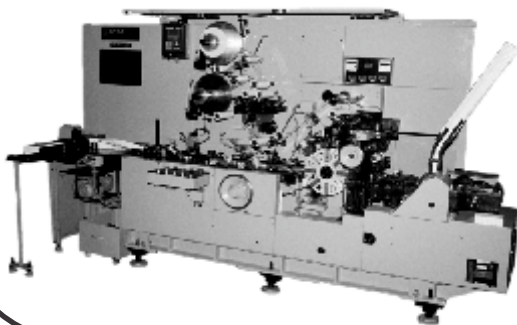
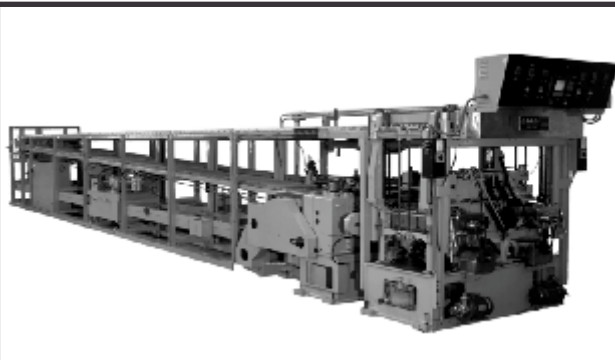




MOLIND ENGINEERING LIMITED



ANNUAL REPORT
2017

BOARD OF DIRECTORS

BHUPINDER SINGH	-	DIRECTOR
MANMOHAN WALIA	-	DIRECTOR
AMARJIT KAUR	-	DIRECTOR
SANDEEP MATHUR	-	DIRECTOR
ANUPAM MISHRA	-	DIRECTOR
BHAJANDEEP SINGH	-	MANAGING DIRECTOR
AJAY MAHAJAN	-	CFO
MANAN JAIN	-	COMPANY SECRETARY
SANJEEV SHARMA	-	SECRETARIAL AUDITOR

AUDITORS

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

REGISTERED OFFICE

A-7, PHASE-3, INDUSTRIAL ESTATE
MOHALI - 160 055
(PUNJAB)

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NOTICE

Notice is hereby given that **Fifty Sixth (56th)** Annual General Meeting of **Molind Engineering Limited** will be held on **Wednesday, 27th day of September 2017** 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 2017 and the Reports of the Board of Director's and the Auditor's thereon.
2. To appoint a Director in place of Ms. Amarjit Kaur (DIN NO. 07213266) who is liable to retire by rotation and being eligible offers herself 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 2018 and to examine and audit the accounts of the Company for the financial year 2017-18 at such remuneration plus service tax as may be mutually agreed between the Board of Directors and the Auditors”

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

Date: 01.09.2017

Place: Mohali

BHAJANDEEP SINGH

(Managing Director)

DIN: 06918983

Address: House No., 74 Deep Villa,
Ajit Nagar ,Patiala -147001PB



NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. **PURSUANT TO PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH THE APPLICABLE RULES THEREON, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, MAY APPOINT A SINGLE PERSON AS PROXY, WHO SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.**
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
5. Members/proxies are requested to bring their copies of Annual Report to the Meeting.
6. Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.
7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. Register of Members and the share transfer Books of the Company will remain closed from 21st September 2017 to 27th September 2017 (both days inclusive).
9. 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 Saturday the 23rd day of September 2017 from 10.00 A.M and ends on Tuesday the 26st day of September 2017 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 20th September 2017 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (In Capital) <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#	Enter the Date of Birth (DOB) as recorded in the company records for the folio in DD/MM/YYYY format.
Dividend Bank details#	Enter the Dividend Bank Details as recorded in the Company records for the said folio. <ul style="list-style-type: none">Please enter the DOB or Dividend Bank details in order to login. Incase 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 issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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 Saturday the 23rd day of September 2017 from 10.00 A.M and ends on Tuesday the 26st day of September 2017 During this period shareholders' of the Company, holding shares, as on the cut-off date of 20th September 2017 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 20th September 2017.

(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.

7. 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."

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

Date: 01.09.2017
Place: Mohali

BHAJANDEEP SINGH
(Managing Director)
DIN: 06918983
Address: House No. 74
Deep Villa, Ajit Nagar,
Patiala -147001PB



PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, WITH THE STOCK EXCHANGES AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED IS FURNISHED BELOW:

Name of Director	Date of Birth (No. of shares held)	Qualification (Relationship with other Directors)	Nature of Expertise	Name of Companies in which he/she holds Directorship	Name of Committees of the companies of which he/she holds membership
Ms. Amarjit Kaur	13/10/1967 (NIL)	Graduate (Wife of Mr. Bhajandeep Singh, Managing Director)	She is graduate and her continued association would be of immense benefit for the Company.	Molind Engineering Limited	None



BOARD's REPORT

To the Members,

Your Directors have pleasure in submitting **Fifty Sixth (56th)** Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31st, 2017 is summarized below

PARTICULARS	Amount In Rupees	
	Current Year (2016-17)	Previous Year (2015-16)
Net Sales	29,270,055.37	22,692,034.16
Other Income	481,759.07	0.00
Total Revenue	29,751,814.44	22,692,034.16
Total Expense before Depreciation	37,535,840.21	31,307,477.35
Depreciation	38,574.00	90,278.00
Profit/Loss before Extraordinary items and Tax	(7,822,599.77)	(8,705,721.19)
Extraordinary items	0.00	0.00
Profit/Loss After Extraordinary items	(7,822,599.77)	(8,705,721.19)
Current Tax	0.00	0.00
Deferred Tax	0.00	0.00
Profit/Loss After Tax	(7,822,599.77)	(8,705,721.19)
Basic Earnings per Share	(3.09)	(3.43)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year total revenue of the Company is Rs. 29,751,814.44 which is more than the last year total Revenue of the Company of Rs. 22,692,034.16. During the Year Company suffered a net loss amounting to Rs. 7,822,599.77. 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 improvement in financial position in the near future.



LISTING OF EQUITY SHARES ON METROPOLITAN STOCK EXCHANGE OF INDIA LTD. (MSEI)

Keeping in view the low business of Regional Stock Exchanges, SEBI has asked regional stock exchanges to voluntarily seek exit or get de-recognition. 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.

