



# MECON LIMITED



**45<sup>th</sup>**

# ANNUAL REPORT

**2017-18**



Shri Atul Bhatt, CMD MECON welcoming Hon'ble Shri Chaudhary Birender Singh, Union Minister of Steel at MECON, Ranchi



Shri Atul Bhatt, CMD MECON welcoming Shri Binoy Kumar, IAS, Steel Secretary, Ministry of Steel at MECON, Ranchi



The release of the 'Coffee Table Book' and the 'Conclave Report' at the Conclave on Capital Goods for Steel Sector: Manufacture in India 2018 in Bhubaneswar, Odisha in presence of Shri Naveen Patnaik, Chief Minister, Odisha, Shri Chaudhary Birender Singh, Union Minister of Steel, GoI, Shri Dharmendra Pradhan, Union Minister of Petroleum & Natural Gas & Skill Development and Entrepreneurship, Shri Anant Geete, Union Cabinet Minister for Heavy Industries and Public Sector Enterprises, Shri Binoy Kumar, IAS, Steel Secretary, Ministry of Steel, GOI and Shri Atul Bhatt, CMD MECON.



Hon'ble Shri Chaudhary Birender Singh, Union Minister of Steel along with Shri Anant Geete, Union Cabinet Minister for Heavy Industries and Public Sector Enterprises, Shri Dharmendra Pradhan, Union Minister of Petroleum and Natural Gas & Skill Development and Entrepreneurship and Shri Atul Bhatt, CMD MECON during Conclave on Capital Goods for Steel Sector: Manufacture in India 2018 at Bhubaneswar



Shri Binoy Kumar, IAS, Steel Secretary, Ministry of Steel, GOI along with Shri Atul Bhatt, CMD MECON during his visit to MECON



## CORPORATE VISION

To be an internationally recognized brand in design, engineering, consultancy, project management and EPC execution.

## CORPORATE MISSION

- To be a global centre of excellence for providing innovative and cost-effective engineering and technological solutions in Metals & Mining as well as diversified sectors like Energy, Infrastructure, Space, Defence etc.
- Leverage deep domain knowledge in the metals and mining sectors to provide solutions from concept to commissioning.
- Leverage in-house capabilities to provide engineering, technological and project management services to priority sectors of economy.
- Develop indigenous technological base and promote self reliance.
- Expand geo-strategic presence and export of services.



# BOARD OF DIRECTORS

## CHAIRMAN



**Shri Atul Bhatt**  
Chairman and Managing Director

## FUNCTIONAL DIRECTORS



**Shri P. K. Sarangi**  
Director (Technical)



**Shri Goutam Chatterjee**  
Director (Commercial)



**Shri Salil Kumar**  
Director (Projects)



**Shri R. H. Juneja**  
Director (Finance)

## GOVERNMENT DIRECTORS



**Shri Saraswati Prasad, IAS**  
Special Secretary & Financial Advisor, Ministry of Steel



**Smt. Rasika Chaube**  
Additional Secretary, Ministry of Steel

## INDEPENDENT DIRECTOR



**Shri Sisir Kumar Appikatla**  
Chartered Accountant

*As on the date of AGM*

**CHAIRMAN  
AND  
MANAGING  
DIRECTOR**

**Shri Atul Bhatt**

**WHOLE  
TIME  
DIRECTORS**

**Shri Subir Chattopadhyay**, Director (Project) (upto 31.08.2017)

**Shri P. K. Sarangi**, Director (Technical)

**Shri Goutam Chatterjee**, Director (Commercial)

**Shri Salil Kumar**, Director (Projects) (w.e.f. 25.01.2018)

**Shri R. H. Juneja**, Director (Finance) (w.e.f. 20.04.2018)

**MANAGEMENT  
DURING THE  
YEAR**

**GOVERNMENT  
DIRECTORS**

**Shri Saraswati Prasad**, IAS

**Shri Syedain Abbasi**, IAS (upto 11.10.2017)

**Shri Sunil Barthwal**, IAS (11.10.2017– 24.05.2018)

**Shri T. Srinivas** (24.05.2018–16.07.2018)

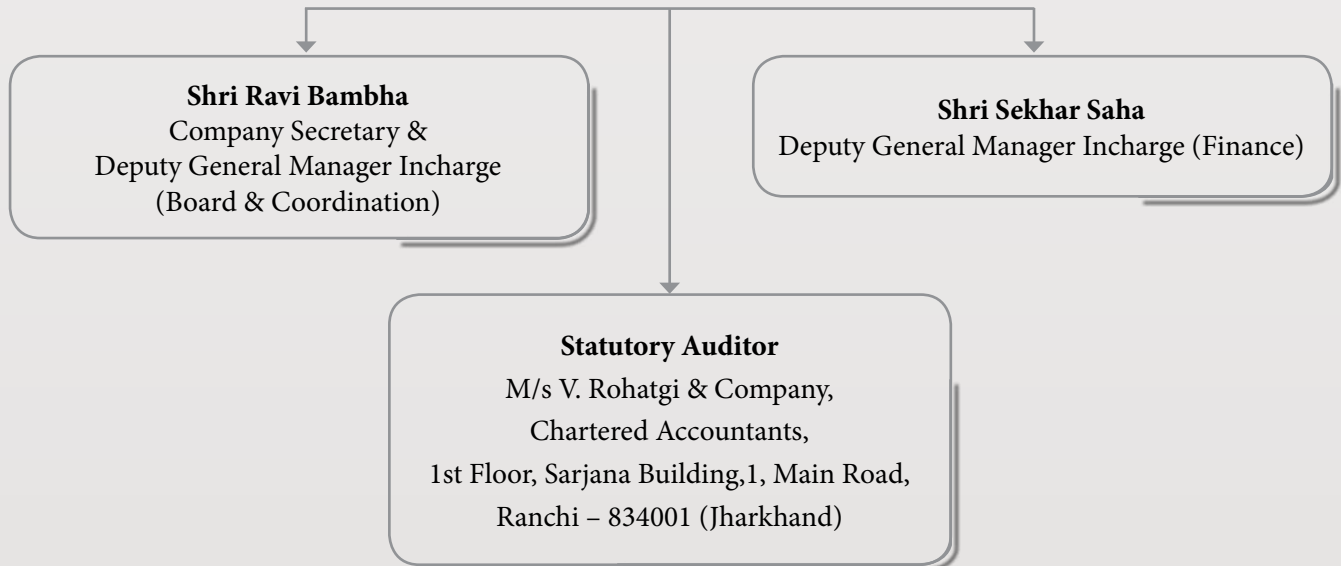
**Smt. Rasika Chaube**, (w.e.f. 16.07.2018)

