquisition.
- iv) Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress
- v) Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**1.6 Depreciation / Amortisation**

- a** Depreciation on tangible fixed assets has been provided on straight line method over the estimated useful life of the asset in the manner prescribed in Schedule II of the Companies Act, 2013, except -
- Wind Turbine Generator which is depreciated over 20 years as per technical evaluation by manufacturer
  - Solar generation plant which is depreciated over 25 years as per technical evaluation carried out by the management from expert and relied by the management
  - Non-carpeted roads are depreciated over 2 years as per management estimate
- b** Intangible asset
- Being cost of Software capitalised is amortised over a period of three years.
  - Useful life of Grid Connectivity Rights are determined based on the life of the underlying tangible asset being Solar Power Plant and the perpetual rights secured by the group for use of Grid Connectivity facility. Based on the above, these Rights are amortised on straight-line method over the useful life of the solar power plant being estimated at 25 years.
- c** Residual value for all tangible assets except freehold land is considered @1% of cost except in case of non-carpeted road where it is considered @ 0.025% of cost

**1.7 Impairment of Assets**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

**1.8 Government Grants**

- a** Government grants in the nature of promoters' contribution are credited to Capital Grants under Reserves and Surplus and treated as a part of shareholders' funds. Utilisation thereof is as per covenants of grants received. Such grants are reduced to the extent of utilisation thereof and depreciation charged and loss on sale or discard of fixed assets purchased there from. Balance remaining in the Grant after completion of its intended purpose, is transferred to General Reserve.
- b** Government Grants related to Specific Fixed Assets are recognised when there is reasonable assurance that -
- (i) the company will comply with the conditions attached to them, and
  - (ii) the grant / subsidy will be received.
- Such Grants are considered as a part of the total outlay of acquisition of the asset and accordingly, the same is reduced from value of the asset in accordance with para 8.3 of the Accounting Standard - 12 "Accounting for Government Grants"

**1.9 Operating Lease**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss and Operating lease receipts are recognized as an income in the Statement of Profit and Loss.

**1.10 Investments**

- i) Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.
- ii) Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**1.11 Retirement Benefits**

**a) Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

**b) Employment Benefits:**

**i) Defined Contribution Plans:**

The company has Defined Contribution Plans for post employment benefit in the form of Provident Fund / Pension Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund / Pension Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution

**ii) Defined Benefit Plans:**

**a) Funded Plan:**

The company has defined benefit plan for post employment benefit in the form of gratuity for the employees which are administered through Life Insurance Corporation of India. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

**b) Non Funded Plan:**

The company has defined benefit plan for the employment benefit in the form of leave encashment for the employees. Liability for above defined benefit plan is provided on the basis of the valuation as at the Balance Sheet date carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

iii) The actuarial gains and losses arising during the year are recognized in the Statement of Profit and Loss for the year without resorting to any amortization.

**1.12 Income Tax**

**a) Current Taxation:**

Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961

Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.

**b) Deferred Tax**

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. On consideration of prudence, deferred tax asset is recognised only in respect of accumulated depreciation allowable for tax.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**1.13 Earnings Per Share**

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**1.14 Foreign Currency Transaction**

**i) Initial Recognition :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii) Exchange Differences :**

Exchange differences arising on the settlement of foreign currency transactions are recognised as income or as expense in the year in which they arise.

**1.15 Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions** are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

**Contingent Liability** is disclosed in case of

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the
- b) a present obligation arising from past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

**Contingent Assets** are neither recognised, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

**1.16 Segment Reporting**

The company identifies primary segments based on the dominant source, nature of risks, returns and the internal organization structure. The operating segments are the segments for which separate financial information is available and for which operating Profit/Loss amounts are evaluated regularly by the Management in deciding how to allocate resource and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

**1.17 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated

**1.18 Dividend**

Dividend is recognised as liability in the period in which it is declared by the Company (usually when approved by shareholders in General Meeting) or paid.

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 2 - SHARE CAPITAL**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	INR	INR
<b>Authorised:</b> 25,000,000 Equity Shares of INR 10/- each.	250,000,000.00	250,000,000.00
<b>Issued, Subscribed and Paid up:</b> 12,100,000 Equity Shares of INR 10/- each.	121,000,000.00	121,000,000.00
<b>Total</b>	<b>121,000,000.00</b>	<b>121,000,000.00</b>

**Notes:**

**a) Reconciliation of the no. of shares :**

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	No of shares	Amount	No of shares	Amount
No of Equity shares outstanding at the beginning of the year (Face Value of INR 10/-)	12,100,000	121,000,000.00	12,100,000	121,000,000.00
No of Equity shares outstanding at the end of the year (Face value of INR 10/-)	12,100,000	121,000,000.00	12,100,000	121,000,000.00

**b) Rights, preferences and restrictions attached to shares:**

The company has one class of equity shares having a par value of INR 10/- per share. Each equity holder is entitled to one vote per share and have a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders.

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

**c) Shares allotted as fully paid-up by way of bonus shares (during immediately preceding 5 years):**

Particulars	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
Equity Shares allotted as fully paid-up bonus shares by capitalisation of accumulated profits	-	-	-	-	-

**d) Number of Equity shares held by each shareholder holding more than 5% shares in the company are as follows:**

Particulars	As at		As at	
	31st March, 2019 of	% of shares held	31st March, 2018	% of shares held
	INR10/-each		of INR10/-each	
1) SIDBI Trustee Company Limited A/c India Opportunities Ltd	1,638,000	13.54%	1,638,000	13.54%
2) Small Industries Development Bank of India	1,000,000	8.26%	1,000,000	8.26%
3) SICOM Ltd.	-	0.00%	800,000	6.61%
4) Mukul Mahavir Prasad Agrawal	752,000	6.21%	752,000	6.21%