In view of the above the management of your company decided to get list the shares of your company and make the application of the secondary listing to one of the stock exchange name **“Metropolitan Stock Exchange of India Ltd. (MSEI)”** which having nationwide trading terminal and pursuant to which we filed the application for secondary listing.

After executing, arranging and submitting all the necessary papers, documents, agreement deeds etc and complying all the compliances of the secondary listing and payment of all applicable processing and listing fee, the Metropolitan Stock Exchange of India Limited vide its circular No. **MSEI /LIST/5162/2017 dated 24th May, 2017** gave the approval of listing of 14,00,000 equity shares on their Board and simultaneously the name of your company removed from the dissemination board of Bombay Stock Exchange (BSE).

Further as per SEBI Circular CIR/CFD/CMD/13/2015 dated November 30, 2015 and as per Regulation 31(2) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 w.r.t 100% of shareholding of promoter and promoter group in dematerialized form, the promoter of your company M/s. Royal Beverages Private Limited has made the application for dematerialization of shares and got its shares dematerialized.

LISTING

Your Company's equity shares are listed on **“Metropolitan Stock Exchange of India Limited (MSEI)”**

TRANSFER TO RESERVES

During the year, your Company carried forward the loss of Rs 7,822,599.77 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

The Metropolitan Stock Exchange of India Limited vide its circular No. **MSEI /LIST/5162/2017 dated 24th May, 2017** gave the approval of listing of 14,00,000 equity shares on their Board and simultaneously the name of your company removed from the dissemination board of Bombay Stock Exchange (BSE).

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 were 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 auditors 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 does not contain any qualification.

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).

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 2016-17, the Board met Twelve (12) times dated 29/04/2016, 25/05/2016, 30/05/2016, 10/06/2016, 12/08/2016, 01/09/2016, 30/09/2016, 18/10/2016, 14/11/2016, 30/12/2016, 14/02/2017 and 10/03/2017. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013 and SEBI (LODR) 2015.

MEETING ATTENDED BY THE DIRECTORS OF THE COMPANY

Sl. No	Name of the Director	Meeting Attended
1	Manmohan Walia	12
2	Bhupinder Singh	12
3	Bhajandeep Singh	12
4	Amarjit Kaur	12
5	Anupam Mishra	8
6	Sandeep Mathur	8

AUDIT COMMITTEE & COMPOSITION

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 your company has the proper composition of Audit Committee with the proper combination of Mr. Anupam Mishra (Independent Director), Chairman, Mr. Sandeep Mathur (Independent Director) and Mr. Manmohan Walia (Director) as Member of the Committee.

During the Financial year the Committee met only Three (3) times dated 12th August, 2016, 14th November, 2016 and 14th February, 2017 and all the members attended all the meeting.

NOMINATION AND REMUNERATION COMMITTEE In Compliance with the provisions of Section 178 (1) of the Companies Act, 2013, your company has the proper composition of Nomination and Remuneration Committee with the proper combination of Mr. Anupam Mishra (Independent Director), Chairman, Mr. Sandeep Mathur (Independent Director) and Mr. Manmohan Walia (Director) as Member of the Committee.

STAKEHOLDER RELATIONSHIP COMMITTEE

In Compliance with the provisions of Section 178 (5) of the Companies Act, 2013, your company has reconstituted the composition of the Stakeholder Relationship Committee by appointing Mr. Anupam Mishra (Independent Director), Chairman, Mr. Sandeep Mathur (Independent Director) and Mr. Manmohan Walia (Director) as Member of the Committee.

During the Financial year the Committee met only Seven (7) times dated 01/04/2016, 29/04/2016,



02/05/2016, 01/06/2016, 12/08/2016, 14/11/2016 and 14/02/2017.

Meeting Attended By The Members Of The Committee

Sl. No	Name of the Director	Meeting Attended
1	Manmohan Walia	7
2	Bhajandeep Singh	4
3	Anupam Mishra	3
4	Sandeep Mathur	3

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.

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. Accordingly, Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy is Annexed as **Annexure 3** to this report.

PARTICULARS OF THE EMPLOYEE:

The Information required under section 197 of the Act read with rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 are given below:

a. No remuneration was paid to the Directors; hence there is no such ratio of the remuneration of each director to the median remuneration of the employee of the Company.

b. No remuneration was paid to the Directors, therefore the details of the percentage increase in



remuneration of each director does not arise but Mr. Akash Gupta, Company Secretary (KMP) got the 20% increment in his salary during the year.

c. The percentage increase in the median remuneration of the employees in the financial year is: NIL

d. The number of permanent employees on the rolls of the Company is 52

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

S.No.	Name	Gross 2016-17	Gross 2016-17	Increase	% Increase
1	Ramesh kumar Verma	2,91,315	2,80,411	10,904	3.89
2	Balram kumar	2,90,193	2,79,679	10,514	3.76
3	Jaspal singh	2,89,268	2,78,595	10,673	3.83
4	Gurjeet singh	2,88,412	2,78,857	9,555	3.43
5	Narinder pal singh	2,86,712	2,76,463	10,249	3.71
6	Gulshan kumar	2,84,476	2,74,308	10,168	3.71

f. The key parameters for any variable components of remuneration availed by the directors: NA

g. Your Directors affirm that the remuneration paid to the employees and to Key Managerial Personnel was as per remuneration policy of the Company.

f. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows:

- i) Ajay Mahajan
- ii) Akash Gupta
- iii) Vinay Kumar Singh
- iv) Sukhpal Singh
- v) Gurbax Singh
- vi) Ram Pal Syal
- vii) Ramesh Kumar Verma
- viii) Balram Kumar
- ix) Jaspal Singh
- x) Gurjeet Singh



Further There were no employees in the Company who was paid salary exceeding Rs. 1,02,00,000 per annum or Rs. 8,50,000/- per month,

REPORTING OF FRAUD BY THE AUDITOR

In terms of Section 134 (3) (ca) report by the Board of Directors is required to include the details in respect of frauds reported by auditors under sub-section 12 of section 143 other than those which are reportable to the Central Government. No such fraud was reported by the auditor.

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 4** 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 31,2017, 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 31st, 2017 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 had prepared the annual accounts on a going concern basis; and
- (e) the Directors, had 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 does not have any Subsidiary, 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 54th Annual General Meeting held on 30th September, 2015.

