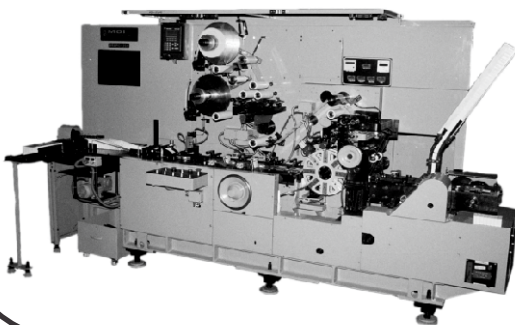
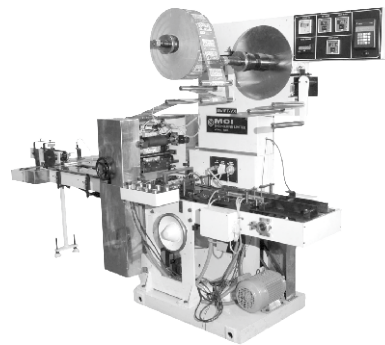
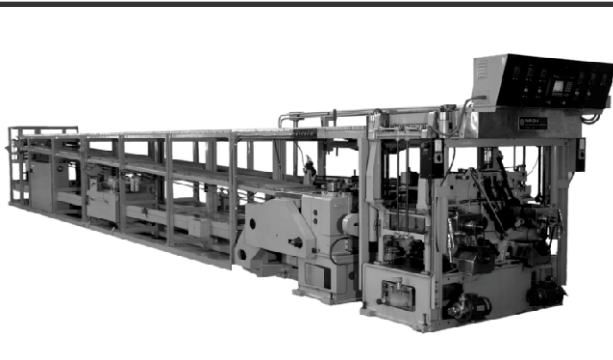




MOLIND ENGINEERING LIMITED



**ANNUAL REPORT
2016**

BOARD OF DIRECTORS

BHUPINDER SINGH	-	DIRECTOR
MANMOHAN WALIA	-	DIRECTOR
AMARJIT KAUR	-	DIRECTOR
SANDEEP MATHUR	-	DIRECTOR
ANUPAM MISHRA	-	DIRECTOR
BHAJANDEEP SINGH	-	MANAGING DIRECTOR

AUDITORS

ASHWANI K GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
PANCHKULA
FIRM REGN. NO. 003803N

REGISTERED OFFICE

A-7, INDUSTRIAL ESTATE
MOHALI - 160 051
(PUNJAB)

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**MOLIND ENGINEERING LIMITED**

Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160051 Punjab, India
CIN:L29199PB1960PLC008893
TEL:0172-2224326,2225628,FAX:0172-2225630 | E:moi@molind.com

NOTICE

Notice is hereby given that **Fifty Fifth (55th) Annual General Meeting of Molind Engineering Limited** will be held on **Friday, 30th day of September 2016 at 12:30 PM** at Registered Office of the Company at **A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2016 and the Reports of the Board of Directors and the Auditors thereon
2. To appoint a Director in place of Mr. Manmohan Walia (DIN NO. 01056751) who is liable to retire by rotation and being eligible offers himself for reappointment.
3. To ratify the appointment of Statutory Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, 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 Company hereby ratifies the appointment of M/s Ashwani K. Gupta & Associates (Firm Registration No. 003803N), as the statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company to be held in the year 2017 and to examine and audit the accounts of the Company for the financial year 2016-17 at such remuneration plus service tax as may be mutually agreed between the Board of Directors and the Auditors”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Articles of Association of the Company, Mr. Sandeep Mathur (DIN: 07530464), who was appointed by the Board of Directors of the Company as an Additional Director cum Independent Director of the Company w.e.f 10th June, 2016 and who holds office upto the date of next Annual General Meeting and in respect of whom a notice has been received from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and be also appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years w.e.f. 10th June, 2016.”



5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Articles of Association of the Company, Mr. Anupam Mishra (DIN: 03629083), who was appointed by the Board of Directors of the Company as an Additional Director cum Independent Director of the Company w.e.f 10th June, 2016 and who holds office upto the date of next Annual General Meeting and in respect of whom a notice has been received from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and be also appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years w.e.f. 10th June, 2016.”

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution:-

“RESOLVED THAT Pursuant to the provision of Section 180(1)(C), 117, 179 of the Companies Act, 2013, read with Companies (Meeting of Board and its Power) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the company be and is hereby accorded to borrow a sum of amount not exceeding Rs. 10 crore (Rs. Ten Crore only) in one or more Branches, on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured, notwithstanding that the money to be borrowed together with the money already borrowed by the company, if any (apart from temporary loans obtained from the company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT Directors of the Company be and are hereby severally authorized to sign, execute and file all such forms, papers and documents with the Registrar of Companies (ROC), and with all other Statutory Authorities, departments, if required and to do all such acts, deeds and things which are necessary to give the effect of the said Resolution.”

By order of the Board
For **Molind Engineering Limited**

Date: 01.09.2016
Place: Mohali

Sd/-
Bhajandeep Singh
(Managing Director)
DIN: 06918983
House No., 74 Deep
Villa, Ajit Nagar,
Patiala -147001 PB



NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to effective must be received at the Registered Office of the Company at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab at least 48 hours before the commencement of the meeting. A format of proxy is enclosed herewith.
3. Members/Proxies for Members should bring the attendance slip duly filled in for attending the meeting.
4. Register of Members and the share transfer Books of the Company will remain closed from 24th September 2016 to 30th September 2016 (both days inclusive).
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos. 4, 5 and 6 is annexed hereto.
6. Voting through Electronic Means

In compliance with Section 108 of the Companies act, 2013, Rule 20 of the Companies (management and administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has provided a facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e-voting") through the electronic voting service facility arranged by Central Depository Services Limited (CDSL).

The facility for voting, through polling paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through polling paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

The instructions for e-voting are as under:

- (i) The remote e-voting period starts on Monday the 26th day of September 2016 from 9.00 A.M and ends on Thursday the 29th day of September 2016 up to 5.00 P.M., During this period shareholder's of the Company, holding shares in physical form as on cut-off date (record date) of 23rd September 2016 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "shareholders" tab.
- (iv) Select the "**Molind Engineering Limited**" from the drop down menu and click on submit.
- (v) Now enter your User ID



- a. For CDSL:16 digit beneficiary ID
 - b. Members should enter Folio Number registered with the Company.
 - c. Next enter the Image Verification as displayed and click on login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (In Capital)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company are requested to use the first two letters of their name and the 8 digit of the sequence number in the PAN field.In case the sequence number is less than 8 digit enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is <i>abcdxyz</i> with sequence number 1 then enter AB00000001 in the PAN field.
DOB#	<p>Enter the Date of Birth (DOB) as recorded in the company records for the folio in DD/MM/YYYY format.</p>
Dividend Bank details#	<p>Enter the Dividend Bank Details as recorded in the Company records for the said folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank details in order to login. In case both the details are not recorded with the depository and Company please enter the member ID/folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share



your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **MOLIND ENGINEERING LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selection the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “Cancel” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for non- individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and custodian**
 - Note for non- individual shareholders and custodian are required to log on to www.evotingindia.com and register themselves as corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on and then cast their vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board resolution and Power of attorney (POA) which they have

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issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (i) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instructions:

(a) The voting period begins on Monday the 26th September 2016 from 9.00 AM and ends on Thursday the 29th September 2016 upto 5.00 PM. During this period shareholders' of the Company, holding shares, as on the cut-off date of 23rd September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(b) The voting right of the shareholders shall be in proportion to their shares of the paid up Equity share capital of the Company as on the cut-off date (record date) of 23rd September 2016

(c) Mr. Sanjeev Sharma Practising Company Secretary (FCS 3789, CP NO 4047 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 3 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Director or a person authorized by him in writing who shall counter sign the same.

(d) The results shall be declared forthwith upon receipt of the Scrutinizer's Report. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.molindengineering.co.in, its Notice Board and on the website of CDSL and communicated to the stock exchanges where shares of the Company are listed.

As per Section 118(10) of the Companies Act, 2013 read with the Secretarial Standards for general Meeting issued by Institute of Company Secretaries of India " No gifts, gift coupons or cash in lieu of gifts shall be distributed to member at or in connection with the meeting."

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF**THE COMPANIES ACT 2013****Item No. 4:**

Mr. Sandeep Mathur was appointed as an Additional Director of the Company with effect from 10th June, 2016 by the Board of Directors of the Company as per Section 161 of the Companies Act, 2013 read with Company's Articles of Association. In terms of Section 161(1) of the Act, Mr. Sandeep Mathur holds office of Director up to the date of this Annual General Meeting and is eligible for appointment as a Director of the Company. A notice under Section 160(1) of the



Companies Act 2013 has been received from a Member signifying its intention to propose Mr. Sandeep Mathur's appointment as a Director in the ensuing Annual General Meeting.

Mr. Sandeep Mathur aged 47 years, associated with the Company as Director since 10th June, 2016. He is Graduate and having considerable experience in the field of Accounts and Operations. He hold Nil shares in the company and till date he did not attend any meetings. Further Mr. Sandeep Mathur doesn't hold directorship in any other company till the date of signing of Board Report.

Pursuant to the provisions of the Companies Act, 2013 the approval of shareholders is required for the appointment of Mr. Sandeep Mathur as Director.

Hence the ordinary resolution as set out at item no. 4 is proposed for the approval of the shareholders.

Except Mr. Sandeep Mathur, None of the Director, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in this resolution.

Item No. 5:

Mr. Anupam Mishra was appointed as an Additional Director of the Company with effect from 10th June, 2016 by the Board of Directors under Section 161 of the Act read with Company's Articles of Association. In terms of Section 161(1) of the Act, Mr. Anupam Mishra holds office of Director up to the date of this Annual General Meeting and is eligible for appointment as a Director of the Company. A notice under Section 160(1) of the Companies Act 2013 has been received from a Member signifying its intention to propose Mr. Anupam Mishra appointment as a Director in the annual general meeting.

Mr. Anupam Mishra aged 46 years, associated with the Company as Director since 10th June, 2016. He is Graduate and having considerable experience in Accounts and Managing the affairs of the Company. He hold Nil shares in the company and till date he did not attend any meetings. Further Mr. Anupam Mishra doesn't hold directorship in any other company till the date of signing of Board Report.

Pursuant to the provisions of the Companies Act 2013 the approval of shareholders is required for the appointment of Mr. Anupam Mishra as Director.