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 3 - RESERVES AND SURPLUS**

Particulars	INR.	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Capital Grants :</b>			
<b>Capital Grant Received from :</b>			
<b>1) Ministry of Food Processing Industry, Govt. of India</b>			
For setting up Food Processing Training Centre	3,810.00		9,691.00
Less :- Depreciation for the year	3,810.00		5,881.00
<b>Closing Balance</b>			3,810.00
<b>2) Grant received from MSME under ASPIRE scheme (For Upgradation of Technical Business Incubator)</b>			
Opening Balance	1,992,514.00		2,585,560.00
Less :- Depreciation for the year	588,564.00		593,046.00
<b>Closing Balance</b>		1,403,950.00	1,992,514.00
<b>Securities Premium :</b>			
As per last Balance Sheet		173,557,818.00	173,557,818.00
<b>General Reserve:</b>			
Opening Balance		91,276,262.00	91,276,262.00
<b>Surplus in Statement of Profit &amp; Loss</b>			
Opening Balance	496,308,697.00		512,344,437.00
Less: Dividend INR 1 per share	12,100,000.00		12,100,000.00
Less: Dividend distribution tax	2,476,941.00		2,463,275.00
Add: Profit / (Loss) for the year	1,068,277.00		(1,472,465.00)
<b>Closing Balance</b>		482,800,033.00	496,308,697.00
<b>Total</b>		<b>749,038,063.00</b>	<b>763,139,101.00</b>

Note: Grant remaining unspent received in earlier year from Technology Development Board, being repayable on demand, has been classified and regrouped as current liability and loan given to incubatee out of said grant has been regrouped under Current Assets

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE 4 - LONG TERM BORROWINGS**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>SECURED - FROM OTHER</b>		
<b>TERM LOAN #</b>		
- from ICICI bank Ltd.	86,419,195.00	-
- from L and T Infrastructure Finance Company Ltd.	353,336,981.00	-
<b>Total</b>	<b>439,756,176.00</b>	<b>-</b>

# Term Loan - Nature of Security	Terms of Repayment
Loan against property from ICICI Bank Limited, Total balance outstanding of INR 89,284,393/- is secured by hypothecation of office premises of of the Company at Kubera Chambers, Shivajinagar, Pune .	1) Repayment of INR 7 crore loan @ 9.50% p.a.- in 180 monthly installments starting from 5th December, 2018, last installment due on 5th November, 2033 . 2) Repayment of INR 2 crore loan @ 10.55% p.a.- in 180 monthly installments starting from 5th April, 2019, last installment due on 5th March, 2034 .
Term loan from L & T Infrastructure Finance Company Ltd. Balance outstanding amounting to INR 366,776,981/- secured by hypothecation of all present and future assets whether movable or immovable, tangible or intangible, bank accounts, investments, receivable, claims, interests, benefits and any other asset of the Company.	Repayment in 70 quarterly installments starting from 31st March, 2018 (date) last installment due in March, 2036 . Rate of interest 11.50% p.a

**NOTE 5 - Deferred Tax Liability (Net)**

**(i) Break up of Deferred Tax Liability as at period end :**

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Depreciation	15,554,617.00	14,860,966.00
<b>Total</b>	<b>15,554,617.00</b>	<b>14,860,966.00</b>

**(ii) Break up of Deferred Tax Asset as at period end:**

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Leave Encashment / Gratuity / Doubtful Debts	4,313,091.00	2,421,296.00
<b>Total</b>	<b>4,313,091.00</b>	<b>2,421,296.00</b>
<b>(iii) Net Deferred Tax Liability</b>	<b>11,241,526.00</b>	<b>12,439,670.00</b>



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE 6 - OTHER LONG TERM LIABILITIES**

<b>Particulars</b>	<b>As at 31st March, 2019 INR</b>	<b>As at 31st March, 2018 INR</b>
Retention money from vendor	3,992,242.00	1,854,103.00
Security deposit (from related party)	10,000,000.00	-
<b>Total</b>	<b>13,992,242.00</b>	<b>1,854,103.00</b>

**NOTE 7 - LONG TERM PROVISIONS**

<b>Particulars</b>	<b>As at 31st March, 2019 INR</b>	<b>As at 31st March, 2018 INR</b>
Provision for Gratuity	31,875.00	-
Provision for Leave Encashment	5,707,844.00	5,209,920.00
<b>Total</b>	<b>5,739,719.00</b>	<b>5,209,920.00</b>

**NOTE 8 - TRADE PAYABLES**

<b>Particulars</b>	<b>As at 31st March, 2019 INR</b>	<b>As at 31st March, 2018 INR</b>
Trade Payables		
i) total outstanding dues to Micro Enterprises and Small enterprises	1,209,067.00	-
ii) total outstanding dues to creditors other than Micro Enterprises and Small enterprises		
-to related party	7,464,368.00	
-to others	70,685,505.00	80,476,621.00
<b>Total</b>	<b>79,358,940.00</b>	<b>80,476,621.00</b>

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 9 - OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Other Payables</b>		
Advance from Customers	5,258,029.00	5,885,964.00
Current Maturities of other long term loans #	16,305,198.00	-
Grant repayable on demand - Technology Development Board	4,820,317.00	4,694,671.00
Interest on loan accrued but not due	607,506.00	-
Amount refundable to Associate company	-	10,810,922.00
Provident Fund Contribution Employee & Employer	1,647,553.00	1,444,239.00
ESIC Payable	61,356.00	46,277.00
TDS, ST & GST Payable (Net)	13,496,458.00	5,814,371.00
Security Deposits	2,824,379.00	1,136,507.00
Other Liabilities	26,096,325.00	-
<b>Total</b>	<b>71,117,121.00</b>	<b>29,832,951.00</b>

# - For particulars of security and terms of repayment see note 4

**NOTE 10 - SHORT-TERM PROVISIONS**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Leave Encashment	8,497,109.00	7,684,742.00
Provision for Gratuity	3,170,388.00	-
<b>Total</b>	<b>11,667,497.00</b>	<b>7,684,742.00</b>

**NOTE 12 - Deferred Tax Asset (Net)**

**(i) Break up of Deferred Tax Liability as at period end:**

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Provision for Depreciation	96,480,786.00	-
<b>Total</b>	<b>96,480,786.00</b>	<b>-</b>