**INDEPENDENT  
DIRECTOR**

**Shri Sisir Kumar Appikatla** (upto 12.11.2018)

# REFERENCE INFORMATION

## INVESTOR RELATION



## BANKERS

- ◆ State Bank of India
  - ◆ Union Bank of India
  - ◆ Indian Overseas Bank
  - ◆ Bank of Baroda
  - ◆ United Bank of India
  - ◆ YES Bank
- ◆ Andhra Bank
  - ◆ HDFC Bank
  - ◆ Canara Bank
  - ◆ Axis Bank
  - ◆ ICICI Bank
  - ◆ IndusInd Bank

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## CHAIRMAN'S SPEECH



### Dear Fellow Shareholders,

I welcome you all to the 45<sup>th</sup> Annual General Meeting of your Company. At this juncture, I have had the privilege of a full fiscal year as Chairman and Managing Director of your Company, to build on our strong commitment to create value for our customers, employees, shareholders and community.

It has been a watershed year for your Company. I am delighted to share that your Company has turned profitable, posting Profit After Tax of ₹58.00 Crore after two years of consecutive losses and is now on a path of sustainable growth.

I am confident that this growth momentum will be maintained to enhance our turnover three folds to ₹1500 Crores in the next five years. This can be achieved by strengthening our core business in Iron & Steel sector and by diversifying into priority/ strategic sectors of the Government, where our engineering and technological capabilities can be best leveraged.

We have taken important steps aimed at raising the visibility of our commitment and repositioned ourselves as an agile and responsive organization. The empowerment of our employees, with role clarity, has ensured a high level of motivation and dedication, which has enabled them to apply their knowledge and expertise with enthusiasm and passion to achieve our shared organizational objectives. I believe that our

development and progress has been largely due to the untiring efforts made by Team MECON.

### Financial and Physical Performance

Your Company has registered a turnover of ₹445.57 Crore which is about 30% higher than the previous year. The Revenue from Operations has increased by 38% to ₹480.22 Crore. Your company has earned a Profit After Tax of ₹58 Crore after consecutive losses in the preceding two years. Total Net Worth of the Company has also improved at the end of the fiscal to ₹205.44 Crore as against ₹146.10 Crore at the beginning of the year, an improvement of over 40%.

After a gap of two years, the Board of Directors of your company have recommended Equity Dividend of ₹10.27 Crore to the Government of India.

Your company's effort to rationalize costs has been recognized by the Institute of Cost Accountants of India, who have conferred on us the National Award for "Excellence in Cost Management-2017".

Your Company has developed and sustained client relationships by being recognized as a technology enabled organization and provider of diversified niche services, leveraging domain expertise and technology. Your Company is customer-centric and committed to organize itself to deliver "Customer Delight" through timely project execution and high quality services.



I am happy to share with you that despite a highly competitive business scenario, your Company was able to book orders worth ₹1003.43 Crore across the 3 business verticals.

I am delighted to inform that your Company has been conferred with "Institution of Engineers (India) Industry Excellence Award 2017" for demonstrating highest order of business excellence in providing Engineering and Consultancy.

#### **Human Resource – Our Brand Ambassadors**

A key deliberation in your Company has been increasing credibility and enhancing company perception with all stakeholders, clients and market. A definitive step in this direction has been to appreciate that our employees, besides being our core strength, are the quintessential and most powerful brand assets we possess. Endeavours are being undertaken to involve, educate, align and guide everyone around the corporate objectives, values and vision of the Company.

Leadership development and succession planning being critical for growth of your Company, we are committed to nurturing and developing our employees' skills and domain expertise through providing ample training and growth opportunities to enable them unearth their greatest strengths and integrate them with their deliverables.

With more than 40% of the professionals below the age of 40 years, MECON has the right blend of the energetic youth and wisdom of experienced minds to continue to re-engineer its processes and systems to provide cutting edge solutions to its diversified clientele.

#### **Road Ahead – Strategy**

The Metal vertical of your Company is the core and critical factor that has helped us build our brand, client trust and loyalty over the years. Government of India's focus on "Make In India" through policy measures like National Steel Policy 2017, Domestically Manufactured Iron & Steel Products (DMI&SP) Policy and other initiatives like Import Substitution, Increase in Steel Demand, etc. has presented us opportunities to energize and strengthen our core. We now propose to move up the value chain by offering end to end EPC solutions in the Metal sector and introduce new offerings, based on current market needs.

Your Company shall also continue to pursue a strategic approach of further diversification of our business in other verticals on an opportunistic basis to hedge risks due to cyclic nature of the metal sector.

Your Company has commenced articulation of a detailed Corporate Plan to support the strategic business goals, focus on priorities, identify important challenges and opportunities, and identify resource and skill prerequisites to support such initiatives. Besides

focus on sustainability as key driver through technology collaborations across the verticals, the plan shall also encompass mechanisms to extend our geostrategic reach to potential markets in the APAC and MENA regions and our aspiration to foray into promising areas of O&M business, Central Procurement Services, Central Inspection Services and Import Substitution initiatives.

It is envisaged that the combination of the Business Strategy and Corporate Plan framework will facilitate in making informed and strategic decisions to ensure further fortification of our business and make the benefits of our choices clear across the business verticals.

#### **Steps towards Good Governance**

Your Company recognizes that Corporate Governance represents the ethical and moral framework under which business decisions are taken. Your Company has always strived to cultivate good corporate governance practices, foster transparency within the organisation, uphold good corporate governance standards and communicate with our stakeholders in a transparent and timely manner.

Your Company has implemented business integrity measures through enforcement of Delegation of Power (DoP) guidance document, articulation of Standard Operating Procedures (SOPs) and practice of ISO 9001:2015 Quality Management System.

Like the past years, this year also your Company scored 'Excellent' rating in compliance to Guidelines on Corporate Governance issued by Government of India which maintains our record of Excellent rating every year since inception.