Hence the ordinary resolution as set out at item no. 5 is proposed for the approval of the shareholders.

Except Mr. Anupam Mishra, None of the Director, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in this resolution.

Item No. 6:

As per the provision of section 180(1)(C) of the Companies Act, 2013, the Board of Directors of the

**MOLIND ENGINEERING LIMITED**

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Company can not borrow money in excess of its paid up share capital and free reserves, except with the permission of the shareholders in General Meeting,.

Keeping in view the increasing business operations and future growth plans of the Company and need of funds, it is necessary to change the borrowing limits of the Company by authorizing the Board of Directors, to borrow monies alongwith money already borrowed which may exceed may be secured or unsecured, at any time, in excess of the aggregate of the paid-up share capital and its free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) but not exceeding Rs. 10 crore (Rs. Ten Crore only) in one or more Branches.

Your directors have already accorded their approval, for the same, in the Board meeting held on 01st September, 2016 and further propose the resolution as set out in the notice for your approval.

None of the Director, Key Managerial Personnel or their relatives is concerned or interested financial or otherwise in this resolution.

By order of the Board
for **MolindEngineering Limited**

Date: 01.09.2016

Place: Mohali

Sd/-
Bhajandeep Singh
(Managing Director)
DIN: 06918983
Address: House No.,
74 Deep Villa, Ajit Nagar,
Patiala -147001 PB

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BOARD's REPORT

To the Members,

Your Directors have pleasure in submitting **Fifty Fifth (55th)** Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2016 is summarized below

PARTICULARS	Amount In Rupees	
	Current Year (2015-16)	Previous Year (2014-15)
Net Sales	22,692,034.16	30,129,320.76
Other Income	0.00	143,543.50
Total Revenue	22,692,034.16	30,272,864.26
Total Expense before Depreciation	31,307,477.35	41,764,483.90
Depreciation	90,278.00	141,237.61
Profit/Loss before Extraordinary items and Tax	(8,705,721.19)	(11,632,857.25)
Extraordinary items	NIL	20,462,295.00
Profit/Loss After Extraordinary items	(8,705,721.19)	8,829,437.75
Current Tax	NIL	NIL
Deferred Tax	NIL	NIL
Profit/Loss After Tax	(8,705,721.19)	8,829,437.75
Basic Earnings per Share	(3.43)	3.48

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Total Revenue of the Company for the year was Rs. 22,692,034.16. During the Year Company suffered a net loss amounting to Rs. 8,705,721.19. The Company is continue to incur losses even during the period under review as the demand of the products manufactured by the Company has gone down considerably due to less investment in Research and Development activities which is essential for the improvement in the designs of the Machines. The Company is exploring the avenues for the diversification in other areas and your Directors are optimistic about the

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improvement in financial position in the near future. Further the company had wholly owned subsidiary company in the name of the MOI Trading and Engineering Limited which has been struck off w.e.f dated 19th November, 2015.

LISTING WITH MCX

Keeping in view the low business of Regional Stock Exchanges, SEBI has asked regional stock exchanges to voluntarily seek exit or get derecognition. In addition to this SEBI vide its circular dated December 2008 has provided that the Companies which are listed exclusively at de-recognised stock exchanges, shall be required to either seek listing at other stock exchanges having nationwide terminals or provide for exit option to the shareholders as per SEBI Delisting Guidelines / Regulations after taking shareholders' approval for the same, within a time frame, to be specified by SEBI, failing which the companies shall stand delisted through operation of law.

SEBI further vide its circular dated May 30, 2012 and circular dated May 22, 2014 has provided that the exclusively listed companies, which fail to obtain listing on any other stock exchange, will cease to be a listed company and will be moved to the dissemination board by the exiting stock exchange. Therefore, in the interest of investors of exclusively listed companies, a mechanism of dissemination board is set-up by stock exchanges having nationwide trading terminals.

Here, it may be noted that Dissemination Board is a process created by SEBI whereby a exclusive listed companies will be provided with a platform through which and from where a willing buyer and seller of such exclusive listed company will be provided with an opportunity to disseminate their offers using the services of brokers of stock exchanges.

Now, SEBI vide circular dated April 17, 2015 has provided a time period of 18 months within which the exclusively listed companies shall get itself listed with stock exchange with nationwide terminal or provide exit opportunity to its shareholders.

Thus, the Management of your Company has decided to list the company's shares on the new stock exchange named "**Metropolitan Stock Exchange of India Ltd. (MSEI)**" which has a nationwide trading terminal and pursuant to which has also filed an application dated 28th March, 2016 with MSEI. The application for the secondary listing is under process as on the date of this report.

TRANSFER TO RESERVES

The Loss of Rs 8,705,721.19 transferred to Reserve and Surplus Account.

DIVIDEND

No Dividend is declared for the current financial year due to losses.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

No amount has been transferred to Investor Education and Protection fund established under section 125 of the Companies Act 2013.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 1** and is attached to this report.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no related party transactions as referred to in Section 188(1) of the Companies Act 2013 between the Company and related parties during the period under review. Hence report in Form No AOC-2 do not form part of the report. However other related party transactions have been duly disclosed in the financial statements.



STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

In today's economic environment, Risk Management is a very important part of the business. The main aim of risk management is to identify monitor and take precautionary measures in respect of the events that may pose risks for the business. The Company has adopted the measures concerning the development and implementation of a Risk Management Policy after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At the Annual General Meeting (AGM) of the Company held on 26th September, 2014, **M/s. Ashwani K Gupta & Associates, Chartered Accountants**, were appointed as Statutory Auditors of the Company to hold the office of auditorship for a period of 4 years i.e. **till the conclusion of the 57th AGM to be held in 2018**, subject to ratification of their appointment at each AGM. Members are requested to consider the ratification of the appointment of **M/s. Ashwani K Gupta & Associates** and authorize the Board of Directors to fix their remuneration. **M/s. Ashwani K Gupta & Associates** have submitted a certificate, confirming that their appointment, if ratified, will be in accordance with Section 139 read with Section 141 of the Act.

The Notes on financial statement referred to in the Auditors' report are self explanatory and do not call for any further comments. The Auditors' report contains qualifications and Directors comments on the same are as follows.

a. The Company since last so many years is trying to get the statement regarding Unpaid Dividend Account from Banker but due to technical problem as informed by Banker the same not been obtained. Hence in view of this the amount has not been transferred to investor education and protection fund.

Secretarial Auditors

Section 204 of the Companies Act 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in Practice, in the prescribed form.

The Board of Directors appointed Sanjeev Sharma Practicing Company Secretary as Secretarial Auditor of the Company dated 30th March, 2015 to conduct Secretarial Audit. Sanjeev Sharma did secretarial audit for the last financial year 2014-15. He also did the secretarial audit of the Company for the Financial Year 2015-16 and their report is annexed to this Board Report **(Annexure 2)**.



The non-compliances as mentioned in secretarial Audit Report is being looked into and immediate remedial measures shall be taken for due compliance. The following are the comments on qualifications made in Secretarial Audit Report.

- a. During the financial year 2015-16, the Board of the company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. But company appointed 2 independent directors named Mr. Anupam Mishra and Mr. Sandeep Mathur dated 10th June, 2016. Now the company have proper Board i.e.

Executive Director = 3

Non Executive Director = 1

Independent and Non Executive Director = 2

- b. After the appointment of the Independent directors on the Board, company has properly constituted Audit Committee, Remuneration and Nomination Committee and Stakeholder Relation Committee as required under section 177 and 178 of the Companies Act 2013.
- c. The Company since last so many years is trying to get the statement regarding Unpaid Dividend Account from Banker but due to technical problem as informed by Banker the same not been obtained. Hence in view of this the amount has not been transferred to investor education and protection fund.

Internal Auditor

M/s. Sunil Mohan Bansal & Associates, Chartered Accountants, appointed as an internal Auditor of the company to conduct internal audit of the company w.e.f 01st April, 2015.

BOARD MEETINGS

During the Financial Year 2015-16, the Board met Eleven (11) times dated 01/04/2015, 29/04/2015, 28/05/2016, 18/06/2015, 29/07/2015, 01/08/2015, 30/09/2015, 29/10/2015, 31/10/2015, 14/12/2015 and 29/01/2016. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013 and the Listing Agreement.

MEETING ATTENDED BY THE DIRECTORS OF THE COMPANY

Sl. No	Name of the Director	Meeting Attended
1	Manmohan Walia	11
2	Bhupinder Singh	11
3	Bhajandeep Singh	11
4	Amarjit Kaur	8



AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDER RELATIONSHIP COMMITTEE

During the financial year 2015-16, Audit committee, Nomination and Remuneration Committee And Stakeholder Relationship Committee was not properly constituted because of non appointment of independent directors on the Board. But after the appointment of Independent Directors on the Board dated 10th June, 2016, company constituted the following committees are as follows:

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

In Compliance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 company has constituted Audit Committee to monitor and provide effective supervision of the Managements financial reporting process, to ensure accurate and timely disclosure with the highest levels of transparency, integrity and quality of financial reporting. After the appointment of the Independent Directors the Composition of Audit Committee are as follows:

- | | | | |
|----|----------------|---|----------|
| 1. | Anupam Mishra | : | Chairman |
| 2. | Sandeep Mathur | : | Member |
| 3. | Manmohan Walia | : | Member |

NOMINATION AND REMUNERATION COMMITTEE

Company has properly constituted the Nomination and Remuneration Committee which comprised the following:

- | | | | |
|----|----------------|---|----------|
| 1. | Anupam Mishra | : | Chairman |
| 2. | Sandeep Mathur | : | Member |
| 3. | Manmohan Walia | : | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE

Company has properly constituted the Stakeholder Relationship Committee which comprised the following:

- | | | | |
|----|----------------|---|----------|
| 1. | Anupam Mishra | : | Chairman |
| 2. | Sandeep Mathur | : | Member |
| 3. | Manmohan Walia | : | Member |

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) and 178(4) of the Companies Act, 2013 is maintained by Company. The policy shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matters relating to the appointment and removal of Directors. The



appointment and other related matters are properly maintained and filled with registrar time to time. The brief features of Policy regarding appointment of Directors and other matters and other matters by specified under Section 178 approved is mentioned below

a. Objectives of Policy

To Lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors including their qualifications, positive attributes and Independence.

b. Appointment of Directors

The Board determine the appropriate characteristics, Skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience and experience in business, government, education and public service.

The Company recognises the importance of diversity in its success as for its progress it is essential that the Company has a diverse a Board as possible.