Directors

Mr. Bhupinder Singh, Ms. Amarjit Kaur and Mr. Manmohan Walia are the Executive Directors of the company.

Re-appointment

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

Independent Director

Mr. Sandeep Mathur and **Mr. Anupam Mishra** is the independent Director of your Company who were appointed as Additional Director cum independent Director as on 10th June, 2016 for a period of five years and their appointment were confirmed by the shareholders of the company in the 55th Annual General Meeting dated 30th September, 2016.

The Independent Directors of your Company hold office upto 05th June, 2021 and are not liable to retire by rotation. Company has received the declaration from all Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013, the Companies Act, 2013.

Further, during the year the Board of the Independent Director met once in a year dated 14/02/2017 to review the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole.

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, resigned w.e.f 23/06/2017 and Mr. Manan Jain appointed w.e.f 04/07/2017 as



the Company Secretary cum Compliance Officer of the company.

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.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has prepared the 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 -5.

Further, details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis Report.



CAPITAL STRUCTURE OF THE COMPANY

There is no change in the Capital structure of the company during the period 2016-17. So capital structure is same as the capital structure at the end of the financial year 31st March, 2017.

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.

ACKNOWLEDGEMENTS

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: 01.09.2017

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
Address: HouseNo.74
Deep Villa, Ajit Nagar
Patiala 147001 PB IN

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



ANNEXURE-1

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134 (3) (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** As per our last developed automatic capsule machine with 10% increase in production capacity in March 2014, has successfully installed and under production at speed of 38-39 pin bars per minute at customer end (fortcaps). Total capsule (production) is 17 lacs approx. per day.

Up gradation of swift-vx (detergent soap wrapping m/c) redesigned and developed with inline feeding system (turntable arrangement) as per customer requirement to reduce m/c floor area.

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

As above upgraded capsule making machine and swift vx with inline conveyor system meets customer (market requirement) and this 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.

3. 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

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned Rs 29.49 Lacs in foreign exchange during the financial year. The Company has not spent any amount in foreign exchange.

For And On Behalf Of The Board Of Directors

For **MOLIND ENGINEERING LIMITED**

Date: 01.09.2017

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
Address: HouseNo.74
Deep Villa, Ajit Nagar
Patiala 147001 PB IN

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



Form No. MR-3
Secretarial Audit Report
(For the period 31.03.2017)

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

To,
The 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 2017, 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 2017 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 and 2015; **(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, 2008; **(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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

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 duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as requisite Independent Directors have 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 anything 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 : 18.07.2017

Sd/-

Sanjeev Sharma

Company Secretary

FCS No. 3789

CP No. 4047



NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy applies to the Board of Directors (the “Board”), Key Managerial Personnel (the “KMP”) and the Senior Management Personnel of “**MOLIND ENGINEERING LIMITED**”. (the “Company”).

“Key Managerial Personnel” (KMP) means -

- (i) The Chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other officer as may be prescribed;

The term “**Senior Management**” means all personnel of the Company who are members of its core management team excluding members of the Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

1. PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the nomination and remuneration of Directors, Key Managerial Personnel and other employee comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

2. ACCOUNTABILITIES

- 2.1 The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 2.2 The Board had delegated responsibility for assessing and selecting the candidates for the enrolment of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & Nominations to the Board.

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is responsible for:



- 3.1 Identifying individuals suitably qualified to be appointed as the Director and KMPs or as in the Senior Management of the Company;
- 3.2 Recommending to the Board on the selection of individuals nominated for directorship;
- 3.3 Making recommendations to the Board on the remuneration payable to the Directors/KMPs/ Senior Management so appointed/reappointed;
- 3.4 Assessing the independence of Independent Directors;
- 3.5 Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Companies Act 2013 and Rules there under.
- 3.6 To make recommendations to the Board concerning any matters relating to the continuation in office of any Director, Senior Management at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 3.7 Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 or more non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee and Nomination and Remuneration policy shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.



Committee Members' Interests

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

4. APPOINTMENT OF DIRECTORS/KMPS/SENIOR MANAGEMENT

4.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, Nomination and Remuneration Committee has regard to:

- (a) Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- (b) The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- (c) The skills and experience that the appointee brings to the role of KMP/ Senior Management and how an appointee will enhance the skill sets and experience of the Board as a whole;
- (d) The nature of existing positions held by the appointee including directorships or other relationships and
- (e) The impact they may have on the appointee's ability to exercise independent judgment;

4.2 Personal specifications to be broadly considered:

- (a) Holding relevant education qualification in relevant disciplines;
- (b) Experience of management in a diverse organization;
- (c) Excellent interpersonal, communication and representational skills;



- (d) Demonstrable leadership skills;
- (e) Commitment to high standards of ethics, personal integrity and probity;
- (f) Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- (g) Having continuous professional development to refresh knowledge and skills.

5. LETTERS OF APPOINTMENT

Each Director/KMP/ Senior Management is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

6. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other Senior Management. The Directors, Key Management Personnel and other Senior Management salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Management of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

i) Remuneration:

a) Base Compensation (fixed salaries)

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non- statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The nomination and remuneration committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified



improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

ii) Statutory Requirements:

(a) Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.

(b) Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors including managing director and whole time director and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 as prescribed under the Act.

(c) The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.

(d) The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.

(e) The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.

(f) The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

- 6.1** The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- 6.2** The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.
- 6.3** The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.