**(ii) Break up of Deferred Tax Asset as at period end:**

Nature of timing difference	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Carried forward losses as per Income Tax Act	112,931,198.00	-
<b>Total</b>	<b>112,931,198.00</b>	<b>-</b>
<b>(iii) Net Deferred Tax Asset</b>	<b>16,450,412.00</b>	<b>-</b>



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 13 - NON CURRENT INVESTMENTS**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Investments (At Cost)</b>		
<b>Investment in associates - (Trade, Unquoted)</b>		
4,900 (PY NIL) Fully paid up Equity shares of INR 10/- each of MITCON Insolvency Professional Services Private Limited including Goodwill of INR 56,22,750 (PY INR NIL ) arising on acquisition of Associate - (Refer Note 38(iii))	11,074,000.00	-
Less : Share in Loss	(287,917.00)	-
	10,786,083.00	-
Current Year - NIL (PY 5,880,000) Fully paid up Equity shares of INR 10/- each of Kishna Windfarms Developers Private Limited (Refer Note 39(i))	-	14,372,844.00
10,000 (PY NIL) Fully paid up Equity shares of INR 10/- each of MITCON Forum for Social Development (Refer Note 41)	1.00	-
<b>Non-trade, Unquoted</b>		
<b>Other Investments:</b>		
<b>In Government Securities -</b>		
National Savings Certificates	75,000.00	75,000.00
<b>Total</b>	<b>10,861,084.00</b>	<b>14,447,844.00</b>

Aggregate amount of unquoted investments INR 10,861,084/- (PY INR 14,447,844/-)

**NOTE 14 - LONG TERM LOANS AND ADVANCES**

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Unsecured, Considered Good</b>		
Capital Advances	-	63,992,650.00
Security Deposits	25,631,637.00	25,631,637.00
Prepaid Expenses / Gratuity Contribution	82,298.00	1,677,160.00
Loan to Incubatee	1,390,653.00	3,439,562.00
Loan to related party	-	225,309,605.00
Interest on loan to related party	-	12,778,561.00
<b>Unsecured, Considered Good</b>		
Deposit with others		
- Deposits with more than 12 months maturity	10,643,670.00	-
<b>Total</b>	<b>37,748,258.00</b>	<b>332,829,175.00</b>

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED  
 NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS  
 NOTE 15 - CURRENT INVESTMENTS

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Others</b>		
<b>Quoted at Cost</b>		
Investments in Mutual funds	-	6,000,000.00
<b>Total</b>	-	<b>6,000,000.00</b>

Particulars	INR	INR
Aggregate value of Quoted investment	-	6,000,000.00
Market value of Quoted investment	-	7,834,480.00
Aggregate value of Unquoted investment	-	-

PARTICULARS OF INVESTMENTS	Face Value Per Unit	As at 31st March 2019		As at 31st March, 2018	
	INR	Nos.	INR	Nos.	INR
<b>Quoted</b>					
Reliance Short Term Fund growth plan growth option	-	-	-	232,580.68	6,000,000.00
<b>Total</b>	-	-	-	<b>232,580.68</b>	<b>6,000,000.00</b>

NOTE 16 - TRADE RECEIVABLES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured considered good	69,135,194.00	73,214,232.00
Unsecured considered doubtful	2,320,928.00	-
Less: Provision for Doubtful Debts	(2,320,928.00)	-
	69,135,194.00	73,214,232.00
Others - Unsecured considered good	99,230,851.00	82,135,023.00
<b>Total</b>	<b>168,366,045.00</b>	<b>155,349,255.00</b>

NOTE 17 - CASH AND BANK BALANCES

Particulars	As at 31st March, 2019 INR	As at 31st March, 2018 INR
<b>Cash and Cash Equivalents</b>		
Cash on Hand	678,566.00	529,636.00
Cheques, Drafts on Hand	9,103,121.00	870,287.00
<b>Balance with Bank</b>		
Balances with banks (including deposits with less than 3 months maturity)	69,258,155.00	80,007,843.00
<b>Other Bank Balances</b>		
Deposits with maturity of more than three months but less than 12 months	-	95,033,671.00
Margin Money for Bank Guarantees#	29,112,930.00	69,545,057.00
Earmarked Balances (in respect of TDB Grant)	951,507.00	1,230,881.00
<b>Total</b>	<b>109,104,279.00</b>	<b>247,217,375.00</b>

# - Includes Deposit of INR 28,669,058/- (PY INR 50,000,000/-) on which charge has been created in favour of Bank of Baroda, Shivajinagar branch, Pune for non fund based limit of INR 50,000,000/- (PY INR 200,000,000/-)

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 18 - SHORT TERM LOANS AND ADVANCES**

<b>Particulars</b>	<b>As at 31st March, 2019 INR</b>	<b>As at 31st March, 2018 INR</b>
<b>Unsecured, Considered Good</b>		
Prepaid Expenses	5,113,801.00	4,666,060.00
Advance to Others	3,417,642.00	1,581,478.00
Security Deposits	10,015,970.00	9,840,610.00
Travel Advances to Staff	1,262,784.00	325,657.00
Income Tax paid less Provisions	49,600,429.00	35,116,184.00
Loan to Incubatee	1,000,000.00	-
GST Input Tax Credit	157,715.00	-
<b>Total</b>	<b>70,568,341.00</b>	<b>51,529,989.00</b>

**NOTE 19 - OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31st March, 2019 INR</b>	<b>As at 31st March, 2018 INR</b>
Advance to Suppliers	27,951.00	-
Rent Deposit	8,000.00	-
Interest Accrued on NSC	32,030.00	28,343.00
Membership fees refund receivable	100,000.00	-
<b>Total</b>	<b>167,981.00</b>	<b>28,343.00</b>

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 20- REVENUE FROM OPERATIONS**

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Sale of Services	339,608,858.00	579,622,868.00
Other Operating Revenues	17,753,801.00	4,139,370.00
<b>Total</b>	<b>357,362,659.00</b>	<b>583,762,238.00</b>