While appointing Directors the Board to assess the independence of Directors of the Company.

c. Policy Implementation

The Board is responsible for approving and overseeing implementation of this policy.

The policy will be reviewed and reassessed by the Board from time to time.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure 3** and is attached to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 your Directors State that:

- (a) in the preparation of the annual accounts for the year ended March 31,2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit and loss of the company for that period;



- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company had one subsidiary in the name of MOI Trading and Engineering Limited which has been struck off w.e.f 19th November, 2015. So your company have no longer any subsidiary company at the end of the financial year ending on 31st March 2016.

Further your company does not have any Joint Ventures And Associate Companies.

HOLDING COMPANY

The company continue to be the Subsidiary Company of M/s Royal Beverages Private Limited.

DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Managing Director

Mr. Bhajandeep Singh, Director of the company appointed as a Managing Director of the company w.e.f 30th March, 2015 for a period of 5 years and his appointment as a Managing Director approved by the shareholders in the last Annual General Meeting.

Appointment of Independent Director

Pursuant to the Provisions of the Sections 149 and 161(1) of the Companies Act 2013 read with Companies (Appointment and qualification of Directors) Rules 2014 **Mr. Sandeep Mathur and Mr. Anupam Mishra** were appointed as Additional Director cum independent Director w.e.f 10th June, 2016 to hold office up to the date of this annual general meeting . Pursuant to the provisions of Section 160 of the Companies Act 2013 a Notice along with a deposit of Rs 1 Lac proposing her name for the post of Director in the forthcoming annual general meeting has been received from one of the shareholder of the Company.

**MOLIND ENGINEERING LIMITED**

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All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

Directors

Mr. Bhupinder Singh and **Ms. Amarjit Kaur** are the Executive Directors of the company.

Re-appointment

As per provisions of the Companies Act 2013 **Mr. Manmohan Walia** will retire at the ensuing AGM and being eligible seek re-appointment. The Board recommends his re-appointment.

Chief Financial Officer

Mr. Ajay Mahajan Sr. Manager Accounts was appointed as Chief Financial Officer of the Company in view of his long experience in the Company. He is working in the Company since last 31 years.

Company Secretary

Mr. Akash Gupta, member of Institute of Company Secretaries of India (ICSI) appointed as a Company Secretary cum Compliance Officer of the company w.e.f. 14th December, 2015.

CHANGE IN NATURE OF BUSINESS

The Company did not change its nature of business during the year under review

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year no material orders passed by the regulators or courts or tribunals which effect on the financial position of the company but few years ago, The Company was declared a sick Company and a BIFR had sanctioned a scheme of rehabilitation which was duly complied by the Company. The said scheme also included waiving of interest and penalties impose by Income Tax Department. The Income Tax Department challenged the said scheme by filing appeal in The Appellate Authority for Industrial and Financial Reconstruction(AAIFR) New Delhi. The AAIFR passed a order against Company in this matter and an appeal against the order has been filed by the Company in Hon'ble Delhi High Court. Apart from this No other orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INDEPENDENT DIRECTORS

Mr. Anupam Mishra and **Mr. Sandeep Mathur** appointed as Independent Directors of the Company w.e.f 10th June, 2016.



ANNUAL EVALUATION OF BOARD'S PERFORMANCE

The Board evaluated the effectiveness of its functioning and that of individual Directors by seeking their inputs on various aspects of Board Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate Governance practices, participation in the long-term strategic planning and fulfilment of Directors' obligations and fiduciary responsibilities

DISCLOSURE OF RATIO OF REMUNERATION TO EACH DIRECTOR

The Directors are not getting any remuneration in the Company Hence reporting under Section 197(12) read with Rule 5(1)(2) &(3) of Companies (Appointment & Remuneration) Rules 2014 is not required to be given..

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company has adopted Vigil Mechanism/ Whistle Blower Policy that provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Board and make protective disclosures about the unethical behaviour, actual or suspected fraud.

The Vigil Mechanism comprises three policies viz; the whistle Blower Policy for Directors and Employees, Whistle Blower Policy for Vendors and Whistle Blower reward & Recognition policy for Employees. The Whistle Blower Policy for Directors and Employees requires every Director or employee to promptly report to the Management any actual or possible violation of any event wherein he or she becomes aware of that which could affect the business or reputation of the Company. This policy will encourage employees to genuinely blow the whistle on any misconduct or unethical activity taking place in the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

The Company does not have any employee drawing remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a formal policy for prevention of sexual harassment of its women employees in line with "The sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 of the SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report As **Annexure -4**.

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CAPITAL STRUCTURE OF THE COMPANY

There is no change in the Capital structure of the company during the period 2015-16. So capital structure is same at the end of the financial year 31st March, 2016.

A. BUY BACK OF SECURITIES

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

B. SWEAT EQUITY

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

C. BONUS SHARES

No Bonus Shares were issued during the year under review.

D. EMPLOYEES STOCK OPTION PLAN

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

ACKNOWLEDGMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For And On Behalf Of The Board Of Directors

For **MOLIND ENGINEERING LIMITED**

Date: 01.09.2016

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
Address: HouseNo.74,
Deep Villa, Ajit Nagar
Patiala 147001 (Pb)

Manmohan Walia
Director
DIN : 01056751
Address: 15, Modern Colony,
Jawahar Nagar, Jalandhar
144004 (Pb)



ANNEXURE-1

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(M) read with Companies (Accounts) Rules, 2014

1. CONSERVATION

a) Energy Conservation Measures taken

Since the factory of the Company is not a major energy consuming unit, it does not call for any such investment for the present.

b) Additional Investment proposals if any being implemented for reduction of energy

The factory of the Company not being a major energy consuming unit does not call for any such investment for the present.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

In view of the above there is no impact in reduction of energy consumption due to (a) and (b).

Since the Company is not a steel forging and re-rolling unit, this provision is not applicable.

2. TECHNOLOGY ABSORPTION

Efforts made in the technology absorption are as follows:

Research & Development (R&D)

a) Specific areas in which R & D carried out by the Company

During the year 2014-15, complete design and development for Horizontal Flow Wrap Machines (for detergent soap). This machine will complete in house trialed with 250 ppm out put speed and machine completely based on servo controlled system. (having 4 No's Servo's) Redesign and development of swift-vx machine with inline soap cake feeding conveyer system instead of 90° conveyor feeding. This development leads to less installation space as customer plant layout.

b) Benefits derived as a result of above R & D

The above developed machines will certainly enhance the scope of repeat order intake.

c) Future Plan of Action

As further improvements of Automatic Capsules making machine, as per customer requirements the increase speed / production. Completely re-design with servo controlled



system having 12 No's servo's in respective area's. This project has been undertaken and under progress.

1. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

a) Efforts in brief made towards technology absorption, adaptation and innovation

The Company is continuously making efforts towards technology absorption, adaptation and innovation.

b) Benefits derived as a result of the above efforts e.g. product improvement import substitution etc.

The development of ACM helped the Company to attract new customer & repeat order intake of the similar machine.

c) The Company did not import any technology during the year

2. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned Rs 31.41 Lacs in foreign exchange during the financial year. The Company has not spent any amount in foreign exchange.



Form No. MR-3
Secretarial Audit Report
(For the period 31.03.2016)

[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 Board of Directors
Molind Engineering Limited
A-7, Industrial Estate, Mohali

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Molind Engineering 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 my opinion thereon.

Based on my verification of Molind Engineering Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2016, generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by **Molind Engineering Limited** (“**The Company**”) for the period ended on 31st March 2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;



III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable during financial year)**
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not applicable during financial year)**
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during financial year)**
- d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 notified on 28th October 2014; **(Not applicable during financial year)**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2009; **(Not applicable during financial year)**
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable during financial year)**
- h. The Securities and Exchange Board of India (Buyback of Securities)



Regulations, 1998; **(Not applicable during financial year)**

- VI Other and Industry Specific Laws applicable to the Company as per the representations made by the Management.

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

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

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above except the following non-compliances under Companies Act 2013.

- a. No Appointment of Independent Directors as required by Section 149(1) read with Companies (Appointment and qualification of Director) Rules 2014.
- b. The amount of unpaid dividend for the year 1991-1992 has not been transferred to Investor Education and Protection Fund.
- c. As required by Section 177 of the Companies Act 2013 read with Companies (Meetings of Board and its powers) Rules, 2014 the Audit committee has not been properly constituted by the Company.
- d. As required by Section 178 of the Companies Act 2013 read with Companies (Meetings of Board and its powers) Rules, 2014 the remuneration and nomination committee and stakeholder relation committee has not been properly constituted by the Company.

I further report that, having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test- check basis, the Company has complied with the laws applicable specifically to the Company:

**I further report that:**

- The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as requisite Independent Directors have not been appointed. 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.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committee of the Board of Directors or Committee of the Board as the case may be.

I further report that as represented by the Company and relied upon me there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further Report that during the audit period the Company has not done any thing which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place : Panchkula

Date : 09.08.2016

Sd/-

Sanjeev Sharma

Company Secretary

FCS No. 3789

CP No. 4047

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FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L29199PB1960PLC008893
2	Registration Date	23/06/1960
3	Name of the Company	MOLIND ENGINEERING LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/ INDIAN NON GOVERNMENT COMPANY
5	Address of the Registered office & contact details	A-7, Phase 3, Industrial Estate, S.A.S. Nagar , Mohali-160 051, Punjab
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES, D-153A, 1st Floor, Okhla Industrial Area, Phase -1, New Delhi, 110020

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service
1	CAPUSLE MAKING,PACKING AND WRAPPING	28199
2	COMMISSION IN TRADING OF CRAFT PAPERS	46102

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate
1	Royal Beverages Private Limited (65 I, Block BRS Nagar, Ludhiana, Punjab)	U15511PB2007PTC031187	Holding

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]		
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total
A. Promoters							
(1) Indian							
a) Individual/ HUF	0	0	0	0.00%	0	0	0
b) Central Govt	0	0	0	0.00%	0	0	0
c) State Govt(s)	0	0	0	0.00%	0	0	0
d) Bodies Corp.	0	1893820	1893820	74.71%	0	1893820	1893820
e) Banks / FI	0	0	0	0.00%	0	0	0
f) Any other	0	0	0	0.00%	0	0	0
Sub Total (A) (1)	0	0	1,893,820	74.71%	0	0	1,893,820
(2) Foreign							
a) NRI Individuals	0	0	0	0.00%	0	0	0
b) Other Individuals	0	0	0	0.00%	0	0	0
c) Bodies Corp.	0	0	0	0.00%	0	0	0
d) Any other	0	0	0	0.00%	0	0	0
Sub Total (A) (2)	0	0	0	0.00%	0	0	0
TOTAL (A)	0	1893820	1,893,820	74.71%	0	1893820	1,893,820