#### **Acknowledgement**

I would like to thank our valued Clients for their continued patronage and confidence in the capabilities of this company. Team MECON would continue to serve them by offering quality and cost effective customized solutions for all their needs.

We are particularly grateful to the Ministry of Steel for their valuable support, guidance and cooperation.

I also extend my sincere gratitude to the members of the Board for the richness of their counsel, supervision and commitment to the vision and values of the Company.

Untiring efforts of team MECON needs a special mention for their enduring contribution in bringing the company back into profits.

Finally, a special word of thanks to you, our valued shareholders for your continued support and goodwill that is critical to the success of our company.

*Thank you & Jai Hind.*

# BOARD REPORT

Dear Members,

Your Directors have the pleasure in presenting 45<sup>th</sup> Annual Report on the operations of the Company and the Statements of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2018.

The Report of the Statutory Auditors and the Comments on the Accounts of the Company by the Comptroller and Auditor General of India (C&AG) are annexed to this Report.

## 1.0 PERFORMANCE HIGHLIGHTS

The closure of financial year 2017-18 assumes special significance for the company as belying all apprehensions, it has managed to come out of the shadow of consecutive losses of two previous financial years and has posted profits. This feat has been achieved despite subdued performance of company's core business areas and couple of other hiccups which makes this turnaround more remarkable. The credit for this accomplishment goes to employees' commitment to perform, formulation of right strategies and organizational resolve to put the odds behind.

The company's order book instills confidence with crossing of + ₹1000 crore mark and improving steel sector outlook is expected to provide necessary tailwinds for a better and brighter financial year ahead. Nevertheless, relentless efforts to maintain the tempo on existing business and responding to upcoming new opportunities from diverse fields holds the key to sustainability and growth imperatives.

Major prestigious projects of national importance completed / under progress during the year include:

### Metal Sector

- ◆ Detailed Engineering & Consultancy services for 7.0 Mtpa Expansion Plan of **SAIL/Bhilai Steel Plant** have been provided by your company and following are the major achievements:
  - Installation of New 4,060 m<sup>3</sup> (Useful Volume) Blast Furnace No. # 8 has been completed and the plant is successfully commissioned.
  - Blow-in of Blast Furnace # 8 has been successfully done. Raw Material Handling System delivered raw material to the stock house of BF#8 successfully.
  - First Heat of BOF # 1 of SMS-III is successfully completed.

- Successful trial of hot metal transportation through torpedo ladle has been accomplished. It's a unique system and will provide full automation system to torpedo hot metal management.
- Preliminary Acceptance Certificate for URM is issued and the mill has started rolling rails under hot commissioning.



- A Rail Welding Line for Long Rails of capacity 1,100,000 TPA has been installed and successfully commissioned for producing 260m long Rails (with provision of producing 520m rails in future). Commissioning certificate for RWL is issued.



- ◆ Detailed Engineering & Consultancy services for 4.2 Mtpa Expansion Project of **SAIL/Rourkela Steel Plant** and following are the major achievements:
  - Performance Guarantee Certificate & Final Acceptance Certificate issued for Turbo Blower and Auxiliaries.
  - Commissioning certificate issued for Centralized Telecomm System for full expansion.
  - Performance Guarantee Certificate issued for New Compressed air station.

- Commissioning certificate issued for Indigenous and Balance imported Laboratory Equipment.
- ◆ Detailed Engineering & Consultancy services for 5.7 Mtpa Expansion Project of **SAIL/Bokaro Steel Plant** and following are the major achievements:
  - Commissioning certificate issued for ID Fan Complex SMS-II.
  - Commissioning certificate issued for propane storage and handling system for CRM-III.
- ◆ Coke Oven Battery No. 7 at BSL, Bokaro has been successfully commissioned one month earlier than the schedule and BSL has issued “Commissioning Certificate” and “Appreciation Letter”.
- ◆ Wet Quenching System, common for COB#7 & COB#8 at BSL, Bokaro is commissioned.
- ◆ **SAIL/Durgapur Steel Plant** had entrusted your company for carrying out Extended Category-II Capital Repairs of Blast Furnace # 4 on EPC basis. BF blowing-in has been successfully done.
- ◆ Full Relining job of one Lime Kiln was awarded by **SAIL/Durgapur Steel Plant** on EPC basis. The job is completed successfully within the contractual time period and the kiln is under satisfactory operation. This is the first Lime Kiln Relining job executed successfully on EPC basis.
- ◆ Detailed Engineering & Consultancy including Project Management Consultancy services for 2.5 Mtpa New Stream Expansion Plan of **SAIL/IISCO Steel Plant, Burnpur** have been provided by your company and following are the major achievements:
  - A Universal Section Mill of capacity 600,000 TPA has been installed for producing parallel flange beams up to 600 mm and other large sections. Commissioning Certificate has been issued.



- 180 Tons/hour front charging and end discharging type walking beam Reheating furnace for Universal Section Mill Package No.15 is successfully commissioned.



- Performance Guarantee Certificate issued for Yard Machines Stackers & Bucket Wheel Reclaimer.
- Final Acceptance Certificate issued for Pig Casting Machine Complex, for Coke Dry Cooling Plant and for Hot Metal Handling System.
- ◆ Detailed Engineering & Consultancy services including Project Management Consultancy services are being provided by your company for setting up of 3.0 Mtpa Integrated Steel Plant of **NMDC Limited** at Nagarnar. The project is under execution and packages like Coke Oven Battery No. 1, Sinter Plant, Blast Furnace and Oxygen Plant are in advanced stage of execution.



- ◆ 1×5 Strands bloom cum round Continuous Casting Machine No. 4 (CCM#4) in SMS-2, at **RINL/Visakhapatnam Steel Plant, Visakhapatnam** is successfully commissioned. This casting machine is first of its kind in India in terms of casting biggest rounds of size 510mm diameter. It is also envisaged to cast round blooms to meet the input raw material requirement for their upcoming Rail

Wheel Plant in Raebareli, UP. The annual capacity of this machine is 1.0 Mtpa of blooms and rounds.



Pouring of liquid steel from ladle to Tundish

Tundish to mould submerged casting



Withdrawal and straightening .....