Details of Sale of Services :	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Consultancy Fees	176,175,927.00	190,319,407.00
Project Services	20,723,998.00	238,139,007.00
Income from Vocational Training	115,288,963.00	112,083,932.00
Income from IT Courses	13,770,376.00	17,122,248.00
Income from Laboratories	13,649,594.00	21,958,274.00
<b>Total</b>	<b>339,608,858.00</b>	<b>579,622,868.00</b>
Details of Other Operating Revenue :		
Income from Wind / solar Power Generation (Net of rebate )	17,753,801.00	4,139,370.00
<b>Total</b>	<b>17,753,801.00</b>	<b>4,139,370.00</b>

**NOTE 21 - OTHER INCOME**

Particulars	For the year ended on 31st March, 2019 INR	For the year ended on 31st March, 2018 INR
Interest Income on		
- Bank Deposits	5,678,716.00	11,761,647.00
- Loan to Related Parties	21,886,825.00	3,195,286.00
- Other	120,043.00	14,198,402.00
Sundry Provisions and Credit Balances no longer required, written back	6,711,204.00	8,444,013.00
Recovery of Bad Debts	602,426.00	770,000.00
Rental Income	3,265,016.00	-
Gain on redemption of Mutual Fund investment	1,923,605.00	24,348.00
Other non-Operating Income	833,539.00	1,472,214.00
<b>Total</b>	<b>41,021,374.00</b>	<b>39,865,910.00</b>

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 22- OPERATING COSTS**

<b>Particulars</b>	<b>For the year ended on 31st March, 2019 INR</b>	<b>For the year ended on 31st March, 2018 INR</b>
Expenses on IT, VTP Training Activities	80,287,610.00	70,397,591.00
Professional fees	48,192,021.00	64,224,830.00
Project Cost	4,211,125.00	191,019,138.00
<b>Total</b>	<b>132,690,756.00</b>	<b>325,641,559.00</b>

**NOTE 23 - EMPLOYEE BENEFIT EXPENSE**

<b>Particulars</b>	<b>For the year ended on 31st March, 2019 INR</b>	<b>For the year ended on 31st March, 2018 INR</b>
Salaries and Wages	105,354,176.00	104,131,978.00
Contribution to Provident Fund	9,478,260.00	9,870,646.00
Contribution to Gratuity & Leave encashment	5,944,575.00	2,638,149.00
Staff Welfare Expenses	3,021,384.00	3,357,062.00
<b>Total</b>	<b>123,798,395.00</b>	<b>119,997,835.00</b>

**NOTE 24 - FINANCE COSTS**

<b>Particulars</b>	<b>For the year ended on 31st March, 2019 INR</b>	<b>For the year ended on 31st March, 2018 INR</b>
Interest Expense	2,564,359.00	130,863.00
Bank charges and Commission	1,414,638.00	7,608,801.00
<b>Total</b>	<b>3,978,997.00</b>	<b>7,739,664.00</b>



**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 25 - OTHER EXPENSES**

<b>Particulars</b>	<b>For the year ended on 31st March, 2019 INR</b>	<b>For the year ended on 31st March, 2018 INR</b>
Power and Fuel	6,135,008.00	6,240,541.00
Office Rent	6,083,273.00	8,238,873.00
<b>Repairs and Maintenance -</b>		
- Buildings	1,443,133.00	1,486,961.00
- Office & Other Equipment	3,477,733.00	4,653,732.00
- Others	1,923,850.00	1,434,120.00
Insurance	1,531,106.00	2,109,468.00
Rates & Taxes	563,402.00	531,565.00
<b>Auditor's Remuneration</b>		
Statutory Audit	811,847.00	868,000.00
Certification	29,750.00	18,000.00
<b>Administrative and General Expenses</b>		
Travelling Expenses	22,014,047.00	24,922,429.00
Printing, Stationery and computer consumable	9,563,696.00	10,515,025.00
Advertisement	3,142,645.00	4,120,390.00
Security Expenses	2,766,741.00	4,651,757.00
Telephone, Mobile Expenses	2,551,315.00	2,921,482.00
Business Promotion Expenses	1,834,248.00	1,760,146.00
Registration and Legal Fees	2,036,931.00	2,361,860.00
Postage, Fax and Courier	1,413,480.00	1,340,325.00
Books & Periodicals Subscriptions and Membership Fees	691,292.00	867,703.00
Housekeeping	997,892.00	1,545,639.00
Laboratory Consumables	520,689.00	264,393.00
Directors Sitting Fees	480,000.00	590,000.00
Expenditure towards Corporate Social Responsibility (CSR) activities	2,394,245.00	-
Provision for Doubtful Debts	2,320,928.00	-
Bad Debts written off	17,375,259.00	18,816,611.00
Donations	30,000.00	48,000.00
Loss on Disposal / discard of Assets	-	72,821.00
General Expenses	3,435,636.00	4,499,580.00
<b>Total</b>	<b>95,568,146.00</b>	<b>104,879,421.00</b>

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes on these Consolidated Financial Statements are intended to serve as means of informative disclosure and a guide to better understanding of the Consolidated position of the Companies. Recognising this purpose, the company has disclosed only such notes from the individual financial statements, which :

- a) are necessary for representing a true and fair view of the Consolidated Financial Statements  
b) the notes involving items, which are considered to be material.

26 **Utilisation of Incubatee Grant**

- a) Technology Development Board (TDB), Govt. of India has approved scheme 'Seed Support System for Start-ups in Incubators' for providing financial assistance as seed support for start-ups in the MITCON incubator as growth oriented initiative between the TDB and MITCON. The scheme is to make available early stage financial assistance as seed support for start-up units located at the MITCON incubator for further development and pre-commercialization of technologies. Accordingly MITCON has received grant of INR 4,000,000/- from TDB during the year ended 31st March, 2012. Term Loan disbursed and outstanding to incubatees aggregating to INR 2,390,653/- outstanding as on 31st March, 2019 is classified as current / non current assets. Refund to TDB / Disbursement against this grant has been deducted from Grant received. Grant remaining unutilised aggregating to INR 4,820,317/- being repayable on demand is classified under current liability.
- b) Interest received on deployment of unutilised grant amount and interest received on loans disbursed to incubatee, is credited to grant (net of taxes).