7. EVALUATION/ ASSESSMENT OF DIRECTORS/ KMPs/ SENIOR MANAGEMENT OF THE COMPANY

The evaluation/assessment of the Directors, KMPs and the Senior Management of the Company is to be conducted on an annual basis on such criteria as may be deemed fit and appropriate.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the such parameters as may be deemed fit and appropriate. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

For And On Behalf Of The Board Of Directors

For **MOLIND ENGINEERING LIMITED**

Date: 01.09.2017

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
Address: HouseNo.74
Deep Villa, Ajit Nagar
Patiala 147001 PB IN

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



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
 As on financial year ended on 31.03.2017

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

I. REGISTRATION & 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, Tel. No.- (0172) 2225628, 2224326, 2261924, Email id:- moielmhl@gmail.com
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	% to total turnover of the company
1	Manufacture of other general purpose machinery	28199	55
2	Activities of commission agents	46102	45

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Royal Beverages Private Limited (65 I, Block BRS Nagar, Ludhiana, Punjab)	U15511PB2007PTC031187	Holding	74.71	2(46)

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-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0.00%	0	0	0	0.00%	NIL
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	NIL
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	NIL
d) Bodies Corp.	0	1,893,820	1,893,820	74.71%	0	1,893,820	1,893,820	74.71%	NIL
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	NIL
f) Any other	0	0	0	0.00%	0	0	0	0.00%	NIL
Sub Total (A) (1)	0	1,893,820	1,893,820	74.71%	0	0	1,893,820	74.71%	NIL
(2) Foreign									
a) NRI Individuals	0	0	0	0.00%	0	0	0	0	NIL
b) Other Individuals	0	0	0	0.00%	0	0	0	0	NIL
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0	NIL
d) Any other	0	0	0	0.00%	0	0	0	0	NIL
Sub Total (A) (2)	0	0	0	0.00%	0	0	0	0	NIL
TOTAL (A)	0	1,893,820	1,893,820	74.71%	0	1,893,820	1,893,820	74.71%	NIL



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	214,936	214,936	8.48%	0	214,936	214,936	8.48%	NIL
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	289,424	289,424	11.42%	0	289,424	289,424	11.42%	NIL
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	6,39,360	6,39,360	25.22%	0	6,39,360	6,39,360	25.22%	NIL
Total Public (B)	0	6,41,180	6,41,180	25.29%	0	6,41,180	6,41,180	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	25,35,000	25,35,000	100.00%	-	25,35,000	25,35,000	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%



(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			191775	7.57%		0.00%
	Changes during the year				0.00%		0.00%
	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%



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			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	
2	MANMOHAN WALIA						
	At the beginning of the year			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	
3	BHAJANDEEP SINGH						
	At the beginning of the year			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	
4	AMARJIT KAUR						
	At the beginning of the year			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	
5	AJAY MAHAJAN (CFO)						
	At the beginning of the year			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	
6	AKASH GUPTA (CS)						
	At the beginning of the year			NIL		NIL	
	Changes during the year			NIL		NIL	
	At the end of the year			NIL		NIL	

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	3,07,88,803.00	NIL	3,07,88,803.00
ii) Interest due but not paid	NIL	19,77,638.00	NIL	19,77,638.00
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)		3,27,66,441.00	NIL	3,27,66,441.00
Change in Indebtedness during the financial year				
* Addition	NIL	2,09,77,638.00	NIL	2,09,77,638.00
* Reduction	NIL	1,94,77,638.00	NIL	1,94,77,638.00
Net Change	NIL	15,00,000.00	NIL	1,66,00,000.00
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	3,42,66,441.00	NIL	3,42,66,441.00
ii) Interest due but not paid	NIL	29,80,071.00	NIL	29,80,071.00
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	3,72,46,512.00	NIL	3,72,46,512.00



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/WTD/ 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	Anupam Mishra	Sandeep Mathur		
	Fee for attending board committee meetings	NIL	NIL		NIL
	Commission	NIL	NIL		NIL
	Others, please specify	NIL	NIL		NIL
	Total (1)	NIL	NIL		NIL
2	Other Non-Executive Directors	Manmohan Walia			NIL
	Fee for attending board committee meetings	NIL			NIL
	Commission	NIL			NIL
	Others, please specify	NIL			NIL
	Total (2)	NIL			NIL
	Total (B)=(1+2)	NIL	NIL		NIL
	Total Managerial Remuneration	NIL	NIL		NIL
	Overall Ceiling as per the Act				



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	5,40,000.00	3,88,909.00	9,28,909.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	0	6,675.00	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	-
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	5,40,000.00	3,95,584.00	9,28,909.00

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**

Date: 01.09.2017

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
 Address: HouseNo.74
 Deep Villa, Ajit Nagar
 Patiala 147001 PB IN

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



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 MOLIND brand of machines, and market various types of customised machines as per customer's requirement and doing jobwork for other machines also.

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

Among the concerns, high competition resulting in high attrition, small size and thus volatile revenue streams, intense competition from small unorganized players in the Industry and the external environment may have an impact on the company's operations.

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 2016-17 total sale of the company was Rs. 292.70 lakh from which machine sales are Rs. 40.85 lakh, spares & other sale are Rs. 119.15 lakh and other income comprising of commission received was Rs. 132.70 Lakh. Due to recession in Industry and lack of technology advancement the Company did not receive much order for 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.

For And On Behalf Of The Board Of Directors

For **MOLIND ENGINEERING LIMITED**

Date: 01.09.2017

Place: Mohali

Bhajandeep Singh
Managing Director
DIN : 06918983
Address: HouseNo.74
Deep Villa, Ajit Nagar
Patiala 147001 PB IN

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



INDEPENDENT AUDITOR'S REPORT

To the Members of ***Molind Engineering Limited***

Report on the Financial Statements

We have audited the accompanying financial statements of Molind Engineering Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2017, 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 Management 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 issued by the Institute of Chartered Accountants of India. These 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 control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

Unqualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2017**;
- (b) in the case of the **Statement of Profit and Loss**, of the Loss 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 and Companies (Audit and Auditors) Rule 2014, 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act and,
 - (f) Our separate report on adequacy of internal financial control system and operating effectiveness of such controls is enclosed 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 30 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 not been any occasion in the case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

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

*Panchkula
Date:30/05/2017*

*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, 2017, 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 on the basis of available information..
- 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) In our opinion and according to the information and explanation given to us, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

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) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories. 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 unsecured loan to any party covered in the register maintained under Section 189 of the Companies Act 2013 during the year and in our opinion, hence Para (a) and (b) 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 in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.



6. According to the information and explanation given to us, 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 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 March 31, 2017 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 Conmmisioner (Appeals)

8. According to information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions during the year of audit. Further the Company has not issued any debentures.

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. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of



such case by the management.

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 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 as it is not a NBFC.