Torch cutting machine and discharge roller table

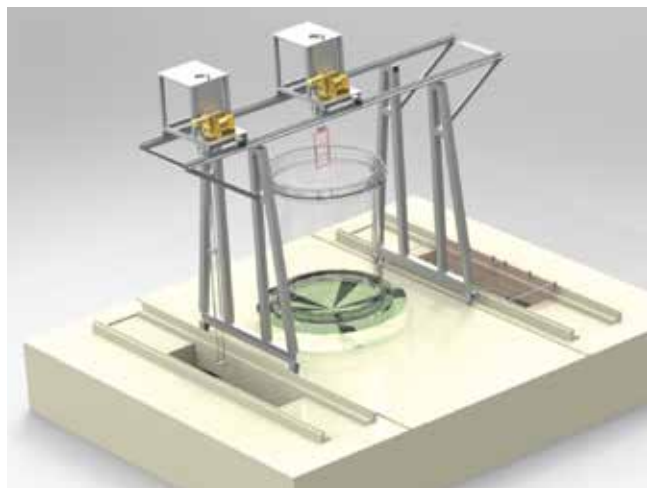
- ◆ Your company in consortium with Primetals, USA had designed, engineered, manufactured, supplied, erected and commissioned Wire Rod Mill-2 at **RINL/Visakhapatnam Steel Plant**, Visakhapatnam on turnkey basis. The mill has already achieved a record production of 2553 tons/day against the rated capacity of 2000 tpd. This 127% of rated capacity has been achieved just after 3 months of issuance of PrAC (Performance Guarantee Certificate).



- ◆ **JSW Steel Limited, Vijaynagar Works** has entrusted your Company for providing Design, Engineering & Consultancy services for Rebuilding & Capacity Enhancement of their Blast Furnace #

3 (4,019 m<sup>3</sup> Useful Volume) to become country's largest Blast Furnace (5,339 m<sup>3</sup> Useful Volume). The project is under execution.

- ◆ **VISA Steel Limited, Jajpur, Odisha** had entrusted your Company for providing Design, Engineering & Consultancy services for Technological Up-gradation of their Mini Blast Furnace. All the jobs have been completed on schedule and the Blast Furnace is ready for commissioning.
- ◆ **JSW Steel Limited, Dolvi Works** has entrusted your Company for providing Design, Engineering & Consultancy services for installation of their New Pellet Plant # 2 (816 m<sup>2</sup>) which will be the largest in the country. The project is under execution.
- ◆ **KIC Metaliks Limited, Durgapur** has entrusted your Company for providing Design, Engineering & Consultancy services for augmentation of Hot Metal production by introducing Pulverized Coal Injection System, Waste Heat Recovery System (in Hot Blast Stoves) and Oxygen Enrichment facilities for Cold Blast in their existing Mini Blast Furnace. The project is under execution.
- ◆ Design, Engineering & Consultancy services for installation of Tin Plate Complex & Pickling Line & Tandem Cold Mill for **JSW Steel Ltd.**, Tarapur is being executed on schedule.
- ◆ **Satish Dhawan Space Centre SHAR, Sriharikota** is installing new facilities and Associated Systems for augmenting existing Solid Propellant Space Booster Plant (SPROB) as a part of its expansion programme. Your company has been assigned to provide Technical Services (Engineering, Tender Document Preparation etc.) for the above augmentation. The Concept & Preliminary designs developed by your Company have been approved by the Standing Design Review Team (SDRT) of SHAR and presently detail engineering is underway.



- ◆ Your company has been rendering EPCM services to **NMDC Limited** for setting up of 7 Mtpa Crushing plant to crush the Run of ore from Kumaraswamy Iron ore mines.

Major Technological package like Crushing plant and Downhill conveyor system have been commissioned and are in operation. **The Downhill conveyor with triangular gallery (5.2 kms. long) is one of the longest Downhill conveyor system in India.** Auxiliary facilities like Sub-station, water supply, service center etc. have been completed and handed over to NMDC. However, other facilities in the project is under execution.



#### Non Ferrous Sector

- ◆ **National Aluminium Company Ltd. (NALCO)** had awarded consultancy job to your company for carrying out Pre-Feasibility Report (PFR) to set up a 4.0 LTPA Greenfield Aluminium Smelter project in the State of Madhya Pradesh. The Final Report is submitted to Client.
- ◆ **NALCO** had awarded your company for the preparation of TEFR for 0.5 Mtpa Alumina Refinery in Kutch Gujarat, NALCO, which has been successfully completed and submitted to client.
- ◆ The **Aluminium Association of India (AAI)**, Mumbai had awarded your company for preparation of Study Report on Fixing of Minimum Import Price (MIP) of Aluminium & its products in the country, The complete assessment report for fixing up the MIP values for primary aluminium as well as downstream products has been submitted to client.
- ◆ **Tata Steel Limited** has entrusted your company for preparation of Detailed Project Report (DPR) for extraction of Nickel through a 1000 TPA Nickel Extraction - Demonstration Plant by hydrometallurgical processing of Sukinda Mines's Chromite Overburden (COB) available at Bamnival, Odisha. The DPR shall be based on a unique process developed by a Canadian based R&D institution. The DPR is under preparation.



- ◆ Your company has carried out Owner's Engineering services for preparation of budgetary cost estimation report for Zinc Ferrite Treatment Plant at Chanderiya, Rajasthan for **Hindustan Zinc Ltd.** and the final report is submitted to client.

#### Power Sector

- ◆ **NTPC-SAIL Power Co. Ltd.**, New Delhi has entrusted your company to provide Detailed Engineering & Consultancy services for Coal based Thermal Power Plant (1x250 MW) at Rourkela (Phase-II). This Project is envisaged to meet the future power requirement of Rourkela Steel Plant. The project is under execution.
- ◆ Consultancy services to carry out Study and Engineering for adhering to MoEF & CC norms in thirteen (13) existing units in four (4) Power Stations of **NLC India Limited** is under progress.
- ◆ Detailed Engineering and Consultancy services including Project Management services have been provided to **NLC Tamil Nadu Power Limited (NTPL)** for installation of 2x500 MW coal based Thermal Power Plant at Tuticorin. Performance Guarantee test of both the units is completed.
- ◆ Your company has been providing Detailed Engineering and Consultancy & Project Management services for installation of one Turbo-Blower (TB#5) as a standby to TB # 4 for **RINL/Visakhapatnam Steel Plant**. Trial run of TB#5 is completed and commissioning of the unit is in progress.
- ◆ Your company has been providing Detailed Engineering Consultancy services including Project Management Services to **SAIL-IISCO/Steel Plant**, Burnpur to meet the requirement of power, process steam and cold Blast air, Compressed air station, Power and Blowing Station along with TRT. Final Acceptance Certificate

for TRT has been issued by client. Performance Guarantee Test of Boiler-1 and Boiler-2 have been completed. Performance Guarantee Test and Final Acceptance Certificate for other units like Turbo Blower, Steam Turbo Generator and BPTG are under Progress.