27 **Contingent liability not provided for**

Particulars	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
a) Guarantees given by bankers on behalf of the Company		
- To Customers	31,720,191.00	28,630,754.00
b) Guarantees given by bankers on behalf of Associate company MITCON Megaskill Centers Private Limited to Jharkhand Skill Development Mission Society, Govt of Jharkhand (JSDM).		
- for Advance payment	-	127,247,200.00
- for Performance	-	10,048,000.00
c) Guarantees given by bankers on behalf of Clear Maze Consulting Private Limited to Rajasthan Skill and Livelihoods Development Corporation (RSLDC),		
d) Corporate Guarantees issued by the Holding Company on behalf of Krishna Windfarms Developers Private Limited (KWDPL) for loan availed by KWDPL from L & T Infrastructure Finance Company Limited	420,000,000.00	420,000,000.00
e) Claims against the company not acknowledged as debt - Arbitration petition in respect of money claim is pending before Arbitration Tribunal. The company has made counter claims against the claimant before the said Tribunal. Pending completion of Arbitration proceedings, the liability (if any) is not ascertainable	-	-
f) An ex-employee has filed a claim before First Labour Court, Pune. The company has filed written statement for dismissal of the claim.	164,000.00	164,000.00
g) Claims against KWDPL not acknowledged as debt - Petition in respect of dispute arising out of Power purchase agreement dated 03.08.2016 between KWDPL & Solar Energy Corporation of India Ltd. (SECI) is pending for adjudication before Central Electricity Regulatory Commission, New Delhi (CERC).	30,337,856.00	30,000,000.00

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

28 **Payments to Auditors - (Net of GST)**

	Year ended	
	31st March, 2019	31st March, 2018
	INR	INR
For Audit	811,847.00	868,000.00
For Certification	29,750.00	18,000.00
<b>Total</b>	<b>841,597.00</b>	<b>886,000.00</b>

29 Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small and Medium Enterprises, which are outstanding for more than the stipulated period are given below:

	Particulars	31 March, 2019	31 March, 2018 #
a	Dues remaining unpaid as at		
	Principal	1,209,067.00	-
	Interest on the above	-	-
b	Amount of payment made to supplier beyond the appointed day during the year		
	Principal paid beyond the appointed date	-	-
	Interest paid in terms of Section 16 of the Act	-	-
c	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
d	Amount of interest accrued and remaining unpaid as at	-	-
e	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-

# - Based on the documents / information available with the Company, there were no acknowledged dues to suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

30 **Disclosure pursuant to Accounting Standard (AS 15) - Revised 2005 "Employee Benefits"**A **Defined contribution plans:**

The company has recognized the following amounts in the Statement of Profit & Loss for the year :

- i Contribution to employees provident fund INR 6,221,138/- (P.Y. INR 6,407,650/- )
- ii Contribution to employees family pension Fund INR. 2,155,092/- (P.Y. INR 2,292,070/-)

B **Defined benefit plans - Gratuity**

The company makes annual contribution to the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 month. Vesting occurs only upon completion of 5 years of service except in case of death or permanent disability. The present value of defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at the balance sheet date.

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

i	<b>Reconciliation of opening and closing balances of the Present Value of the defined benefit obligation:</b>	Year ended	
		31st March, 2019	31st March, 2018
		INR	INR
	Present Value of defined benefit obligation at the beginning of the year	21,721,635.00	20,629,593.00
	Interest cost	1,548,924.00	1,406,274.00
	Current service cost	2,731,924.00	3,122,690.00
	past service cost	-	3,131,378.00
	Actuarial losses / (gains)	2,111,011.00	(4,372,277.00)
	Benefits paid	(3,727,267.00)	(2,196,023.00)
	Present value of defined benefit obligation at the close of the year	24,386,227.00	21,721,635.00
ii	<b>Changes in the fair value of Plan Assets and the reconciliation thereof:</b>	Year ended	
		31st March, 2019	31st March, 2018
		INR	INR
	Fair value of plan assets at the beginning of the year	23,340,845.00	23,516,052.00
	Add :expected return on plan assets	1,683,022.00	1,813,443.00
	Add / (less) : actuarial (losses) / gains	(82,035.00)	(84,250.00)
	Add : contributions by employer	200,000.00	500,000.00
	Less: benefits paid	(3,727,267.00)	(2,196,023.00)
	Less: mortality charges and taxes	(198,726.00)	(208,377.00)
	Fair value of plan assets at the close of the year	21,215,839.00	23,340,845.00
	Actual Return on Plan Assets	1,600,987.00	1,729,193.00
iii	<b>Amount recognized in the Balance Sheet:</b>	Year ended	
		31st March, 2019	31st March, 2018
		INR	INR
	Present Value of Obligation as at the end of year	24,386,227.00	21,721,635.00
	Fair Value of Plan Assets as at the end of year	21,215,839.00	23,340,845.00
	Funded Status	(3,170,388.00)	1,619,210.00
	Current Liability	3,170,388.00	-
	Non - Current Liability	21,215,839.00	21,721,635.00
	Unrecognised Actuarial ( gains) / losses	-	-
	Net Asset / ( Liability)	(3,170,388.00)	1,619,210.00
	Fair value of plan assets , in excess of present value of obligations, being adjustable against future contributions is recognised in the books of account.		