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B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	NIL
b) Banks / FI	0	1,820	1,820	0.07%	0	1,820	1,820	0.07%	NIL
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	NIL
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	NIL
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	NIL
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	NIL
g) FIs	0	0	0	0.00%	0	0	0	0.00%	NIL
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	NIL
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	NIL
Sub-total (B)(1):-	0	1,820	1,820	0.07%	0	1,820	1,820	0.07%	NIL
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	210,166	210,166	8.29%		214,936	214,936	8.48%	0.19%
ii) Overseas	0	0	0	0	0	0	0	0	NIL
b) Individuals	0	0	0	0	0	0	0	0	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	294,194	294,194	11.61%	0	289,424	289,424	11.42%	-0.19%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	135,000	135,000	5.33%	0	135,000	135,000	5.33%	NIL
c) Others (specify)	0	0	0	0	0	0	0	0	NIL
Non Resident Indians	0	0	0	0.00%	0	0	0	0.00%	NIL
Overseas Corporate Bodies	0	0	0	0.00%	0	0	0	0.00%	NIL
Foreign Nationals	0	0	0	0.00%	0	0	0	0.00%	NIL
Clearing Members	0	0	0	0.00%	0	0	0	0.00%	NIL
Trusts	0	0	0	0.00%	0	0	0	0.00%	NIL
Foreign Bodies - D R	0	0	0	0.00%	0	0	0	0.00%	NIL
Sub-total (B)(2):-	0	639,360	639,360	25.22%	0	639,360	639,360	25.22%	NIL
Total Public (B)	0	641,180	641,180	25.29%	0	641,180	641,180	25.29%	NIL
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	NIL
Grand Total (A+B+C)	0	2535000	2535000	100.00%	-	2535000	2535000	100.00%	

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Royal Beverages Private Limited	1893820	74.71%	NIL	1893820	74.71%	NIL	0.00%

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

No Change

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	KIWI WINES AND BEVERAGES PVT LTD						
	At the beginning of the year			187,005	7.38%		0.00%
	Changes during the year	6/30/2015	Transfer	4,700	0.19%	191,705	7.56%
		10/31/2015	Transfer	70	0.03%	191,775	7.6%
	At the end of the year			191,775	7.57%		
2	KAMAL ARORA						
	At the beginning of the year			70,000	2.76%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			70,000	2.76%		0.00%
3	VIJYANT JAISWAL						
	At the beginning of the year			65,000	2.56%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			65,000	2.56%		0.00%
4	GODFREY PHILLIPS INDIA LTD						
	At the beginning of the year			3,500	0.14%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			3,500	0.14%		0.00%
5	DHAWAN INVESTMENT & TRADING CO. LTD						
	At the beginning of the year			3,270	0.13%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			3,270	0.13%		0.00%
6	MANSHI FINANCERS PVT LTD						
	At the beginning of the year			2,800	0.11%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			2,800	0.11%		0.00%
7	ASHOK RANGANATHAN						
	At the beginning of the year			2,800	0.11%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			2,800	0.11%		0.00%
8	MADAN LAL SHAH						
	At the beginning of the year			2,300	0.09%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			2,300	0.09%		0.00%
9	LYONS RANGE AGENCIES PVT LTD						
	At the beginning of the year			2,100	0.08%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			2,100	0.08%		0.00%

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10	MITHU MONDAL						
	At the beginning of the year			2,100	0.08%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			2,100	0.08%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	BHUPINDER SINGH						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	MANMOHAN WALIA						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
3	BHAJANDEEP SINGH						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
4	AMARJIT KAUR						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
5	AJAY MAHAJAN (CFO)						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
6	AKASH GUPTA (CS)						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	13,650,000.00	NIL	13,650,000.00
ii) Interest due but not paid	NIL	538,803.00	NIL	538,803.00
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	14,188,803.00	NIL	14,188,803.00
Change in Indebtedness during the financial year				
* Addition	NIL	17,138,803.00	NIL	17,138,803.00
* Reduction	NIL	538,803.00	NIL	538,803.00
Net Change	NIL	16,600,000.00	NIL	16,600,000.00
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	30,788,803.00	NIL	30,788,803.00
ii) Interest due but not paid	NIL	1,977,638.00	NIL	1,977,638.00
iii) Interest accrued but not due	NIL		NIL	
Total (i+ii+iii)	NIL	32,766,441.00	NIL	32,766,441.00

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

SN.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
	Name	BHAJANDEEP SINGH		(Rs/Lac)
	Designation	MANAGING DIRECTOR		
1	Gross salary	N.A	N.A	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)		-	-
	Ceiling as per the Act			

B. Remuneration to other Directors

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

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

SN.	Particulars of Remuneration		Name of Key Managerial Personnel			Total Amount
	Name					(Rs/Lac)
	Designation	CEO	CFO	CS		
1	Gross salary	N.A	Mr. Ajay Mahajan	Mr. Akash Gupta		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	498,903.00	93,813.00		592,716.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	0	0		0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	0	0		0
2	Stock Option	N.A	0	0		0
3	Sweat Equity	N.A	0	0		0
4	Commission	N.A	0	0		0
	- as % of profit	N.A	0	0		0
	- others, specify	N.A	0	0		0
5	Others, please specify	N.A	0	0		0
	Total	N.A	498,903.00	93,813.00		592,716.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A				
Punishment	N.A				
Compounding	N.A				
B. DIRECTORS					
Penalty	N.A				
Punishment	N.A				
Compounding	N.A				
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A				
Punishment	N.A				
Compounding	N.A				

For And On Behalf Of The Board Of Directors

For **MOLIND ENGINEERING LIMITED****Bhajandeep Singh****Managing Director****DIN : 06918983****Address:** HouseNo.74,Deep Villa,
Ajit Nagar , Patiala 147001 (Pb)**Manmohan Walia****Director****DIN : 01056751****Address:** 15, Modern Colony,
Jawahar Nagar,
Jalandhar 144004 (Pb)



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and developments

The company design, develop, produce Capsule Making Machine, Detergent / Toilet Soap Wrapping Machines, General Purpose Wrapping Machines, General Purpose Collating and Parcelling Machines, Pharmaceutical Machines, Pharmaceutical Strips Inspecting, Collating and Counting Machines, Pharmaceutical Strips Cartoning machines, Cigarette Making and Packing Machines, Cigarette Filter Rod Making Machines, Cigarette Filter Rod Assembling Machines, Cigarette Packet Collating and Parcelling Machines, Cigarette Wrapping Machines, Spares for all MOI brand of machines, and market various types of customised machines as per customer's requirement

Adequacy Of Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and reportable material weakness in the design or operation were observed.

Risk Concerns

- a) Uncertainties in Government policies and delay in further economic reforms.
- b) Spurious activities
- c) Competition from imported goods mostly from the grey market
- d) New product introduction may fail

Outlook

The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. The expansion program by improving efficiency by installation of new and high tech machinery will push volume growth. The company's business is committed to achieve world benchmark quality besides expanding on new product offering from new clients.

Further the business will continue to focus on improving its cost competitive position. These measures will ensure the company maintaining its leadership position in the market. Due to the own processing plant the company is able to quote better rates and maintain safety of products high quality & productivity in the finished goods manufactured.

Opportunities and threat

The Board of Directors of the company is well aware of the challenges and opportunities available to the company and has taken a due note of the same.



Segment wise or product wise performance

The Company is manufacturing packaging machines, capsule making machines and other machines. The Company also deals in sale of spares and does transactions on commission basis . During the financial year 2015-16 total sale of the company was Rs. 101.29 from spares and other income comprising of commission received was Rs. 125.63 Lacs. Due to recession in Industry and lack of technology advancement the Company did not receive any order for Packaging and other machines. The Company has a plan to invest in research and development to overcome the technology backwardness.

Financial performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect.

Human Resources/Industrial Relations

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. Industrial relations are cordial and satisfactory.

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ASHWANI K. GUPTA & ASSOCIATES

CHARTERED ACCOUNTANTS

H. No. 1044A,

Sector 2, Panchkula

Ph. : 0172 - 2568939

Mobile : 98883-98905

INDEPENDENT AUDITOR'S REPORT

To the Members of *Molind Engineering Limited*

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Molind Engineering Limited ("the Company"), which comprise of the Balance Sheet as at 31st March , 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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 Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section



143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- (a) in the case of the **Balance Sheet**, of the State of Affairs of the Company as at **31st March, 2016**;
- (b) in the case of the **Statement of Profit and Loss**, of the Profit of the Company for the year ended on that date, and
- (c) in the case of the **Cash Flow Statement**, of the Cash Flows of the Company for the year ended on that date

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the Act, we give in the Annexure - 1 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 accounts 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.;
- (e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.;
- (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls refer to our separate report in Annexure — 2.;
- (g) with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to best of our information and according to the explanation given to us.;
- i. the company has disclosed the impact of pending litigation on its financial position in its financial statement as referred to in Note 31 to the financial statements.;
- ii. the Company did not have any long term contracts including derivative contracts as such the question of commenting on any material foreseeable losses does not arise.;
- iii. there has been a delay by the company to transfer the sum required to be transferred to the Investor Education and Protection Fund. The same has been mentioned in Note 5 of the schedules accompanying financial statements.;

For Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No. 003803N

Panchkula
June 25, 2016

Arvinder Singh
Partner
Membership Number : 091721

**Auditor's Report as per the Companies (Auditor's Report) Order 2016**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the statements for the year ended 31st March, 2016, we report that

1. In respect of fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

2. In respect of its Inventories:

- a) As explained to us, inventories have been physically verified by the management at reasonable interval during the year.
- b) As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. According to the Information and explanation given to us, the company has during the year not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under Section 189 of the Companies Act 2013 during the year, hence Para (a) (b) and (c) are not applicable.

4. According to the Information and explanation given to us, no loans, investments, guarantees, and security have been given to directors by the company. Hence, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable on the company.

5. In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from public.

6. According to the information and explanation given to us, Central government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the company.

7A. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing the undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Cess and other material statutory dues as applicable to it. However, to the explanation provided to us the outstanding balance of old statutory dues for Income Tax and Sales Tax are pending settlement.