- ◆ Detailed Engineering Consultancy services including designer supervision have been provided to **SAIL/Bhilai Steel Plant** to meet the requirement of power, process steam and cold Blast air, compressed air station, Power and Blowing Station along with TRT. Commissioning of plant and equipment of power and blowing station is under progress.
- ◆ Consultancy services to carry out site specific studies and preparation of feasibility report for 20 MWp Solar PV Project of **BPSCL** at Bokaro Steel City is under progress.
- ◆ Consultancy services for installation of 2.0 MWp capacity Solar PV Project on rooftops of various buildings of **SAIL/Bokaro Steel Plant** and its Township is under progress.
- ◆ Consultancy services for Residual Life Assessment (RLA) / Life Extension (LE) Study and Assessment Report for Boiler, Turbine, Generator & their Auxiliaries and Electrics of 3x10 MW Chinakuri TPP of **Eastern Coalfield Limited (ECL)** has been completed.
- ◆ Composite Consultancy Services for Delay Analysis, Balance work Assessment, Material Specification Change Assessment & Reconciliation of Mandatory Spares at Parli Project (1 x 250 MW) of **Maharashtra State Power Generation Co. Ltd. (MAHAGENCO)**, Mumbai is under progress.
- ◆ Dean Dayal Upadhyay Gram Jyoti Yojana works in 24 districts along with Integrated Power Development System (IPDS) at 19 towns of Jharkhand are under progress.
- ◆ Out of total 232 nos. of 33/11 KV sub-stations in SOUTHCO & CESU DISCOM of **OPTCL** 66 nos. are charged and work is in progress in remaining sub-stations.
- ◆ IPDS & DDUGJY works in CESU area of **OPTCL** are in progress.
- ◆ Construction of Addl. / Augmentation of 33/11 kV sub-stations, new 11 kV / LT lines, distribution transformers & service connection to BPL households under Rajiv Gandhi Gramin Vidyut Yojna (RGGVY) schemes under **Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited**, Bhopal are in progress.

## Oil & Gas Sector

- ◆ **GAIL Gas Limited** has awarded your company Engineering & Project Management Consultancy (EPMC) services for City Gas Distribution Network at Bengaluru GA. The above job includes preparation of DFR, front end engineering along with project Monitoring. The target for pipe laying for the 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> year has been successfully achieved. Approx. 56911 PNG connections till date have already been installed in Bangalore city.



- ◆ **Mangalore Refinery and Petrochemicals Limited (MRPL)** has entrusted your company as consultant for installation of Flare Gas Recovery System (FGRS) at MRPL area. The FGRS is successfully commissioned with both the Liquid Ring Compressors are in continuous operation.



- ◆ Your company is providing EPMC services to Varanasi City Gas Distribution (CGD) Project of **GAIL (India) Ltd.** comprising of City Gate Station (CGS) Varanasi, a natural gas-based crematorium at Harishchandra Ghat, Diesel Locomotive Works (DLW) and Varanasi's 1<sup>st</sup> CNG station (Keshav R.O.). The project is under execution.



- ♦ The Phulpur-Varanasi section (30" x 100 km) of JHBDPL (Jagdishpur – Haldia – Bokaro - Dhamra Pipeline, popularly known as **Pradhan Mantri Urja Ganga**) Project (Ph-I) of **GAIL (India) Ltd.** has been charged with gas. With this, natural gas has now arrived at the door step of Varanasi. MECON takes pride in being part of this prestigious project as EPMC.



- ♦ **GAIL** started supply of environment-friendly PNG to 255 houses in Nalco Nagar located at Chandrasekharapur area of Bhubaneswar.



Hon'ble Minister for Petroleum & Natural Gas and Skill Development & Entrepreneurship, Govt. of India expressed happiness for early

commencement of this 1<sup>st</sup> phase of supply of PNG in Bhubaneswar

Your company is proud to be rendering EPMC services for the project and helping households move towards greener & safer energy.

- ♦ **Hindustan Petroleum Corporation Ltd. (HPCL)** has appointed your company as EPMC consultant for setting up POL Depot (Total capacity 5000 kl) at Leh (J&K) for handling Motor Spirit, High Speed Diesel, Skewed kerosene oil, Aviation Turbine Fuel storage.



6 Nos underground product tanks of 200 kl capacity at HPCL's Leh terminal have been commissioned.

**Leh terminal of HPCL is one of the world's highest POL terminal (Approx. 11000 ft above MSL) and your company is proud to render its services as EPMC for this strategic project.**

- ♦ Your company is providing EPMC services to **GAIL (India) Ltd.** to set-up an integrated 2 x 20 kl LNG satellite terminal at Bhubaneswar. It will be a first of its kind project in India and is aimed at supplying uninterrupted gas till commissioning of natural gas pipeline.

The project will pave the path for clean energy in the form of PNG/ CNG/ R-LNG to various domestic as well as commercial consumers in Bhubaneswar.



Currently the construction of the satellite LNG terminal is in full swing.

## Infrastructure Sector

- ◆ Your company has completed preparation of DPR for a road bridge on Katri River for **Bharat Coking Coal Limited** in Dhanbad district of Jharkhand.
- ◆ **LANCO Infratech Limited (LITL)** has awarded your company Engineering & Project Management Consultancy (EPMC) services to develop a Residential colony for Rehabilitation & Resettlement (R&R) of the Project Affected Families (PAF) at Tasra mines in Dhanbad district of Jharkhand. This R&R Colony shall be developed in two phases. 2000 PAFs will be rehabilitated in Phase-I followed by 8000 PAFs in Phase-II. DPR preparation is in progress.
- ◆ Your company has been providing Independent Engineering services to **Visakhapatnam Port Trust (VPT)** for Up-gradation of Iron Ore Handling Project. The Project execution has been completed successfully and the plant is now under commercial operation.