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iv	Amounts recognised in the Statement of Profit and Loss are as follows:	Year ended	
		31st March, 2019 INR	31st March, 2018 INR
	Current service cost	2,731,924.00	3,122,690.00
	Past Service Cost	-	3,131,378.00
	Interest cost	1,548,924.00	1,406,274.00
	Expected return on plan assets	(1,683,022.00)	(1,813,443.00)
	Curtailment cost / ( Credit )	-	-
	Settlement Cost / ( Credit )	-	-
	Net Actuarial (Gain ) / Loss recognised in the period / year	2,193,046.00	(4,288,027.00)
	Expenses Recognised in the Statement of Profit & Loss at the end of period / year	4,790,872.00	1,558,872.00
v	Amount for the current period:	Year ended	
		31st March, 2019 INR	31st March, 2018 INR
	Present value of obligation	24,386,227.00	21,721,635.00
	Plan assets	21,215,839.00	23,340,845.00
	Surplus / (Deficit)	(3,170,388.00)	1,619,210.00
vi	Broad categories of Plan Assets as a percentage of total assets as at:	Year ended	
		31st March, 2019 Percentage ( % )	31st March, 2018 Percentage ( % )
	Insurer managed funds	100.00%	100.00%
	Total	100.00%	100.00%
vii	Actuarial Assumptions :	Year ended	
		31st March, 2019 Percentage ( % )	31st March, 2018 Percentage ( % )
	Discount rate	7.60%	7.80%
	Rate of increase in Compensation levels	9.50%	9.50%
	Rate of return on plan assets	7.80%	8.00%
	Expected Average remaining working lives of employees ( years )	7.82	8.00

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

C The company provides for accumulation of compensated absences by its employees. The employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods to receive cash in lieu thereof as per company policy. The company records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The total liability recorded by the company towards this benefit as at 31 March, 2019 is INR 14,204,953/- (Previous Year INR 12,894,662/-).

31 The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either of the parties and also contain a clause for renewal of the lease agreement. Lease payments and receipts on cancellable operating lease arrangements debited / credited to Statement of Profit and Loss are as under.

	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
<b>Cancellable leases</b>		
<b>Lease payments debited to the Statement of Profit and Loss</b>		
Lease rent for office	6,083,273.00	8,238,873.00
<b>Lease receipts credited to the Statement of Profit and Loss</b>		
Lease rent for office	3,265,016.00	-

32 Related Party Disclosures Under Accounting Standard 18 - "Related Party Disclosures", have been identified on the basis of representation made by the Management and taken on record by the Board of Directors and relied upon by the auditors. Disclosures of transactions with Related Parties are as under:

## a Related Parties

<b>Subsidiary :</b>	MITCON Forum for Social Development (MFSD)
<b>Associate :</b>	MITCON Insolvency Professional Services Private Limited (MIPSPL) Krishna Windfarms Developers Private Limited (KWDPL) (Upto 19.02.2019) Mitcon Foundation (Charitable Trust) (Common Managing Director and Managing Trustee)
<b>Related Party where significant influence exists:</b>	
<b>Key Management personnel:</b>	Dr. Pradeep Bavadekar, Managing Director

## b Transactions with Related Parties:

Sr. No.	Nature of transactions / Name of Related Party	2018-19 INR	2017-18 INR
I	<b>Subsidiary Company</b>		
	<b>MITCON Forum for Social Development (MFSD)</b>		
	Contribution to Equity ( 10,000 shares of INR 10/- each)	100,000.00	-
	- Rent income (net of GST)	80,000.00	-
	- Training expenses	9,591,101.00	-
II	<b>Associate Companies</b>		
1	<b>MITCON Megaskill Centers Private Limited (MMCPL) (refer note no. 40 (ii))</b>		
i	Bank Guarantee Expenses incurred by Company and reimbursed by MMCPL	-	15,489,129.00
ii	Reimbursement of expenses received (net of taxes)	1,055,656.00	-
iii	Guarantees given by bankers on behalf of MMCPL to Jharkhand Skill Development Mission Society (JSDMS)		
	1) for Advance payment	-	127,247,200.00
	2) for Performance	-	10,048,000.00
iv	Contribution to Equity (2,600 shares of INR 10/- each)	-	26,000.00

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2	<b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b>		
i	Contribution to Equity (4,900 shares of INR 10/- each including premium of INR	11,074,000.00	-
ii	Receipt of Security Deposit	10,000,000.00	-
iii	Rent income (net of GST)	105,000.00	-
iv	Reimbursement of expenses received (net of GST)	321,803.00	-
3	<b>Krishna Windfarms Developers Private Limited (KWDPL)</b>		
i	Income from Project Services	8,497,064.00	235,754,536.00
ii	Rent income (net of GST)	150,000.00	-
iii	Interest Charged on Inter Corporate Loan & Debentures	22,462,049.00	14,198,402.00
iv	Conversion of existing loan into debentures (10.50% Compulsarily Convertible Debentures - 75,00,000 debentures of INR 10/- each)	75,000,000.00	-
v	Contribution to Rights Equity Issue ( 49 shares of INR 10/- each)	490.00	-
vi	Inter Corporate Loan disbursed	-	226,445,879.00
vii	Corporate Guarantees issued to L & T Infrastructure Finance Company Limited ( L & T) for loan availed by KWDPL.	-	420,000,000.00
III	<b>Related Party where significant influence exists:</b> <b>MITCON Foundation</b>		
	Training fees received (net of Taxes)	3,000,000.00	149,197.00
	- Rent paid / expenses reimbursed (net of Taxes)	-	2,300,448.00
IV	<b>Key Management Personnel (KMP)</b> Dr. Pradeep Bavadekar		
	A) Remuneration #		
	Salary	7,140,000.00	6,900,000.00
	Contribution to Provident Fund	737,295.00	696,720.00
	Super Annuation Fund and others	921,618.00	909,865.00
	B) Dividend	560,000.00	560,000.00
V	<b>Outstanding Balances as on 31st March</b>		
a	<b>Accounts Receivable</b> <b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b> Towards Expenses	472,462.00	-
b	<b>Accounts Payable</b> Dr. Pradeep Bavadekar - Remuneration Payable	352,050.00	346,528.00
	MITCON Mega Skill Centers Pvt. Ltd. (Bank Guarantee expenses refunded by bank payable)	-	10,810,922.00
	<b>MITCON Insolvency Professional Services Private Limited (MIPSPL)</b> Towards Security Deposit	10,000,000.00	-
	<b>MITCON Forum for Social Development (MFSD)</b> Towards Training Activities	7,464,368.00	-
c	<b>Guarantees to Associates</b>		
i	Corporate Guarantees Issued to L & T Infrastructure Finance Company Limited	420,000,000.00	420,000,000.00
ii	Guarantees given by bankers on behalf of MMCP to Jharkhand Skill Development Mission Society (JSDMS)		
	1) for Advance payment	-	127,247,200.00
	2) for Performance	-	10,048,000.00