7B. According to the information and explanation given to us and the records of the company examined by us, there are no material dues of Sales Tax, Service Tax and Cess as at March 31, 2016 which have not been deposited on account of a dispute. However, according to the information and explanations given to us, the following dues of Income Tax, Sales Tax have not been deposited by the Company on accounts of dispute.

Statement of Disputed Dues

Name of the Stati.	Nature of Dues	Amount (Rs in Lacs)	Period to which the amount relates A.Y	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	255.08	89-90,92-93,93-94,94-95, 96-97	JOINT CIT Special Range (Appeals)
Sales Tax Laws	Sales Tax	40.32	92-93,93-94,94-95,95-96	Deputy Excise and Taxation Connmisioner (Appeals)

- 8.** According to information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or debenture holders during the year. Accordingly paragraph 3(viii) of the order is not applicable.
- 9.** In our opinion and according to the information given to us, the term loans have been applied for the purpose for which they were taken. Further, the company has not raised funds by way of Initial Public Offer or further public offer during the year under consideration.
- 10.** According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has not been noticed or reported during the course of our audit.
- 11.** The company has not paid any managerial remuneration during the period under consideration, hence the provisions of Section 197 and 198 relating to payment of managerial remuneration are not applicable to the company.
- 12.** As the company is not a Nidhi company, hence this clause is not applicable.
- 13.** All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14.** The company has not made any preferential allotment or private placement of shares or fully or

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partly convertible debentures during the year under review hence; the provisions of Section 42 of Companies Act, 2013 are not required to be complied with.

15. The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the provisions of section 192 of Companies Act, 2013 are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No. 003803N

Panchkula
June 25, 2016

Arvinder Singh
Partner
Membership Number : 091721



Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Molind Engineering Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting



A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 Ashwani K. Gupta & Associates
Chartered Accountants
Firm Regn. No. 003803N

Panchkula
June 25, 2016

Arvinder Singh
Partner
Membership Number : 091721

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BALANCE SHEET AS AT 31st MARCH, 2016

PARTICULARS	Notes	As at 31st March, 2016 (Rs.)	As at 31st March, 2015 (Rs.)
EQUITY AND LIABILITIES			
A) Shareholders funds			
Share Capital	1	25,350,000.00	25,350,000.00
Reserve and surplus	2	(17,141,332.28)	(8,271,016.09)
Money received against share warrants		0.00	0.00
	(A)	<u>8,208,667.72</u>	<u>17,078,983.91</u>
B) Share application money pending allotment	(B)		
C) Non-current liabilities			
Long-term borrowings	3	0.00	0.00
Deferred tax liabilities(Net)	4	0.00	0.00
Other Long term liabilities	5	517,893.92	186,285.49
Long-term provision	6	6,801,959.01	6,801,959.01
	(C)	<u>7,319,852.93</u>	<u>6,988,244.50</u>
D) Current liabilities			
Short-term borrowing	7	30,788,803.00	13,650,000.00
Trade payables	8	610,999.35	1,180,340.32
Other current liabilities	9	11,312,607.42	7,254,861.92
Short-term provisions	10	0.00	0.00
	(D)	<u>42,712,409.77</u>	<u>22,085,202.24</u>
TOTALS (A+B+C+D)		58,240,930.42	46,152,430.65
ASSETS			
Non-current assets			
a) Fixed Assets	11		
- Tangible assets		978,667.00	1,224,570.00
b) Non-current investments	12	0.00	495,000.00
c) Deferred tax assets (net)		7,220,000.00	7,220,000.00
d) Long-term loans and advances	13	0.00	0.00
e) Other Non-current assets	14	710,091.94	1,170,509.74
	(E)	<u>8,908,758.94</u>	<u>10,110,079.74</u>
Current assets			
a) Current investment	15	0.00	557,663.36
b) Inventories	16	34,297,051.13	31,299,832.51
c) Trade receivables	17	11,820,831.66	2,730,716.26
d) Cash and bank balances	18	1,947,806.69	612,437.34
e) Short-term loans and advances	19	1,026,033.00	645,730.44
f) Other current assets	20	240,449.00	195,971.00
	(F)	<u>49,332,171.49</u>	<u>36,042,350.91</u>
TOTALS (E+F)		58,240,930.42	46,152,430.65
Significant Accounting Policies	30		
Additional Notes to Financial Statement	31		
The annexed notes form an integral part of the Balance Sheet In terms of our reports attached			

For **ASHWANI K. GUPTA & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Regn. No. 003803N

For and on behalf of the board

ARVINDER SINGH
PARTNER
M.No.:091721
Place: PANCHKULA
Dated: 25.05.2016AJAY MAHAJAN
CFO
PAN: AHNPM7851K
ADDRESS: H.NO. 60A
SECTOR 44 A
CHANDIGARH – 160047AKASH GUPTA
COMPANY SECRETARY
PAN: AZFPG4203R
ADDRESS: H.NO. 400
MOHD. BIBI, CHAURAH
SHAHJAHANPUR-242001BHAJANDEEP SINGH
MANAGING DIRECTOR
DIN : 06918983
ADDRESS: 74, DEEP VILLA
AJITNAGAR, PATIALA
PUNJAB – 147 001MANMOHAN WALIA
DIRECTOR
DIN : 01056751
ADDRESS: 15, MODERN COLONY
JAWAHAR NAGAR, JALANDHAR
PUNJAB – 144 004

**MOLIND ENGINEERING LIMITED**

Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160051 Punjab, India

CIN:L29199PB1960PLC008893

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

PARTICULARS	Notes	For The Year Ended 31st March, 2016 (Rs.)	For The Year Ended 31st March, 2015 (Rs.)
Income			
Revenue from operations(gross)		23,322,598.16	32,734,334.76
Less:excise duty		630,564.00	2,605,014.00
Revenue from operations(net)	21	22,692,034.16	30,129,320.76
Other income	22	0.00	143,543.50
Total revenue (I)		22,692,034.16	30,272,864.26
Expenses			
Cost of materials consumed	23	1,498,653.35	4,082,531.14
Purchase of stock in trade			
Changes in inventories of finished goods, work in progress stock in trade	24	(2,596,309.00)	6,314,820.00
Employee benefits expense	25	20,896,275.12	21,637,710.56
Finance costs	26	2,368,833.57	610,435.53
Depreciation and amortization expense	27	90,278.00	141,237.61
Other expenses	28	9,140,024.31	9,118,986.67
Total expenses (II)		31,397,755.35	41,905,721.51
Profit before exceptional and extraordinary items and tax (I-II)		(8,705,721.19)	(11,632,857.25)
Profit before extraordinary item and tax		(8,705,721.19)	(11,632,857.25)
extraordinary items	29	0.00	20,462,295.00
Profit /loss before tax		(8,705,721.19)	8,829,437.75
Tax expenses			
Current tax		0.00	0.00
Deferred tax		0.00	0.00
Adj. of prv.year		0.00	0.00
Total tax expenses		0.00	0.00
Profit/(loss) for the year from continuing operations (A)		(8,705,721.19)	8,829,437.75
Profit/(loss) before tax from discontinuing operations		0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00
Profit/(loss) after tax from discontinuing operations (B)		0.00	0.00
EPS			
Basic Earning Per Share		(3.43)	3.48
Diluted Earning Per Share		(3.43)	3.48
PROFIT / (LOSS) FOR THE YEAR (A+B)		(8,705,721.19)	8,829,437.75

The annexed notes form an integral part of the Profit & Loss Accounts

In terms of our reports attached

For **ASHWANI K. GUPTA & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Regn. No. 003803N

For and on behalf of the board

ARVINDER SINGH
PARTNER
M.No.:091721
Place: PANCHKULA
Dated: 25.05.2016

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	For The Year Ended 31st March, 2016 (Rs.)	For The Year Ended 31st March, 2015 (Rs.)
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(8,705,721.19)	8,829,437.75
Adjustments for:		
Depreciation and amortisation	90,278.00	141,237.61
Finance costs	2,368,833.57	610,435.53
Interest income	0.00	(34,627.00)
Provision in diminution in value of investment in subsidiary company	495,000.00	
(Profit) / loss on sale off assets	0.00	
Operating profit / (loss) before working capital changes	<u>2,954,111.57</u>	<u>692,208.65</u>
	<u>(5,751,609.62)</u>	<u>9,521,646.40</u>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Current investment	557,663.36	0.00
Inventories	(2,997,218.62)	6,240,049.43
Trade receivables	(9,090,115.40)	361,129.94
Short-term loans and advances	(380,302.56)	250,460.71
Long-term loans and advances	0.00	0.00
Other current assets	(44,478.00)	(21,359.00)
	<u>(11,954,451.22)</u>	<u>6,830,281.08</u>
	<u>(17,706,060.84)</u>	<u>16,351,927.48</u>
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(569,340.97)	(145,428.19)
Other current liabilities	4,057,745.50	(9,465,504.20)
Short-term provisions	0.00	0.00
	<u>3,488,404.53</u>	<u>(9,610,932.39)</u>
	<u>(14,217,656.31)</u>	<u>6,740,995.09</u>
Cash flow from extraordinary items		
Cash generated from operations		
Net income tax (paid) / refunds	0.00	0.00
Net cash flow from / (used in) operating activities (A)	<u>0.00</u>	<u>0.00</u>
	<u>(14,217,656.31)</u>	<u>6,740,995.09</u>
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(8,970.00)	(33,600.00)
Proceeds from sale of fixed assets	0.00	45,100.00
Other non-current assets	460,417.80	8,504.20
Net cash flow from / (used in) investing activities (B)	<u>451,447.80</u>	<u>20,004.20</u>
C. Cash flow from financing activities		
Proceeds from long-term borrowings	0.00	(5,850,000.00)
Repayment / Proceeds of other short-term borrowings	17,138,803.00	(2,500,000.00)
Other long-term liabilities	331,608.43	(7,470.00)
Long-term provisions	0.00	0.00
Finance costs	(2,368,833.57)	(610,435.53)
Interest income	0.00	34,627.01
Net cash flow from / (used in) financing activities (C)	<u>15,101,577.86</u>	<u>(8,933,278.52)</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<u>1,335,369.35</u>	<u>(2,172,279.23)</u>
Cash and cash equivalents at the beginning of the year	<u>612,437.34</u>	<u>2,784,716.57</u>
Cash and cash equivalents at the end of the year	<u>1,947,806.69</u>	<u>612,437.34</u>

In terms of our reports attached

For **ASHWANI K. GUPTA & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Regn. No. 003803N