- ◆ Your company has successfully completed technical feasibility study for essentiality of a Captive Port proposed by JSW Steel Ltd for **Industrial Promotion and Investment Corporation of Odisha Ltd. (IPICOL)**, Bhubaneswar.
- ◆ Your company has successfully completed Feasibility Report & Tendering activities for Iron Ore handling Plant (IOHP) with Mechanized Coal Handling Plant (MCHP) for **Paradip Port Trust**.



- ◆ **Bhabha Atomic Research Centre, Mumbai** has retained your company as environmental consultant for their proposed R&D centre Phase-II facilities along with residential township at Vizag, AP.
- ◆ **Hindustan Aeronautics Limited, Bangalore** retained your company as Consultant to render Consultancy services for Preparation of Master Plan and Detailed Project Report including environmental clearance for their proposed new Helicopter manufacturing facilities along with township in an area of 615 acres at Tumakuru, Karnataka. The Environmental Clearance has been obtained in a single sitting from MoEF&CC and the DPR has been submitted to Client.
- ◆ Your company has been retained by **Karnataka Industrial Area Development Board, Karnataka** as an environmental consultant for their proposed area development projects at Immavu, Thandya, Balkundi and Kanagalla. The Terms of Reference (ToR) have been obtained from State Environmental Impact Assessment Authority and MoEF&CC to prepare detailed EIA/EMP report.
- ◆ **Bhabha Atomic Research Centre, Mumbai** has retained your company to prepare Environmental Impact Assessment Report for their proposed 300 MWe Advanced Heavy Water Reactor along with residential township at Tarapur. The AHWR is unique in nature which will help our nation to reach self-sustainability in nuclear fuel for future power generation. The ToR has been obtained from MoEF&CC to prepare detailed EIA/EMP report.

Your Company is serving a large number of clients in the Public and Private Sectors. Some of the major clients in Public Sector include SAIL, GAIL, NMDC, ESIC, NSPCL, MAHAGENCO, Ministry of AYUSH, ISRO, HAL, MRPL, HEC, BARC, HINCOL, APMDCL, JBVNL, NINL, RINL/VSP, KIOCL, HCL, NML, RINMOIL, SAILMOIL, MIDHANI, Corporation Bank, BEL, GoJ, RPTPL, PFC, HPCL, BPCL, OPTCL, UPPCL, UPRVUNL, TANGEDCO, OMDCL, OMCL, MRPL, TVNL, FCRI, IPICOL, NALCO, BPSCL, NLC, NSPCL, NPCIL, WBSEB, WBPCL, WBSEDCL, BESCOM, OHPC, PFC, CMWSSB, UCIL, BGL, APPGCL, IOCL, HPGCL, ONGC, CPCB, KPCL, VPT, KPT, PPT, GGL, IGL, BGL, TNGCL, DVC, MSTC, NHPC, NMPT, IDCOL, IREL, BARC, SBI



besides Ministry of Power, Govt. of India, the State Electricity Boards in Jharkhand, West Bengal, Madhya Pradesh, Chhattisgarh, Rajasthan, Tamil Nadu, Uttaranchal, Uttar Pradesh, Odisha. Jindal Group, Bhushan Group, Tata Group, UML, ESSAR, ESSEL, KIC METALIKS, AXIS BANK, UML, ULTRATECH, MONNET, BMM, UGSL, MEL, BRPL, VEDANTA, ADHUNIK, HINDALCO, TML, BIL, MNGL, IL&FS, TOPWORTH, ADANI, MSPL, IIL, SLR, etc. are some of the major clients in the private sector.

In addition to above, some of the major clients to whom your company has been rendering services during this year include Project Seabird, CCL, OMC, PFCCL, LANCO, HPCL, SHAR, Oil Inida, OPTCL, Assam State Housing Board, IOCL, BPCL, NALCO, NLC, ECL, UCIL, NPCIL, JSW, Petronet MHB, KIC Metaliks, JSPL, Brila Copper, Electrosteel, etc. The Company is also providing services to Defence Sector.

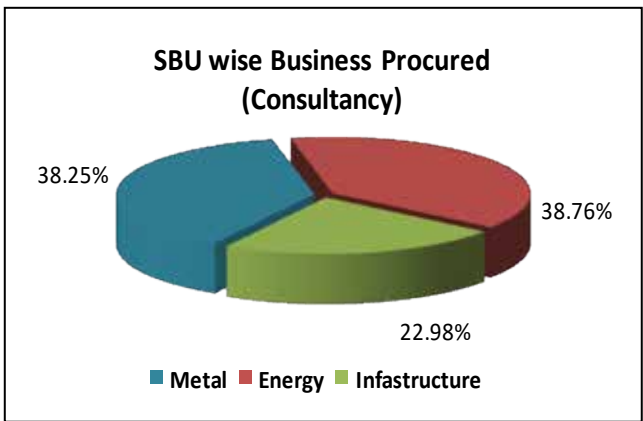
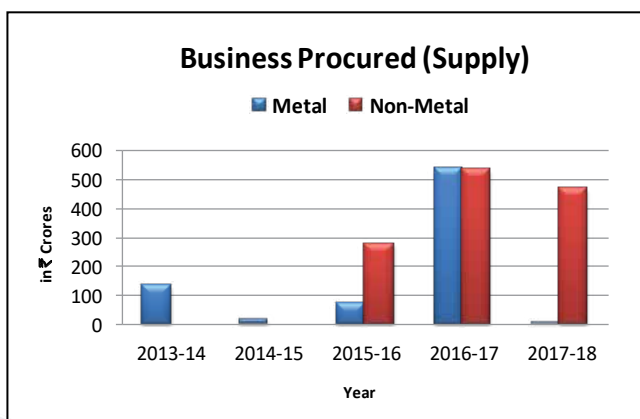
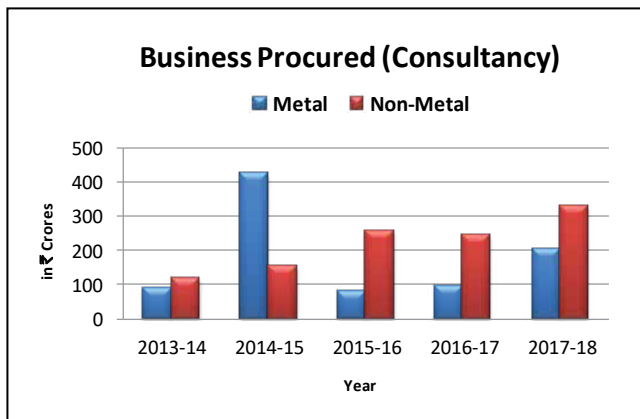


Business procurement in the area of Engineering Consultancy & PMC services was ₹343.29 Crore in previous year and ₹533.27 Crore during this financial year. In Supply / Turnkey projects it was ₹1075.36 Crore in previous year and ₹470.17 Crore during this year.