# As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the KMP are not included above.

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

33 In accordance with the Accounting Standard (AS -20) on "Earnings Per Share", computation of basic and diluted earnings per share is as under:

	Particulars	Year ended	
		31st March, 2019 INR	31st March, 2018 INR
<b>A</b>	<b>Earnings for the year</b>		
A.1	Net Profit / (loss) as per statement of profit and loss	1,068,277	(1,472,465)
<b>B</b>	<b>Weighted average number of equity shares for Earnings Per Share computation</b>		
B.1	Number of shares at the beginning of the year (nos)	12,100,000	12,100,000
B.2	Number of shares allotted during the year (nos)	-	-
B.3	Weighted Average Equity Shares allotted during the year	-	-
B.4	Number of Potential Equity Shares (nos) (Refer Note 38 (iv))	1,628,077	-
B.5	Weighted average Potential Equity Shares	35,684	-
	<b>Weighted average number of equity shares for</b>		
B.5	(a) Basic Earnings Per Share (B1 + B3) (nos)	12,100,000	12,100,000
B.6	(b) diluted Earnings Per Share (B1 + B3 + B5) (nos)	12,135,684	12,100,000
<b>C</b>	<b>Earnings per share</b>		
C.1	i) Basic ( A1 / B5 )	0.0883	(0.1217)
C.2	ii) Diluted (A1 / B6 )	0.0880	(0.1217)
<b>D</b>	<b>face value per share</b>	10	10

34 Balances of trade receivables and trade payables are subject to reconciliation and confirmation by respective parties.

35 **Tuition fees received from MKCL**

MITCON is a Training provider to Maharashtra Knowledge Corporation Limited (MKCL) for their MS-CIT and other courses. Fees of these training courses are directly collected by MKCL. On completion of these training programmes Tuition fees are shared by MKCL with the Company as per the Terms of Agreement. However as the Company's share of fees is not independently determinable by the Company prior to actual receipt thereof, these are accounted for on receipt basis.

36 **Commitments:**

	Year ended	
	31st March, 2019 INR	31st March, 2018 INR
Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advance) in respect of purchase of :		
Tangible Fixed assets	487,550.00	-
Intangible Fixed assets	2,592,000.00	5,380,000.00

37 **Segment Reporting**

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company's Primary Segments are

- 1 Consultancy and Training
- 2 Project Services
- 3 Wind Power Generation

The above business segments have been identified considering :

- a. The nature of the products/ operation
- b. The related risks and returns
- c. The internal financial reporting systems of the organization.



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**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

Particulars	For the year ended 31st March, 2019 INR	For the year ended 31st March, 2018 INR
<b>Segment Revenue</b>		
Consultancy and Training	318,884,860.00	341,483,861.00
Project Services	20,723,998.00	238,139,007.00
Wind /Solar Power Generation	17,753,801.00	4,139,370.00
<b>Revenue from Operations</b>	<b>357,362,659.00</b>	<b>583,762,238.00</b>
<b>Segment Results :</b>		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	(29,006,342.00)	(26,016,089.00)
Project Services	4,687,830.00	33,619,637.00
Wind /Solar Power Generation	5,980,874.00	413,289.00
<b>Total Segment Result</b>	<b>(18,337,638.00)</b>	<b>8,016,837.00</b>
Unallocable income net of unallocable expenditure	13,335,790.00	10,710,575.00
Interest Income	27,685,584.00	29,155,335.00
<b>Total</b>	<b>22,683,736.00</b>	<b>47,882,747.00</b>
Less: Finance Cost	3,978,997.00	7,739,664.00
<b>Total Profit Before Tax</b>	<b>18,704,739.00</b>	<b>40,143,083.00</b>
Exceptional item	1,631,078.00	-
Extraordinary item	-	(4,332,525.00)
<b>Profit After extraordinary / exceptional items</b>	<b>20,335,817.00</b>	<b>35,810,558.00</b>
<b>Less Provision for Tax</b>		
Current Tax	11,300,000.00	9,100,000.00
Deferred Tax	(2,437,238.00)	(1,311,055.00)
Excess provision for Taxation of Earlier years	(3,263,190.00)	(214,676.00)
<b>Profit After Tax</b>	<b>14,736,245.00</b>	<b>28,236,289.00</b>
<b>Total carrying amount of segment assets</b>		
Consultancy and Training	1,405,675,107.00	752,011,012.00
Project Services	-	258,156,976.00
Wind /Solar Power Generation	97,236,177.00	11,487,300.00
<b>Total Segment assets</b>	<b>1,502,911,284.00</b>	<b>1,021,655,288.00</b>
<b>Total carrying amount of segment liabilities</b>		
Consultancy and Training	233,126,229.00	117,577,575.00
Project Services	2,964,139.00	19,920,432.00
Wind /Solar Power Generation	396,782,853.00	-
<b>Total Segment liabilities</b>	<b>632,873,221.00</b>	<b>137,498,007.00</b>
<b>Depreciation &amp; Amortisation</b>		
Consultancy and Training	17,448,004.00	24,081,185.00
Project Services	-	-
Wind /Solar Power Generation	6,194,996.00	1,145,401.00
<b>Total Depreciation &amp; Amortisation</b>	<b>23,643,000.00</b>	<b>25,226,586.00</b>

Note: Wind & Solar power generation business is subject to Seasonal variations, hence the results for the period are not necessarily comparable with the results of the previous periods performance.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