For and on behalf of the board

ARVINDER SINGH
PARTNER
M.No.:091721
Place: PANCHKULA
Dated: 25.05.2016

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR 2015-16

PARTICULARS	As at 31st March, 2016 (Rs.)	As at 31st March, 2015 (Rs.)
NOTE 1 SHARE CAPITAL		
Authorised		
"50,00,000 Equity Shares of Rs. 10/- each (P.Y. 50,00,000 Equity Shares of Rs. 10/-each) "	50,000,000.00	50,000,000.00
Issued Subscribed & Paid up		
Equity Shares of Rs. 10/- each (P.Y. 25,35,000 Equity Shares of Rs. 10/-each) "	25,350,000.00	25,350,000.00
TOTAL	25,350,000.00	25,350,000.00
(A) Reconciliation of Number of Shares		
EQUITY SHARES		
Opening Balance	2,535,000.00	2,535,000.00
Issued during the year	0.00	0.00
Closing Balance	2,535,000.00	2,535,000.00
(B) Rights and Terms attached to the Equity Shares:		
The Company has only one class of equity shares having par value of Rs.10/-each. Each holder of equity share(s) is entitled to one vote per share and has right to enjoy dividend on per share basis, as and when declared by the Board of Directors, subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the company, the holder of the equity share(s) will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion of their shareholding.		
(C) List of Shareholders holding more than 5% of the total no. of Shares Issued by the Company :		
Name of the Shareholder		
ROYAL BEVERAGES PRIVATE LTD	1,893,820	1,893,820
KIWI WINE AND BEVERAGES PRIVATE LTD	191,775	187,005
NOTE 2 RESERVE AND SURPLUS		
CAPITAL RESERVE	3,217,396.12	3,217,396.12
Surplus in the statement of profit and loss		
Balance as per last financial statements	(11,488,412.21)	(20,317,849.96)
Add: Profit/Loss for the year	(8,705,721.19)	8,829,437.75
Less: Appropriations		
- Adjustment related to Fixed Assets (refer note 31.4)	(164,595.00)	0.00
Closing Balance	(20,358,728.40)	(11,488,412.21)
TOTAL	(17,141,332.28)	(8,271,016.09)
NOTE 3 LONG TERM BORROWINGS		
Term loans		
From banks	0.00	0.00
TOTAL	0.00	0.00
NOTE 4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities (Net)	0.00	0.00
Net Deferred Tax Liabilities	0.00	0.00
NOTE 5 OTHER LONG - TERM LIABILITIES		
a) Trade payables	339,977.67	400.00
b) Others	0.00	0.00
Related to employee	80,285.86	88,255.10
Unpaid-dividend	97,630.39	97,630.39
TOTAL	517,893.92	186,285.49
NOTE 6 OTHER LONG - TERM PROVISIONS		
Others provisions	6,801,959.01	6,801,959.01
PROVISIONS TAXATION-CO.(net of advance)		
TOTAL	6,801,959.01	6,801,959.01
NOTE 7 SHORT TERM BORROWINGS		
SECURED LOANS	0.00	0.00
UNSECURED LOANS CONSIDERED GOOD		
Inter Corporate Borrowings from Related Parties	30,788,803.00	13,650,000.00
- Royal Beverages Private Limited		
TOTAL	30,788,803.00	13,650,000.00
NOTE 8 TRADE PAYABLE		
Sundry Creditors	610,999.35	1,180,340.32
TOTAL	610,999.35	1,180,340.32
NOTE 9 OTHER CURRENT LIABILITIES		
a) Advance from customers	2,370,640.32	411,006.03
b) Interest accrued and due on borrowing	1,977,638.00	538,803.00
c) Other payables		
- Other payables	4,526,924.14	3,825,652.44
- Statutory Liabilities	2,437,404.96	2,479,400.45
TOTAL	11,312,607.42	7,254,861.92

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NOTE 10 SHORT TERM PROVISIONS

Provision for income tax	0.00	0.00
TOTAL	0.00	0.00

NOTE 11 FIXED ASSETS

GROSS BLOCK (AT COSTS)					DEPRECIATION			NET BLOCK			
	"As at 1 Apr 2015"	Additions	Deletions	As at 31 Mar 2016	Up to Apr 2015	For the FY2015-16	On Deletion	Adjust with Retain Earning	As at 31 Mar 2016	As at 31 Mar. 2016	As a 31 Mar. 2015
Land	400,440.00	0.00		400,440.00					0.00	400,440.00	400,440.00
Building	4,273,107.00			4,273,107.00	4,000,278.00	16,814.00			4,017,092.00	256,015.00	272,829.00
Plant and Machinery	20,376,926.00		0.00	20,376,926.00	20,165,709.00	2,166.00	0.00	30,888.00	20,198,763.00	178,163.00	211,217.00
Furniture&Fixtures	2,224,628.00	4,670.00	0.00	2,229,298.00	2,214,851.00	4,670.00	0.00		2,219,521.00	9,777.00	9,777.00
Office Equipment	1,368,755.00	4,300.00		1,373,055.00	1,241,738.00	66,310.00		8,423.00	1,316,471.00	56,584.00	18,444.00
Computer & Accessories	1,838,680.00			1,838,680.00	1,669,883.00	318.00		125,284.00	1,795,485.00	43,195.00	127,017.00
Electrical Installation	1,071,145.00			1,071,145.00	1,055,096.00				1,055,096.00	16,049.00	168,797.00
Vehicles	510,915.00		0.00	510,915.00	492,471.00	0.00	0.00		492,471.00	18,444.00	16,049.00
Designs and specification	66,667.00			66,667.00	66,667.00				66,667.00	0.00	0.00
Total	32,131,263.00	8,970.00	0.00	32,140,233.00	30,906,693.00	90,278.00	0.00	164,595.00	31,161,566.00	978,667.00	1,224,570.00
Previous year	343,301,853.36	33,600.00	2,204,190.78	32,131,262.58	32,949,383.23	141,237.61	2,183,928.27		30,906,692.57		

NOTE 12 NON-CURRENT INVESTMENTS

Non-current investments	0.00	495,000.00
Other Investments -(Equity Shares -Unquoted)		
49500 equity shares of Rs.10/- each in		
MOI TRADING & ENGG.PVT LTD (SUBSIDIARY CO).		
TOTAL	0.00	495,000.00
Aggregate amount of unquoted investments	0.00	495,000.00
Aggregate provision for diminution in value of investments	495,000.00	0.00

NOTE 13 LONG TERM LOANS AND ADVANCES

Long-term Loans, and advances		
TOTAL	0.00	0.00

NOTE 14 OTHER NON CURRENT ASSETS

Long Term Trade Receivable	(A)	243,029.55	733,330.35
Others	(B)	467,062.39	437,179.39
TOTAL (A+B)		710,091.94	1,170,509.74

NOTE 15 CURRENT INVESTMENT

Current Account with MOITEL	0.00	557,663.36
TOTAL	0.00	557,663.36

"NOTE 16 INVENTORIES (valued at lower of cost and net realizable value)"

Raw materials	5,873,118.00	5,522,061.00
Work-in-progress	4,956,484.00	3,235,742.00
Finished goods	22,955,428.00	22,079,861.00
Stores and Spare	32,447.59	17,907.73
Loose Tools	479,573.54	444,260.78
TOTAL	34,297,051.13	31,299,832.51

NOTE 17 TRADE RECEIVABLE

Unsecured, considered good		
Outstanding for a period exceeding six months	5,039,445.00	512,146.76
Others	6,781,386.66	2,218,569.50
TOTAL	11,820,831.66	2,730,716.26

NOTE 18 CASH AND CASH EQUIVALENTS

Balance with banks in Current A/c	1,898,723.07	565,669.59
Cash in Hand	49,083.62	46,767.74
TOTAL	1,947,806.69	612,437.33

NOTE 19 SHORT TERM LOANS AND ADVANCES

(a) Loans and advances to Suppliers	396,667.00	357,381.69
(b) Loans and advances to employees	471,130.00	175,000.00
(c) Prepaid expenses	82,330.00	76,719.75
(d) Balances with government authorities	75,906.00	36,629.00
TOTAL	1,026,033.00	645,730.44

NOTE 20 OTHERS CURRENT ASSETS

Advance Tax (Net of Provision)	240,449.00	195,971.00
TOTAL	240,449.00	195,971.00

NOTE 21 REVENUE FROM OPERATIONS

Sale of Product	8,815,743.16	30,717,922.00
Sale of services	1,843,634.00	1,052,340.00
Other operating revenues-	12,663,221.00	964,072.76
Revenue from operations(gross)	23,322,598.16	32,734,334.76
Less: Excise duty	630,564.00	2,605,014.00
Revenue from operations(net)	22,692,034.16	30,129,320.76

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NOTE 22 OTHER INCOME		
Interest	0.00	34,627.00
Profit On Fixed Asst.Sold		24,837.49
Provision Written Back	0.00	84,079.01
TOTAL	0.00	143,543.50
NOTE 23 COST OF MATERIAL CONSUMED		
Inventory at the beginning of the year	5,522,061.00	5,391,480.00
Add: Purchases	1,849,710.35	4,213,112.14
Less:inventory at the end of the year	5,873,118.00	5,522,061.00
Cost of raw material and components consumed	1,498,653.35	4,082,531.14
NOTE 24 (INCREASE) / DECREASE IN INVENTORIES		
Inventories at the beginning of the year		
Work -in -progress	3,235,742.00	12,623,058.00
Finished goods	22,079,861.00	19,007,365.00
TOTAL	25,315,603.00	31,630,423.00
Inventories at the end of the year		
Work -in -progress	4,956,484.00	3,235,742.00
Finished goods	22,955,428.00	22,079,861.00
TOTAL	27,911,912.00	25,315,603.00
(Increase) / decrease in inventories	(2,596,309.00)	6,314,820.00
TOTAL	(2,596,309.00)	6,314,820.00
NOTE 25 EMPLOYEE BENEFIT EXPENSE		
Salaries,wages and bonus	18,728,813.12	19,542,486.56
Contribution to provident and other fund	1,341,958.00	1,379,211.00
Staff welfare expense	825,504.00	716,013.00
TOTAL	20,896,275.12	21,637,710.56
NOTE 26 FINANCE COSTS		
Interest	2,344,491.00	598,695.00
Profit/Loss due to F.Exchange	(52,247.91)	0.00
Bank charges	76,590.48	11,740.53
TOTAL	2,368,833.57	610,435.53
NOTE 27 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assests	90,278.00	141,237.61
TOTAL	90,278.00	141,237.61
NOTE 28 OTHER EXPENSES		
Consumption of stores and spare parts	410,658.58	484,433.22
Outside Processing Charges	207,856.00	661,618.60
Power and fuel	1,828,874.00	1,864,916.00
Rent	318,207.00	60,660.00
Repairs and maintenance - Buildings	87,317.68	96,419.17
Repairs and maintenance - Machinery	50,742.00	25,954.42
Insurance	162,356.75	167,663.25
Travelling and conveyance	201,247.00	368,789.00
Printing and stationery	119,150.85	111,144.00
Freight and forwarding	155,126.11	280,565.00
Sales commission	0.00	34,725.08
Legal	420,000.00	353,500.00
Rates&Taxes	489,635.00	461,905.00
Payments to auditors	153,850.00	229,102.00
Telephone/Mobile	94,917.00	99,979.00
Professional/Retainership	2,705,918.00	3,181,054.00
Prov For Diminution Value Of Investment	495,000.00	46,064.26
Advertisement Commercial	208,880.00	171,868.00
Bad Debts/provision w.off	563,513.36	86,248.00
Misc. exp.	466,774.98	332,378.67
TOTAL	9,140,024.31	9,118,986.67
NOTE 29: EXTRAORDINARY ITEMS		
Liability Written Back	0.00	20,462,295.00

Extraordinary items represents liability written back pursuant to resolution passed in the meeting of Board Of Directors held on 28.03.2015

**NOTE 30: SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

B. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period.

C. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

D. Fixed Assets

Fixed assets are capitalised at acquisition cost. Cost of acquisition is inclusive of freight, Duties, taxes and other directly attributable costs incurred to bring the assets to their working Condition for intended use.

E. Depreciation

Depreciation on tangible fixed assets is provided on the Written Down Method over the useful life of the assets as given under Schedule II of Companies Act, 2013.

F. Investments

Investments are stated at cost.

G. Inventories

Inventories are valued at lower of cost or net realisable value. The basis for determining cost for various categories of inventories are as follows:

- | | |
|------------------------------------|---|
| - Stores & Spares | - Weighted average |
| - Raw Materials & Components | -Weighted average cost plus appropriate share of purchase overheads |
| - Finished Goods & Work-inProgress | -Material cost plus appropriate share of labour and manufacturing overheads wherever applicable |

H. Research & Development Expenditure

Revenue Expenditure on Research & Development is charged to revenue in the year in which it is incurred. Capital expenditure on Research & Development is included in fixed assets.

I. Foreign Currencies

Transactions settled during the year are accounted for on the basis of actual payments made. Current assets and current liabilities at the year end are restated at the exchange rate prevailing at the close of the year. If the net difference is a loss, such loss is recognised in revenue.

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OTE 31: ADDITIONAL NOTES TO FINANCIAL STATEMENTS

	Year ended 31st March, 2016(Rs.)	Year ended 31st March, 2015(Rs.)
1. Contingent liabilities not acknowledged as debts		
a) Claims by former employees	not ascertainable	not ascertainable
b) Disputed Income Tax demands under appeals	25,508,802.00	25,508,802.00
c) Disputed Sales Tax demands under appeals	4,032,000.00	4,032,000.00
d) Bank guarantees issued by bankers	---	---
2. Captive consumption of tools & jigs manufactured during the year and excluded from 'stores, spare parts, tools and jigs consumed' in Schedule 13.	169,166.00	198,291.00
3. As per past practice, the excise duty payable on finished goods is accounted for on the clearance of goods from the factory. However, non-provision of this duty will not affect the profit for the period.		
4. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule -II. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The Written down value of Fixed Assets whose lives have expired as at 1st April 2015 have been adjusted in the opening balance of Profit and Loss Account amounting to Rs.164595/-		
5. Companies Subsidiary MOI Trading and Engineering Private Limited has been strike off in current financial year and so Provision for diminution in value is made to recognise a decline other than temporary in the value of the investments amounting to Rs. 495000/- in MOI Trading and Engineering Private Limited.		
6. The balances of debtors as reflected in the books of accounts are subject to confirmation reconciliation and adjustments.		
7. The company has no information as to whether any of its suppliers constitute small Scale/ Ancillary undertakings and, therefore, the claims for Suppliers and others related data under the head 'Interest on delayed Payment to small and ancillary unit Act, 1993' could not be ascertained.		
8. As regards Deferred Tax as per AS- 22 "Accounting for Taxes on Income", there is net Deferred Tax Asset for the past years. As a matter of Prudence, the Company has not recognised further Deferred Tax Asset.		
9. The company has created a trust which has taken a Group gratuity policy with Life Insurance Corporation of India for future payment of gratuity to retired/resigned employees. Actuarial valuation is being done by LIC.		
10. In view of losses, no provision for Income Tax has been made during the year.		
11. As the company is operating only in one business segment as per AS-17 "Segment Reporting", there are no reportable segments.		

12.Earnings Per Share	Year Ended 31st March, 2015 (Rs.)	Year Ended 31st March, 2014 (Rs.)
1. Net Profit/Loss	(8,705,721.19)	8,829,437.75
2. No. of equity shares	2,535,000.00	2,535,000.00
3. EPS (Rs.)	(3.43)	3.48

**MOLIND ENGINEERING LIMITED**Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160051 Punjab, India
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13. Related Party Transactions

Related Party Disclosures as required by the Accounting Standard (AS) 18 are given below:-

(A) Name of Related party & Nature of relationship:-

a) Holding Company

Royal Beverages Private Limited

b) Key Management Personnel

Manmohan Walia (Director)

Bhupinder Singh(Director)

Amarjit Kaur(Director)

Bhajandeep Singh (Managing Director)

Ajay Mahajan(CFO)

Akash Gupta(Company Secretary)

(B) Disclosures of Related Party Transactions

S.No. Nature of Transaction/Relationship

Year Ended 31st March, 2016

Year Ended 31st March, 2015

S.No.	Nature of Transaction/Relationship	Rs.)	(Rs.)
1.	Unsecured Loan taken from Holding Company	16,600,000.00	11,150,000.00

(C.) Balances with related Parties as on 31.03.2016

Amount payable (Royal Beverages Pvt Ltd.)

30,788,803.00

13,650,000.00

Amount receivable(subsidiary)

0.00

557663.36

Investment in subsidiary

0.00

495,000.00

14. Payments to auditors:

Audit fees

97,325.00

191,012.00

Tax Audit fee

22,900.00

28,090.00

Other Services

28,625.00

0.00

Reimbursement of expenses

5,000.00

10,000.00

153,850.00229,102.00**15. Earnings in foreign currencies**

Exports of goods FOB value

3,140,933.00

3,545,564.00

16. Value of imports on CIF basis

- Components & Spares

0.00

0.00

17. Expenditure in foreign currency

18. Particulars in respect of goods manufactured

Class of goods	Unit	Capacity		Production	Closing	Opening Stock
		Licensed Installed				
Machines for tobacco industry	Nos.			---	-	-
				(-)	-	-
Machines for other Industries	Nos.	Explanation (i)	Explanation (ii)	0 (2)	-	-
					-	-
Components for use in assembly For Machines, machine spares and for supply to Engineering industries	Nos.			5,692 (6,750)	24,886 (23,668)	23,668 (24,301)

Explanations:

(i) The products manufactured are not covered by the Industries (Development & Regulation) Act, 1951.

(ii) The installed capacity as estimated by the Company is about 60 machines per annum plus Spare parts as required. The number of machines and quantities of spare parts produced in a year depends on the product mix.

(iii) The figures in brackets are for the previous year.

19. Particulars in respect of sales

Class of goods	Nos.	Year ended 31st March, 2016		Nos.	Year ended 31st March, 2015	
		Rs.			Rs.	
Capsule Making Machines	0	0.00		2	19,500,000.00	
Spares	1,868	7,931,037.00		2,554	8,612,908.00	
		7,931,037.00			28,112,908.00	

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Year Ended 31st March, 2016				Year Ended 31st March, 2015			
20. Value of raw materials and components consumed	Rs.		%	Rs.			%
Imported							
Raw materials	0.00						
Components	0.00	0.00	0	59,115.46	59,115.46		1
Indigenous							
Raw materials	1,123,004.63			861,544.15			
Components	733,503.03			3,299,760.04			
Internally mfg. Components	7,943,535.83			6,303,561.19			
		9,800,043.49	100		10,464,865.38		99
		9,800,043.49	100		10,523,980.84		100

Consumption of raw materials and components include those used for internally manufactured components.

Raw materials							
Castings	427,511.69			167,402.29			
Others	695,492.94	1,123,004.63		694,141.86		861,544.15	
Components							
Purchased	733,503.03			3,358,875.50			
Internally manufactured	7,943,535.83	8,677,038.86		6,303,561.19		9,662,436.69	
		9,800,043.49				10,523,980.84	

Consumption of raw materials and components include those used for internally manufactured components. No individual item of consumption accounts for 10% or more of the total value consumed.

22. Previous year's figures have been regrouped/reclassified wherever necessary to make them comparable with those of current year.
 The annexed notes form an integral part of the financial statements

ARVINDER SINGH
 PARTNER
 M.No.:091721
 Place: PANCHKULA
 Dated: 25.05.2016

AJAY MAHAJAN
 CFO
 PAN: AHNPM7851K
 ADDRESS: H.NO. 60A
 SECTOR 44 A
 CHANDIGARH – 160047

AKASH GUPTA
 COMPANY SECRETARY
 PAN: AZFPG4203R
 ADDRESS: H.NO. 400
 MOHD. BIBI, CHAURAH
 SHAHJAHANPUR-242001

BHAJANDEEP SINGH
 MANAGING DIRECTOR
 DIN : 06918983
 ADDRESS: 74, DEEP VILLA
 AJITNAGAR, PATIALA
 PUNJAB – 147 001

MANMOHAN WALIA
 DIRECTOR
 DIN : 01056751
 ADDRESS: 15, MODERN COLONY
 JAWAHAR NAGAR, JALANDHAR
 PUNJAB – 144 004



Dear Shareholder(s)

Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is extending e-voting facility as an alternative, for its shareholders to enable them to cast their vote electronically on the resolutions proposed to be passed in the 55th Annual General Meeting scheduled to be held on Friday, 30th September, 2016 at 12.30 P.M. at the Registered office of the Company at MOHALI

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the agency to provide e-voting facilities. The e-voting instructions are provided in the Notice of AGM contained in the enclosed Annual Report of the Company.