## 2.0 BUSINESS DIVERSIFICATION

The strategic move to diversify and foray into two other strategic businesses viz. Energy (Oil & Gas) and Infrastructure has started showing positive results. The culmination of the last financial year at profitable note neutralizing losses of previous 2 years despite subdued performance in metal sector is a testimony of success of this move. The company now has strengthened its presence in Oil & Gas sector and is well positioned to take it up to next higher level assignments in this sector. With visible signs of recovery in its traditional stronghold areas of Design, Engineering and PMC in steel sector, company is on lookout for breaking grounds in new emerging opportunities in non-conventional areas like O&M of steel plants, energy efficiency & performance improvement projects of steel plant units and transaction advisory services in mining and allied sectors.

During this fiscal year, business procurement from the diversified sectors (other than Metals) has been significant which is clearly reflected in overall order booking in Non-Metal sectors (79.43%) outweighing the order booking in Metal sector (20.57%). In Engineering and Consultancy, the Company's order booking is 61.75% (previous year 71.83%) in Non-Metal sectors and 38.25% (previous year 28.17%) in Metal sector. In case of supply / turnkey projects, it is 99.49% (previous year 49.88%) in the diversified sectors and 0.51% (previous year 50.12%) in Metals Sector.



## 3.0 MANAGEMENT INITIATIVES

Company's financial fundamentals have turned for better due to relentless strategic initiative taken by management like holding on to diversification strategy, reducing sticky outstandings with old clients, balanced redeployment of manpower as per profitability of business portfolio and squeezing business opportunities from its traditional business areas.

With the upturn in business outlook in global steel market stimulated by reduction in prices of key raw material and almost synchronous upturn in European Economy has imparted new impetus to demand growth of steel globally and would help fuel export led investment sentiments in steel sector in South East Asia and Middle East countries including India. This can usher new opportunities for MECON in these countries. Management would chart out strategies for capturing these Global business opportunities.

Management would continue to endeavour enlarging the market share and capitalize on existing capability to make inroads into new areas and taking along suitable strategic partners to register a formidable presence in all its SBU's in the forthcoming financial year.

## 4.0 MOU WITH MINISTRY OF STEEL ON PERFORMANCE

Like in the previous years, your Company has signed a MoU with Ministry of Steel for the Financial Year 2017-18. The Company achieved "Good" rating in the year 2016-17 and is expected to achieve "Good" rating in 2017-18.

## 5.0 ISO 9001:2015 CERTIFICATION

Your Company has recently successfully migrated to ISO 9001:2015 Standards from ISO 9001:2008 standards. The certificate has been awarded by M/s TÜV NORD. The scope of Company's certification includes Consultancy, Design & Engineering, Procurement of Plant & Equipment, Inspection, Construction & Project Management Services and Erection of Turnkey Projects. The certification audit by TÜV has been

completed in November 2017 and Company's QMS has been certified for ISO 9001: 2015 for further period of three years with validity till 29.01.2021.

The surveillance audit of Vigilance function was conducted by TUV in October 2017. With no Non-Conformity observed by TUV the ISO 9001:2008 certificate for Vigilance function of the Company is revalidated upto September 2019.

## 6.0 INDIAN ASSIGNMENTS

Your company has procured following major work orders during 2017-18:

### Metals Sector

- ♦ Design & Engineering services for Blast Furnace # 3 Upgradation Project of **JSW Steel Ltd., Vijayanagar.**
- ♦ Detailed Engineering & Consultancy services for Pellet Plant for 10 Mtpa Project at **JSW Steel Ltd., Dolvi.**
- ♦ Consultancy & Engineering services for Revamping of Primary & Secondary Dedusting System for SMS#1 and Revamping of Primary Dedusting System for SMS#2 at Vijayanagar Works for **JSW Steel Ltd., Mumbai.**
- ♦ Detailed Engineering & Consultancy services for Upgradation of 250 m<sup>3</sup> Blast Furnace for **Visa Steel Ltd., Odisha.**
- ♦ Consultancy services for installation of Alloy Wire Rod Manufacturing Facilities in Smelter of NALCO, Angul for **National Aluminium Co. Ltd., Bhubaneswar.**
- ♦ Consultancy Services for Establishing Closed Die Forging Facility and Heat Treatment Facility for **Mishra Dhatu Nigam Ltd., Hyderabad.**
- ♦ Works Contract for Full Relining Job of One Lime Kiln **SAIL/Durgapur Steel Plant, Durgapur.**
- ♦ Detailed Engineering & Consultancy services for installation of New Pickling Line cum Tandem Cold Mill (PLTCM) at Tarapur Works for **JSW Steel Coated Products Ltd., Mumbai.**
- ♦ Consultancy & Supervision services for Debottlenecking of Reagent Handling System for UCIL Tummalpalle Project for **Uranium Corporation of India Ltd., Singhbhum (E), Jharkhand.**
- ♦ Preparation of EIA/EMP report incorporating Changes in Project Configuration for Modernization-cum-Expansion of BSP 7.0 Mtpa along with Captive Power Plant for obtaining EC from MoEF&CC for **SAIL/Bhilai Steel Plant, Bhilai.**
- ♦ Detailed Engineering & Consultancy services for New SGP of Blast Furnace#1 of **JSW Steel Ltd., Dolvi.**
- ♦ Detailed Engineering & Consultancy services for Pulverised Coal Injection (PCI) System for **KIC Metaliks Ltd., Kolkata.**
- ♦ Change Order for Detailed Engineering & Consultancy services for Expansion of Steel Plant to 7.0 Mtpa of **SAIL/Bhilai Steel Plant, Bhilai.**
- ♦ Consultancy services for Crushing & Screening Plant and Evacuation Facilities for 8.5 Mtpa Project at Gandhamardan-B Mining Lease of **Odisha Mining Corporation Ltd., Bhubaneswar.**
- ♦ Consultancy services for preparation of Geological Report, Mining Plan, obtaining Environment & Forest Clearances, obtaining all Statutory Clearances, Land Acquisition etc. in respect of Saharpur-Jamarpani Coal Block in Dumka District, Jharkhand for **PFC Consulting Ltd., New Delhi.**
- ♦ Preparation, submission and obtaining Approval of the Review of Mining Plan / Modification to Mining Plan with PMCP for 4 Mining Leases namely Sukrangi, Tiringpahar, BPJ & Nishikhal of **Odisha Mining Corporation Ltd., Bhubaneswar.**
- ♦ Review & Modification of Mining Plans of 4 Mining Leases (i) Khandband Iron Ore Mine (ii) Mahapartbat/Unchaballi Iron Ore Mining Lease (iii) Gandhamardan A Iron Ore Mine & (iv) Bansapani Iron Ore Mine of **Odisha Mining Corporation Ltd., Bhubaneswar.**
- ♦ Preparation of Wild Life Conservation Plan of Madanpur South Coal Block for **Andhra Pradesh Mineral Development Corporation Ltd., Hyderabad.**
- ♦ Comprehensive Fire Audit of all Production Units Smelter, CPP, Mines & Refinery to assess the adequacy of the existing Fire Protection System and to provide Remedial Measures for **National Aluminium Co. Ltd., Bhubaneswar.**
- ♦ Preparation of EIA/EMP Studies for obtaining Environmental Clearance for Madanpur South Coal Block for **Andhra Pradesh Mineral Development Corporation Ltd., Hyderabad.**
- ♦ Preparation of Techno-Economic Feasibility Report (TEFR) for installation of Turbo Blower in MBF # 1 for **Tata Metaliks Ltd., Kharapur.**
- ♦ Consultancy services & preparation of Techno-Economic Feasibility Report (TEFR) for