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

*Panchkula
Date:30/05/2017*

*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, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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
Date:30/05/2017*

*Arvinder Singh
Partner
Membership Number: 091721*

**MOLIND ENGINEERING LIMITED**

Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160055 Punjab, India

CIN:L29199PB1960PLC008893

TEL:0172-2224326,2225628,FAX:0172-2225630 | E:moi@molind.com

BALANCE SHEET AS AT 31st MARCH, 2017

PARTICULARS	Notes	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
EQUITY AND LIABILITIES			
A) Shareholders funds			
Share Capital	1	25,350,000.00	25,350,000.00
Reserve and surplus	2	(24,963,932.05)	(17,141,332.28)
Money received against share warrants		0.00	0.00
	(A)	<u>386,067.95</u>	<u>8,208,667.72</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	20,429.88	517,893.92
Long-term provision	6	6,801,959.01	6,801,959.01
	(C)	<u>6,822,388.89</u>	<u>7,319,852.93</u>
D) Current liabilities			
Short-term borrowing	7	34,266,441.00	30,788,803.00
Trade payables	8	342,982.30	610,999.35
Other current liabilities	9	11,705,403.38	11,312,607.42
Short-term provisions	10	0.00	0.00
	(D)	<u>46,314,826.68</u>	<u>42,712,409.77</u>
TOTALS (A+B+C+D)		53,523,283.52	58,240,930.42
ASSETS			
Non-current assets			
a) Fixed Assets	11		
Tangible assets		952,753.00	978,667.00
b) Non-current investments	12	0.00	0.00
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	374,236.00	710,091.94
	(E)	<u>8,546,989.00</u>	<u>8,908,758.94</u>
Current assets			
a) Current investment	15	0.00	0.00
b) Inventories	16	34,221,266.79	34,297,051.13
c) Trade receivables	17	7,452,961.10	11,820,831.66
d) Cash and bank balances	18	296,082.69	1,947,806.69
e) Short-term loans and advances	19	787,996.94	1,026,033.00
f) Other current assets	20	2,217,987.00	240,449.00
	(F)	<u>44,976,294.52</u>	<u>49,332,171.48</u>
TOTALS (E+F)		53,523,283.52	58,240,930.42
Significant Accounting Policies	29		
Additional Notes to Financial Statement	30		

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: 30.05.2017

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

**MOLIND ENGINEERING LIMITED**

Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160055 Punjab, India

CIN:L29199PB1960PLC008893

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

PARTICULARS	Notes	For The Year Ended 31st March, 2017 (Rs.)	For The Year Ended 31st March, 2016 (Rs.)
Income			
Revenue from operations(gross)		30,607,969.37	23,322,598.16
Less:excise duty		1,337,914.00	630,564.00
Revenue from operations(net)	21	29,270,055.37	22,692,034.16
Other income	22	481,759.07	0.00
Total revenue (I)		29,751,814.44	22,692,034.16
Expenses			
Cost of materials consumed	23	2,989,841.10	1,498,653.35
Purchase of stock in trade		0.00	0.00
Changes in inventories of finished goods, work in progress stock in trade	24	(530,234.00)	(2,596,309.00)
Employee benefits expense	25	22,186,228.54	20,896,275.12
Finance costs	26	3,353,548.84	2,368,833.57
Depreciation and amortization expense	27	38,574.00	90,278.00
Other expenses	28	9,536,455.73	9,140,024.31
Total expenses (II)		37,574,414.21	31,397,755.35
Profit before exceptional and extraordinary items and tax (I-II)		(7,822,599.77)	(8,705,721.19)
Profit before extraordinary item and tax		(7,822,599.77)	(8,705,721.19)
Profit /loss before tax		(7,822,599.77)	(8,705,721.19)
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)		(7,822,599.77)	(8,705,721.19)
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		(3.09)	(3.43)
Diluted Earning Per Share		(3.09)	(3.43)
PROFIT / (LOSS) FOR THE YEAR (A+B)		(7,822,599.77)	(8,705,721.19)

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: 30.05.2017

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

PARTICULARS	For The Year Ended 31st March, 2017 (Rs.)	For The Year Ended 31st March, 2016 (Rs.)
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(7,822,599.77)	(8,705,721.19)
Adjustments for:		
Depreciation and amortisation	38,574.00	90,278.00
Finance costs	3,353,548.84	2,368,833.57
Interest income	(22,441.00)	0.00
Provision in diminution in value of investment in subsidiary company	0.00	495,000.00
(Profit) / loss on sale off assets	(4460.00)	0.00
Operating profit / (loss) before working capital changes	<u>3,365,221.84</u>	<u>2,954,111.57</u>
	<u>(4,457,377.93)</u>	<u>(5,751,609.62)</u>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Current investment	0.00	557,663.36
Inventories	75,784.34	(2,997,218.62)
Trade receivables	4,367,870.56	(9,090,115.40)
Short-term loans and advances	238,036.06	(380,302.56)
Long-term loans and advances	0.00	0.00
Other current assets	(1,977,538.00)	(44,478.00)
	<u>2,704,152.96</u>	<u>(11,954,451.22)</u>
	<u>(1,753,224.97)</u>	<u>(17,706,060.84)</u>
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(268,017.05)	(569,340.97)
Other current liabilities	392,795.96	4,057,745.50
Short-term provisions	0.00	0.00
	<u>124,778.91</u>	<u>3,488,404.53</u>
	<u>(1,628,446.06)</u>	<u>(14,217,656.31)</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>(1,628,446.06)</u>	<u>(14,217,656.31)</u>
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(13,500.00)	(8,970.00)
Proceeds from sale of fixed assets	5,300.00	0.00
Other non-current assets	335,855.94	460,417.80
Net cash flow from / (used in) investing activities (B)	<u>327,655.94</u>	<u>451,447.80</u>
C. Cash flow from financing activities		
Proceeds from long-term borrowings	0.00	0.00
Repayment / Proceeds of other short-term borrowings	3,477,638.00	17,138,803.00
Other long-term liabilities	(497,464.04)	331,608.43
Long-term provisions	0.00	0.00
Finance costs	(3,353,548.84)	(2,368,833.57)
Interest income	22,441.00	0.00
Net cash flow from / (used in) financing activities (C)	<u>(350,933.88)</u>	<u>15,101,577.86</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<u>(1,651,724.00)</u>	<u>1,335,369.35</u>
Cash and cash equivalents at the beginning of the year	<u>1,947,806.69</u>	<u>612,437.34</u>
Cash and cash equivalents at the end of the year	<u>296,082.69</u>	<u>1,947,806.69</u>

Auditors Certificate

We have checked the above cash flow statement of Molind Engineering Ltd. For the year ended 31st March 2017 from the Audited Accounts of the Company and have found it in accordance there with The annexed notes form an integral part of the financial statement.