- 38**
- i During the year ended 31st March, 2019 the company has incorporated wholly owned subsidiary companies viz.
    - a) MITCON Sun Power Limited (paid up capital of INR 100,000/-),
    - b) MITCON Forum for Social Development (paid up capital of INR 100,000/-)
    - c) MITCON Valuers and Advisors Private Limited (paid up capital of INR 100,000/-) and
    - d) MITCON Trusteeship Services Private Limited (paid up capital of INR 23,000,000/-)
  - ii During the year ended 31st March, 2019, the company's subsidiary viz. MITCON Sun Power Limited (MSPL) has incorporated a subsidiary in association with Pudumjee Paper Products Limited viz. MITCON Solar Alliance Limited in which the MSPL holds 50.01% Equity interest .
  - iii During the year ended 31st March, 2019, the Company has invested INR 11,074,000/- (including premium of INR 11,025,000/-) for acquisition of 4,900 Equity Shares of INR 10/- each, being 49% of the paid up Equity share capital of Versatile Insolvency Professional Services Private Limited. Subsequently the name of the company was changed to MITCON Insolvency Professional Services Private Limited (MIPSPL). MIPSPL is an Associate Company.
  - iv On 23rd March, 2019, through postal ballot, shareholders approved the acquisition of 51% (25,500 equity shares) of the share capital of Shrikhande Consultants Private Limited (SCPL) from shareholders of SCPL and to issue upto 16,28,077 equity shares of the Company having face value of INR 10/- each at premium of INR 42/- each for consideration other than cash by way of preferential allotment to the shareholders of SCPL. Allotment of equity shares of the company is pending as on 31.3.2019.

- 39**
- i During the year the company acquired additional 51% equity shares of Krishna Windfarms Developers Private Limited (KWDPL) on 20th February, 2019 whereby KWDPL has become a wholly owned subsidiary of the company. The Equity holding of the Company in KWDPL is 12,000,049 Equity shares of Face Value of INR 10/- each, aggregating to INR 120,388,690/-

KWDPL has during the year ended 31st March, 2018 availed Term Loan facility of INR 420,000,000 from L & T Infrastructure Finance Company Ltd. As security against this loan, the company has -

(a) pledged its investment in 1,20,00,000 equity shares of KWDPL aggregating to face value of INR 120,000,000/- with Axis Trustee Services Ltd.

(b) issued Corporate Guarantee of INR 420,000,000 in favour of L & T Infrastructure Finance Company Ltd

During the year, company has partly converted existing loan given to Krishna Windfarms Developers Private Limited into 75,00,000, 10.50% Compulsorily Convertible Debentures of INR 10/- each aggregating to Rs.7,50,00,000/- The debentures issued are convertible into equity shares after 15 months from the date of issue. There is no payment schedule specified in respect of interest due on debentures. Debenture interest outstanding as on 31st March, 2019 is INR 3,926,714/-

Balance of loan outstanding as on 31st March, 2019 is INR 148,149,525/-, interest outstanding thereon is INR 24,650,634/- and trade

- ii The company has given intercorporate loan to MITCON Solar Alliance Limited (MSAL) during the year ended 31st March, 2019 amounting to INR 270,917,327/- out of which INR 170,917,327/- is outstanding and interest outstanding thereon is INR 4,876,191/-
- iii The company has given intercorporate loan to MITCON Sun Power Limited (MSPL) during the year ended 31st March, 2019 amounting to INR 9,600,000/- which is outstanding and interest outstanding thereon is INR 349,150/-

The solar power projects of KWDPL, MSAL and MSPL are fully operational as on balance sheet date. Subsidiaries are negotiating with existing / prospective lenders and are in process of switching lender in order to get benefit of reduced finance cost to improve profitability. Based on certain estimates like future business plans, growth prospects and valuation report of independent valuer, the management is of the opinion that above stated inter corporate loans, interest on inter corporate loans and trade receivable are good

**MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

- 40 i During the year, MITCON Multiskills Limited, a subsidiary company has been struck off from the the Register of Companies under section 248(5) of the Companies Act, 2013 vide letter dated 27th March, 2019 received from Office of the Registrar of Companies, Pune.
- ii During the year entire stake of 26% held by the company in MITCON Megaskill Centers Private Limited (MMCPL) has been disposed off and sold . Consequently MMCPL has ceased to be an Associate of the Company.
- iii MITCON VALUERS AND ADVISORS PRIVATE LIMITED in the Extraordinary General Meeting (EOGM) held on 16th April 2019 has changed its "Object Clause" from Valuation Advisory services to Capital Advisory Services and subsequently name of the company is changed as "MITCON Advisory Services Private Limited" w.e.f 9th May, 2019.
- 41 Para 5 of the Memorandum of Association of MITCON Forum for Social Development (MFSD) prohibits payment or transfer of profit to the member by way of dividend, bonus or otherwise. Para 10 of the Memorandum of Association of MFSD prohibits distribution of remaining assets of the company on winding up or dissolution to the members. As the company will not recover any amount of the investment made in MFSD in future, company has written down the value of investment in MFSD to INR 1/-

42 **Exceptional Items comprise of -**

Sr. No.	Particul	Amount
1	Profit on sale of Investment in Associate - MITCON Megaskill Centers P. Limited	1,750,000
2	Diminution in Value of Investment in Subsidiary MITCON Forum for Social Development MITCON Multiskills Limited	(99,999) (18,923)
		<b>1,631,078</b>

- 43 MSAL has entered into agreement with RYB Power Electricals Private Limited (RYBPEPL) during the year for acquiring perpetual rights for use of Grid Connectivity facility owned and operated by RYBPEPL. The company has capitalized and recorded in the balance sheet at cost of acquisition i.e. Rs.28,910,000/- (incl. GST) on the basis of said agreement. The payment for this contract shall be made on the basis of invoices raised by RYBPEPL from time to time.
- 44 Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961. The company has estimated its income tax liabilities according to the Tax Laws. Management makes interpretation in terms of application of tax laws and rules to determine the possible outcome of tax provisions taken.
- 45 The Board of Directors have proposed final dividend of INR 1/- per equity share (10%) of INR 10 each for the financial year 2018-19 (P Y INR 1/- per Equity Share)
- 46 Previous years figures have been re-grouped , reclassified wherever necessary to make them comparable with current year's figures

Signatures to the Notes 1 to 46, forming part of the Financial Statements.

For and on behalf of the Board

sd/-  
J P Dange  
Chairman  
DIN: 03056226

sd/-  
Dr. Pradeep Bavadekar  
Managing Director  
DIN: 00879747

sd/-  
Ram Mapari  
Chief Financial Officer

sd/-  
Ankita Agarwal  
Company Secretary  
M No. A49634

Date: 24th May, 2019  
Place: Pune