As per the above said instructions, the sequence number required to exercise the e-voting right is as under:

Sequence Number (Refer step No. (vii) of e-Voting instructions contained in the notice) EVSN – 160830001	0000000001
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The remote e-voting period begins on Monday the 26th day of September 2016 at 09:00 A.M. and ends on Thursday the 29th day of September 2016 at 05:00 P.M. Members may cast their votes accordingly.

The remote e-voting shall not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.

The cut-off date for the purpose of remote e-voting and voting at the Annual General Meeting is 23rd September, 2016.

This Communication forms an integral part of the Notice for the 55th Annual General Meeting contained in the enclosed Annual Report of the Company for the financial year 2015-16.

By order of the Board

for **MolindEngineering Limited**

Date: 01.09.2016

Place: Mohali

Bhajandeep Singh

(Managing Director)

DIN: 06918983

Address: House No., 74 Deep Villa,

Ajit Nagar Patiala

147001 PB

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MOLIND ENGINEERING LIMITED

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ATTENDANCE SLIP

(To be presented at the entrance)

55th Annual General Meeting on Friday, 30th September, 2016 at 12.30 P.M

At

A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab

Folio No.....DP ID No.....No. of shares.....

Name of the member:..... Signature:.....

Name of the Proxy holder:..... Signature:.....

I hereby record my presence at the 55th Annual General Meeting of the Company held on Friday, 30th, September, 2016 at 12.30 pm at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab.

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the annual report for reference at the Meeting.

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MOLIND ENGINEERING LIMITED

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FORM NO. MGT-11**PROXY FORM**

(Pursuant to section 105(6) of the Companies act, 2013 and Rule 19(3) of the Companies (Management and administration) rules, 2014)

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No. / Client ID No. : DP ID No.....

I/We, being the member(s) of.....Equity Shares of Molind Engineering Limited, hereby appoint

1. Name: Email Id

Address:

Signature.....or failing him

2. Name:.....Email Id

Address:

Signature.....or failing him

3. Name: Email Id

Address:.....

Signature.....

As my/our proxy to attend and vote (on a poll) for me /us and on my /our behalf at the 55th Annual General Meeting of the Company to be held on Friday, 30th,Sept,2016 at 12.30 pm at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab and at any adjournment thereof in respect of such resolutions as are indicated below:

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MOLIND ENGINEERING LIMITED

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Resolution No.	Resolution	For	Against
----------------	------------	-----	---------

Ordinary Business

1	Consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March 2016 and the Reports of the Board of Directors and the Auditors thereon		
---	---	--	--

Resolution No.	Resolution	For	Against
2	To appoint a Director in place of Mr. Manmohan Walia (DIN NO. 01056751) who is liable to retire by rotation and being eligible offers himself for reappointment.		
3	Ratification of appointment of M/s Ashwani k Gupta & Associates, Chartered Accountants as Statutory Auditors of the Company.		

Special Business

4	To confirm the appointment of Mr. Sandeep Mathur as an Director cum Independent director of the Company.		
5	To confirm the appointment of Mr. Anupam Mishra as an Director cum Independent director of the Company.		
6	To approve the borrowing limit of the company		

Signed this.....day of.....2016

Affix
revenue
Stamp

**MOLIND ENGINEERING LIMITED**

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MOLIND ENGINEERING LIMITED

A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 051, Punjab

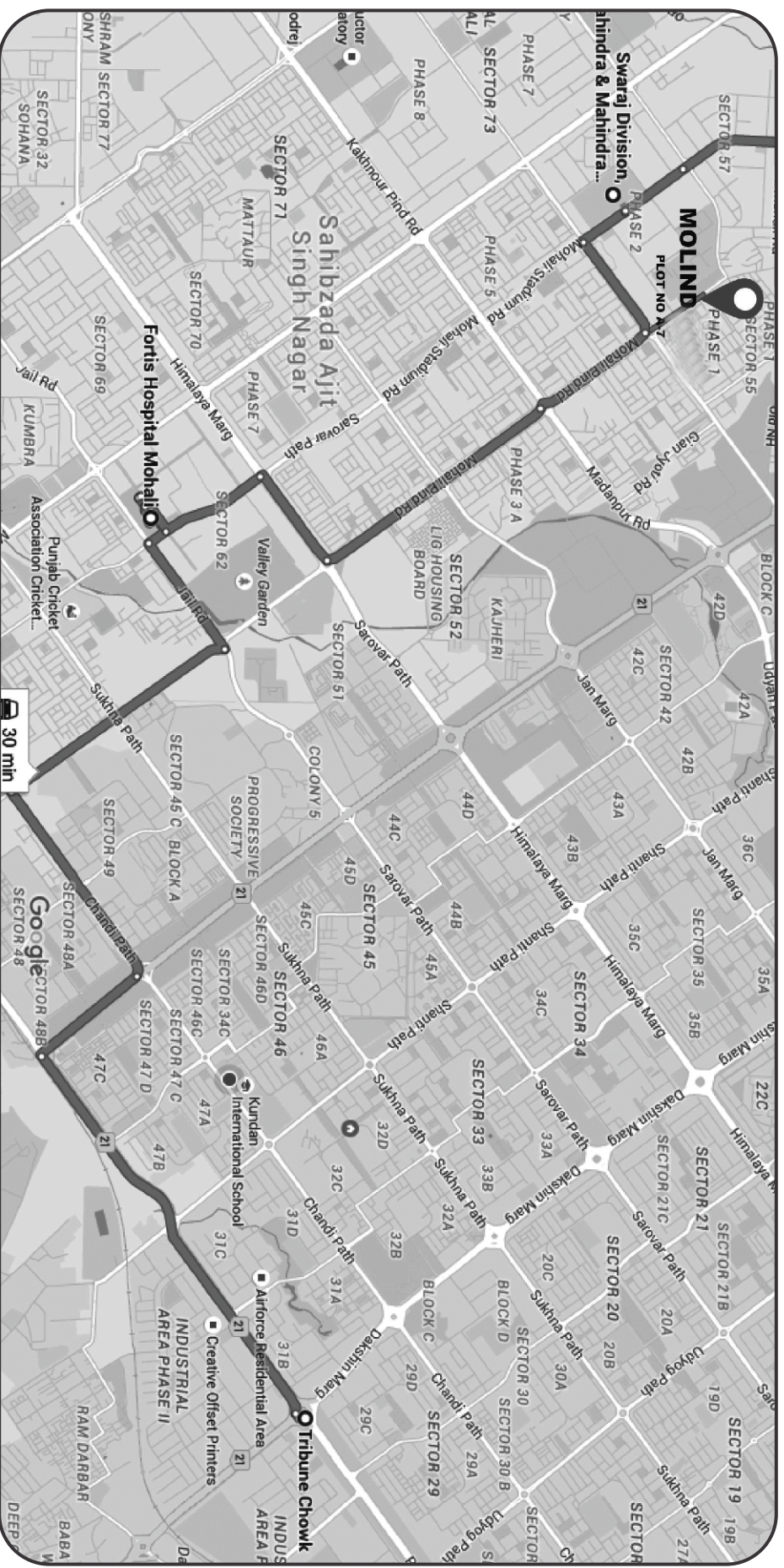
CIN. L29199PB1960PLC008893

moi@molind.com

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 at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali 160 051, Punjab not less than 48 hours before the commencement of the Meeting.
2. This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of jointholders, the Signature of any one holder will be sufficient, but names of all the jointholders should be stated.

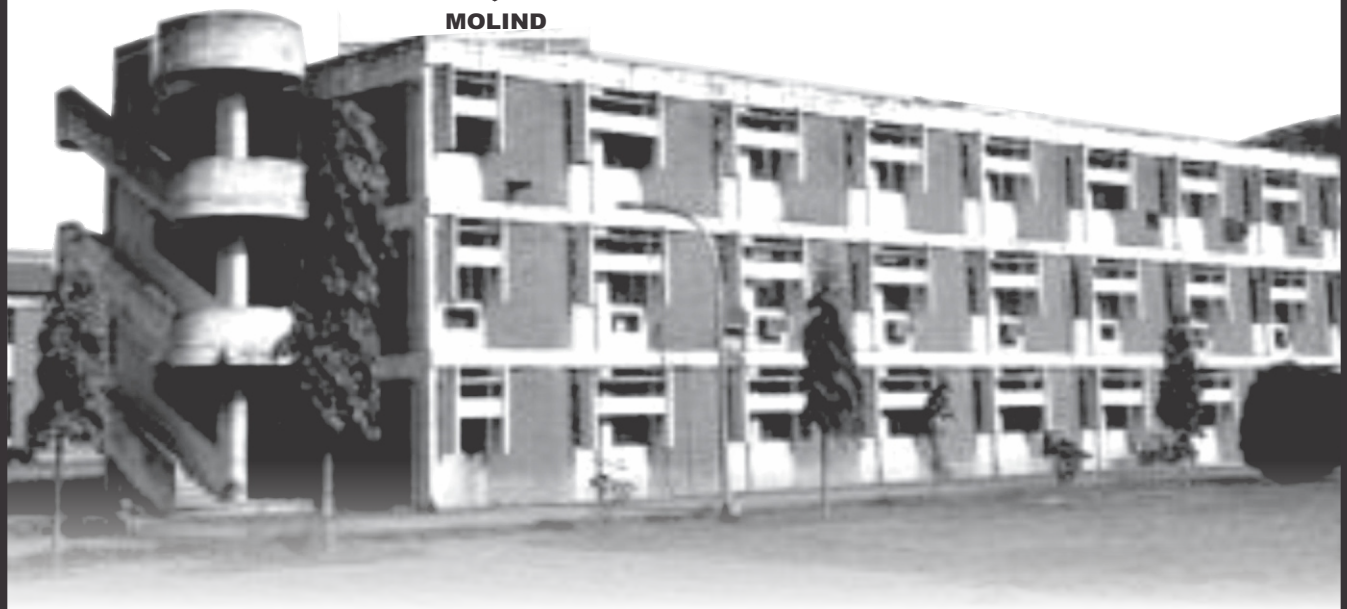


LOCATION MAP FROM TRIBUNE CHOWK CHANDIGARH TO MOLIND ENGINEERING LTD. MOHALI

BOOK POST
PRINTED MATTER



MOLIND



————— If undelivered, please return to —————

MOLIND ENGINEERING LIMITED

A-7, Industrial Estate, Phase-3, Mohali - 160 051 (Punjab)