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: 30.05.2017

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR 2016-17

PARTICULARS	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (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) "	50,00,000.00	50,00,000.00
Issued Subscribed & Paid up Equity Shares of Rs. 10/- each (P.Y. 25,35,000 Equity Shares of Rs. 10/-each) "	25,35,000.00	25,35,000.00
TOTAL	25,35,000.00	25,35,000.00
(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	191,775
D) For the period five years immediately preceding the date as at which the Balance Sheet is prepared:		
i) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	-	-
ii) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	-	-
iii) Aggregate number and class of shares bought back.	-	-
NOTE 2 RESERVE AND SURPLUS		
CAPITAL RESERVE		
Surplus in the statement of profit and loss	3,217,396.12	3,217,396.12
Balance as per last financial statements	(20,358,728.40)	(11,488,412.21)
Add: Profit/Loss for the year	(7,822,599.77)	(8,705,721.19)
Less: Appropriations		
- Adjustment related to Fixed Assets	0.00	(164,595.00)
Closing Balance	(28,181,328.17)	(20,358,728.40)
TOTAL	(24,963,932.05)	(17,141,332.28)
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	0.00	339,977.67
b) Others	0.00	0.00
Related to employee	20,429.88	80,285.86
Unpaid-dividend	0.00	97,630.39
TOTAL	20,429.88	517,893.92
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	34,266,441.00	30,788,803.00
- Royal Beverages Private Limited		
TOTAL	34,266,441.00	30,788,803.00
NOTE 8 TRADE PAYABLE		
Sundry Creditors	342,982.30	610,999.35
TOTAL	342,982.30	610,999.35
NOTE 9 OTHER CURRENT LIABILITIES		
a) Advance from customers	201,485.63	2,370,640.32
b) Interest accrued and due on borrowing	2,980,071.00	1,977,638.00
c) Other payables		
- Other payables	6,084,756.30	4,526,924.14
- Statutory Liabilities	2,439,090.45	2,437,404.96
TOTAL	11,705,403.38	11,312,607.42



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 1Apr2016"	Additions	Deletions	As at 31Mar2017	Up to 1Apr2016	For the F.Y.2016-17	On Deletion	Adjust with RetainEarning	As at 31Mar2016	As at 31Mar2017	As a 31Mar2016
Land	4,00,440.00	0.00		4,00,440.00					0.00	4,00,440.00	4,00,440.00
Building	42,73,107.00			42,73,107.00	40,17,092.00	15,230.00			40,32,322.00	2,40,785.00	2,56,015.00
Plant and Machinery	2,03,76,926.00		0.00	2,03,76,926.00	2,01,98,763.00	1,562.00	0.00	0.00	2,02,00,325.00	1,76,601.00	1,78,163.00
Furniture&Fixtures	22,29,298.00	0.00	0.00	22,29,298.00	22,19,521.00	0.00	0.00		22,19,521.00	9,777.00	9,777.00
Office Equipment	13,73,055.00	13,500.00	16,800.00	13,69,755.00	13,16,471.00	21,548.00	15,960.00	0.00	13,22,059.00	47,696.00	56,584.00
Computer & Accessories	18,38,680.00			18,38,680.00	17,95,485.00	234.00		0.00	17,95,719.00	42,961.00	43,195.00
Electrical Installation	10,71,145.00			10,71,145.00	10,55,096.00				10,55,096.00	16,049.00	16,049.00
Vehicles	5,10,915.00		0.00	5,10,915.00	4,92,471.00	0.00	0.00		4,92,471.00	18,444.00	18,444.00
Designs and specification	66,667.00			66,667.00	66,667.00				66,667.00	0.00	0.00
Total	3,21,40,233.00	13,500.00		3,21,36,933.00	3,11,61,566.00	38,574.00	15,960.00	0.00	3,11,84,180.00	9,52,753.00	9,78,667.00
Previous year	3,21,31,263.00	8,970.00	0.00	3,21,40,233.00	3,09,06,693.00	90,278.00	0.00	1,64,595.00	3,09,06,692.57	9,78,667.00	12,24,570.00

NOTE 12 NON-CURRENT INVESTMENTS

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

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) 0.00	243,029.55
Others	(B) 374,236.00	467,062.39
TOTAL (A+B)	374,236.00	710,091.94

NOTE 15 CURRENT INVESTMENT

Current Account with MOITEL	0.00	0.00
TOTAL	0.00	0.00

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

Raw materials	5,294,865.00	5,873,118.00
Work-in-progress	6,380,446.00	4,956,484.00
Finished goods	22,061,700.00	22,955,428.00
Stores and Spare	43,627.11	32,447.59
Loose Tools	440,628.68	479,573.54
TOTAL	34,221,266.79	34,297,051.13

NOTE 17 TRADE RECEIVABLE

Unsecured, considered good		
Outstanding for a period exceeding six months	511,420.00	5,039,445.00
Others	6,941,541.10	6,781,386.66
TOTAL	7,452,961.10	11,820,831.66

NOTE 18 CASH AND CASH EQUIVALENTS

Balance with banks in Current A/c	276,990.80	1,898,723.07
Cash in Hand	19,091.89	49,083.62
TOTAL	296,082.69	1,947,806.69

NOTE 19 SHORT TERM LOANS AND ADVANCES

(a) Loans and advances to Suppliers	5,698.94	396,667.00
(b) Loans and advances to employees	656,294.00	471,130.00
(c) Prepaid expenses	76,444.00	82,330.00
(d) Balances with government authorities	49,560.00	75,906.00
TOTAL	787,996.94	1,026,033.00

NOTE 20 OTHERS CURRENT ASSETS

Advance Tax (Net of Provision)	2,217,987.00	240,449.00
TOTAL	2,217,987.00	240,449.00

NOTE 21 REVENUE FROM OPERATIONS

Sale of Product	14,990,265.37	8,815,743.16
Sale of services	2,347,904.00	1,843,634.00
Other operating revenues-	13,269,800.00	12,663,221.00
Revenue from operations(gross)	30,607,969.37	23,322,598.16
Less: Excise duty	1,337,914.00	630,564.00
Revenue from operations(net)	29,270,055.37	22,692,034.16

**MOLIND ENGINEERING LIMITED**

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NOTE 22 OTHER INCOME		
SUNDRY RECEIPTS MISC.	81,000.00	
Interest	22,441.00	0.00
Profit On Fixed Asst.Sold	4,460.00	0.00
DUTY DRAWBACK	17,695.00	
LIABILITY WRITTEN BACK	354,673.07	
Provision Written Back	1,490.00	0.00
TOTAL	481,759.07	0.00
NOTE 23 COST OF MATERIAL CONSUMED		
Inventory at the beginning of the year	5,873,118.00	5,522,061.00
Add: Purchases	2,411,588.10	1,849,710.35
Less:inventory at the end of the year	5,294,865.00	5,873,118.00
Cost of raw material and components consumed	2,989,841.10	1,498,653.35
NOTE 24 (INCREASE) / DECREASE IN INVENTORIES		
Inventories at the beginning 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
Inventories at the end of the year		
Work -in -progress	6,380,446.00	4,956,484.00
Finished goods	22,061,700.00	22,955,428.00
TOTAL	28,442,146.00	27,911,912.00
(Increase) / decrease in inventories	(530,234.00)	(2,596,309.00)
TOTAL	(530,234.00)	(2,596,309.00)
(2,596,309.00)		
NOTE 25 EMPLOYEE BENEFIT EXPENSE		
Salaries,wages and bonus	19,971,731.54	18,728,813.12
Contribution to provident and other fund	1,369,401.00	1,341,958.00
Staff welfare expense	845,096.00	825,504.00
TOTAL	22,186,228.54	20,896,275.12
NOTE 26 FINANCE COSTS		
Interest	3,311,468.00	2,344,491.00
Profit/Loss due to F.Exchange	5,458.71	(52,247.91)
Bank charges	36,622.13	76,590.48
TOTAL	3,353,548.84	2,368,833.57
NOTE 27 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assests	38,574.00	90,278.00
TOTAL	38,574.00	90,278.00
NOTE 28 OTHER EXPENSES		
Consumption of stores and spare parts	637,672.69	410,658.58
Outside Processing Charges	750,336.00	207,856.00
Power and fuel	2,035,099.00	1,828,874.00
Rent	343,200.00	318,207.00
Repairs and maintenance - Buildings	103,258.04	87,317.68
Repairs and maintenance - Machinery	14,789.64	50,742.00
Insurance	178,301.00	162,356.75
Travelling and conveyance	257,568.00	201,247.00
Printing and stationery	129,152.50	119,150.85
Freight and forwarding	306,941.33	155,126.11
Sales commission	0.00	0.00
Legal	263,000.00	420,000.00
Rates&Taxes	235,744.00	489,635.00
Payments to auditors	131,500.00	153,850.00
Telephone/Mobile	72,260.00	94,917.00
Professional/Retainership	2,887,561.00	2,705,918.00
Prov For Diminution Value Of Investment	0.00	495,000.00
Advertisment Commercial	248,474.00	208,880.00
Bad Debts/provision w.off	364,811.43	563,513.36
Misc. exp.	576,787.10	466,774.98
TOTAL	9,536,455.73	9,140,024.31



NOTE 29: SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements have been consistently prepared under the historical cost convention on accrual basis and are materially complied with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

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 stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost and includes other cost attributable to bringing the assets to its present location and condition for intended use. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

E. Depreciation

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

F. Investments

Investments, if any, 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.



NOTE 30: ADDITIONAL NOTES TO FINANCIAL STATEMENTS

	Year ended 31st March, 2017 (Rs.)	Year ended 31st March, 2016 (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 Note 28	121,656.00	169,166.00
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. Specified Bank Notes (SBN)

The details of SBN held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as under:

Particular	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 8-11-2016		24,803	24,803
(+) Permitted receipts	-	2,38,000	2,38,000
(-) Permitted payments	-	2,40,012	2,40,012
(-) Amount deposited in Banks		-	-
Closing cash in hand as on 30-12-2016	-	22,791	22,791

- The balances of debtors as reflected in the books of accounts are subject to confirmation reconciliation and adjustments.
- 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.
- 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.
- 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.
- In view of losses, no provision for Income Tax has been made during the year.
- As the company is operating only in one business segment and therefore as per AS-17 "Segment Reporting", there are no reportable segments.

11. Earnings Per Share	Year Ended 31st March, 2017 (Rs.)	Year Ended 31st March, 2016 (Rs.)
1. Net Profit/Loss	(7,822,599.77)	(8,705,721.19)
2. No. of equity shares	2,535,000.00	2,535,000.00
3. EPS (Rs.)	(3.09)	(3.43)

**MOLIND ENGINEERING LIMITED**

Regd. Office-A-7,Phase-3, Industrial Estate, Mohali-160055 Punjab, India

CIN:L29199PB1960PLC008893

TEL:0172-2224326,2225628,FAX:0172-2225630 | E:moi@molind.com

12. 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)

Sandip Mathur(Director)

Anupam Mishra(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, 2017 (Rs.)	Year Ended 31st March, 2016 (Rs.)
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1.	Unsecured Loan taken from Holding Company	19,000,000.00	16,600,000.00
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(C.) Balances with related Parties as on 31.03.2016

Amount payable (Royal Beverages Pvt Ltd.)	37,246,512.00	30,788,803.00
Amount receivable(subsidiary)	0.00	0.00
Investment in subsidiary	0.00	0.00

13. Payments to auditors:

Audit fees	97,750.00	97,325.00
Tax Audit fee	28,750.00	22,900.00
Other Services	0.00	28,625.00
Reimbursement of expenses	5,000.00	5,000.00
	<u>1,31,500.00</u>	<u>153,850.00</u>

14. Earnings in foreign currencies

Exports of goods FOB value	2,949,343.00	3,140,933.00
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15. Value of imports on CIF basis

- Components & Spares	0.00	0.00
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16. Expenditure in foreign currency

17. Particulars in respect of goods manufactured

Class of goods	Unit	Capacity	Production	Closing	Opening
		Licensed Installed		During the year	Stock
Machines for tobacco industry	Nos.		---	-	-
			(-)	-	-
Machines for other Industries	Nos.	Explanation (i)	5 0	- -	- -
		Explanation (ii)			
Components for use in assembly For Machines, machine spares and for supply to Engineering industries	Nos.		5,692 (5,692)	22,799 (24,886)	24,886 (23,668)

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.

18. Particulars in respect of sales	Year ended 31st March, 2017		Year ended 31st March, 2016	
Class of goods	Nos.	Rs.	Nos.	Rs.
Capsule Making Machines	5	4,085,000.00	0	0.00
Spares	1,700	9,152,106.00	1,868	7,931,037.00
		<u>13,237,106.00</u>		<u>7,931,037.00</u>



	Year Ended 31st March, 2017			Year Ended 31st March, 2016		
19. Value of raw materials and components consumed	Rs.		%	Rs.		%
Imported						
Raw materials	0.00			0.00		
Components	0.00	0.00	0	0.00	0.00	0
Indigenous						
Raw materials	1,152,418.33			1,123,004.63		
Components	2,057,163.95			733,503.03		
Internally mfg. Components	<u>16,474,513.18</u>			<u>7,943,535.83</u>		
		<u>19,684,095.46</u>	100		<u>9,800,043.49</u>	100
		19,684,095.46	100		9,800,043.49	100

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

20. Analysis of raw materials and components consumed	Year Ended 31st March, 2017 (Rs.)		Year Ended 31st March, 2016 (Rs.)	
Raw materials				
Castings	183,574.83		427,511.69	
Others	968,843.50	1,152,418.33	695,492.94	1,123,004.63
Components				
Purchased	2,057,163.95		733,503.03	
Internally manufactured	<u>16,474,513.18</u>	<u>18,531,677.13</u>	<u>7,943,535.83</u>	<u>8,677,038.86</u>
		19,684,095.46		9,800,043.49

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.

21. 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

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: 30.05.2017

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



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MOLIND ENGINEERING LIMITED
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ATTENDANCE SLIP

(To be presented at the entrance)
56th Annual General Meeting on Wednesday, 27th September, 2017 at 12.30 P.M
At
A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 055, 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 56th Annual General Meeting of the Company held on Saturday, Wednesday, 27th September, 2017 at 12.30 pm at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 055, 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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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 56th Annual General Meeting of the Company to be held on Wednesday, 27th September, 2017 at 12.30 pm at A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 055, Punjab and at any adjournment thereof in respect of such resolutions as are indicated below:



MOLIND ENGINEERING LIMITED
A-7, Phase 3, Industrial Estate, S.A.S. Nagar, Mohali-160 055, Punjab
CIN. L29199PB1960PLC008893
moi@molind.com

Resolution No.	Resolution	For	Against
Ordinary Business			
1	The Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2017 and the Reports of the Board of Directors and the Auditors thereon.		
2	To appoint a Director in place of Ms. Amarjit Kaur (DIN NO. 07213266) who is liable to retire by rotation and being eligible offers herself for reappointment.		
3	To ratify the appointment of M/s Ashwani k Gupta & Associates, Chartered Accountants as Statutory Auditors of the Company for the financial year 2017-18.		

Signed this.....day of.....2017

Affix
revenue
Stamp

Signature of Sharehold.....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-160 055, Punjab not less than 48 hours before the commencement of the Meeting.
2. This is only optional. Please put a 'v' 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 joint holders, the Signature of any one holder will be sufficient, but names of all the joint holders should be stated.



MOLIND
ENGINEERING LIMITED



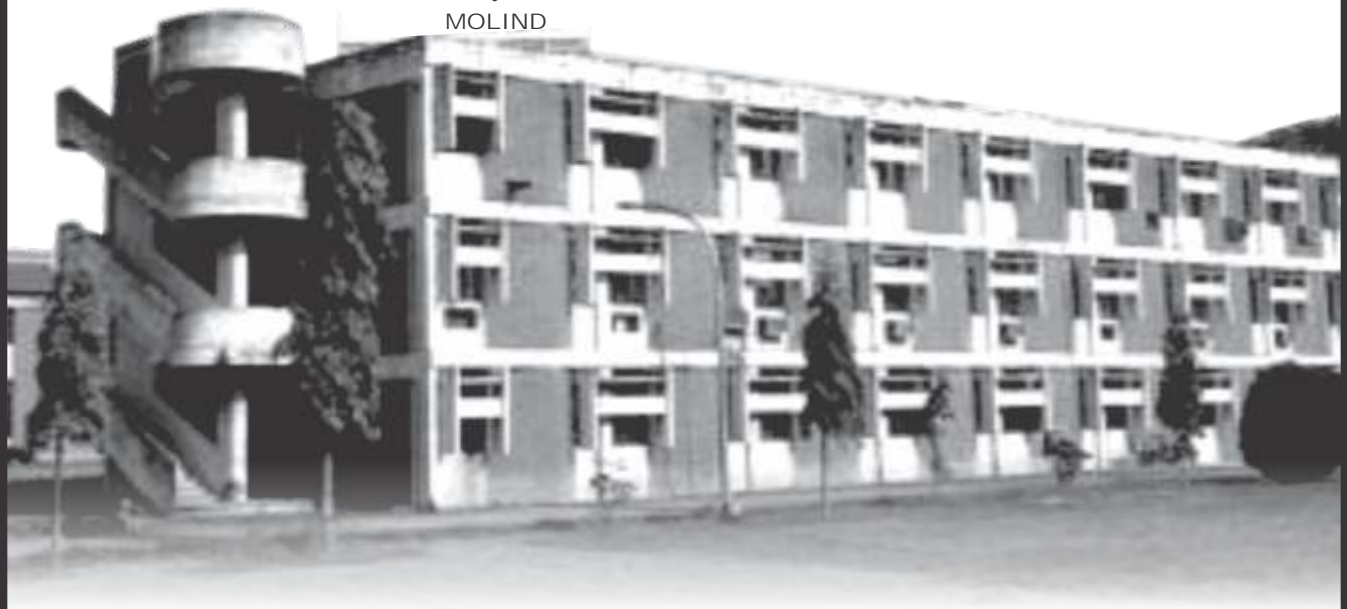
LOCATION MAP FROM TRIBUNE CHOWK CHANDIGARH TO MOLIND ENGINEERING LTD. MOHALI



BOOK POST
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MOLIND



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

MOLIND ENGINEERING LIMITED

A-7, Industrial Estate, Phase-3, Mohali - 160 055 (Punjab)