Replacement of existing Prime Mover from Electric Motor to Steam Turbine in BF#1 of **Jindal Steel & Power Ltd.**, Angul.

- ♦ Preparation of EIA/EMP report for Suilyari Coal Block located at Singrauli Dist., Madhya Pradesh for **Andhra Pradesh Mineral Development Corporation Ltd.**, Vijayawada.
- ♦ Design & Engineering services for Modification of Pellet Bunkers installation of New Vibrating Screen for **JSW Steel Ltd.**
- ♦ Preparation of EIA/EMP report for 6.0 Mtpa Iron Ore Processing (Beneficiation) Plant at Kirandul and Extension of NMDC's Slurry Pipeline System from Kirandul to Bacheli in Chhattisgarh for **NMDC Limited**, Hyderabad.
- ♦ Preparation of Mining Plan including PMCP for Iron Ore and Manganese Ore and obtaining its approval from IBM for **KIOCL Ltd.**, Bangalore.
- ♦ Final Mine Closure Plan for Three Limestone Mining Lease viz. Ghaghra, Gorgaon and Sariya under Bhawanathpur Limestone Mine of **SAIL/Raw Materials Division**.

### Energy Sector

- ♦ Engineering & Project Management Consultancy (EPMC) services for Development of CGD Network in Varanasi, Cuttack, Bhubaneswar, Ranchi, Jamshedpur and Patna for **GAIL (India) Ltd.**, Noida.
- ♦ Engineering & Project Management Consultancy (EPMC) services for Vijayawada Dharamapuri Pipeline Project - Terminal (Schedule-2) for **Hindustan Petroleum Corpn. Ltd.**
- ♦ Engineering & Project Management Consultancy Services for Auraiya Phulpur Natural Gas Pipeline (APPL) Project for **GAIL (India) Ltd.**, Noida.
- ♦ Engineering, Procurement and Construction Management (EPCM) Services for Construction of Gas Pipeline from Baghjan to CGGS, Madhuban, Dibrugarh District, Assam for **Oil India Ltd.**, Assam.
- ♦ Extension of work for Residual Works left out for PMC services towards Construction of 232 nos. of 33/11 KV Sub-stations with associated Lines of ODSSP, for the period from August, 2017 to March, 2018 within the jurisdiction of DISCOM-CESU & SOUTHCO for **Odisha Power Transmission Corporation Ltd.**, Bhubaneswar.
- ♦ Engineering & Project Management Consultancy services for Development of CGD Network in Sonipat, Meerut & Devas CGD Project-Phase-II

for **GAIL Gas Limited**, Noida.

- ♦ Project Management & Consultancy (PMC) services for the CGD Project in East & West Godavari District of **Andhra Pradesh for Godavari Gas Pvt. Ltd.**, Andhra Pradesh.
- ♦ Feasibility Study & Detailed Engineering Consultancy services for Conversion from Top Loading to Bottom Loading Facility at 9 Locations for **Hindustan Petroleum Corpn. Ltd.**, Mumbai.
- ♦ Project Management services for Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) & Integrated Power Development Scheme (IPDS) Works in CESU Area for **Odisha Power Transmission Corpn. Ltd.**, Bhubaneswar.
- ♦ Engineering & Project Management Consultancy (EPMC) services for Construction of New Depot at Hissar for **Hindustan Petroleum Corpn. Ltd.**, Mumbai.
- ♦ Project Management Consultancy services for Development of CGD Network in the GA of Yamunanagar for **Bharat Petroleum Corpn. Ltd.**, New Delhi.
- ♦ Project Management Consultancy services for Development of CGD Network in the GA of Saharanpur for **Bharat Petroleum Corpn. Ltd.**, New Delhi.
- ♦ Project Management Consultancy services for Development of CGD Network in the GA of Rupnagar for **Bharat Petroleum Corporation Ltd.**, New Delhi.
- ♦ Engineering & Project Management Consultancy (EPMC) services for preparation of Tender Document, Bid Process Management for the Replacement and Revamping of Pipeline Network at Oil Jetties area, Kandla for **Kandla Port Trust**, Gujarat.
- ♦ Engineering & Project Management Consultancy services for Development of CGD Network in Taj Trapezium Zone (TTZ) for Phase-II for **GAIL Gas Limited**, Noida.
- ♦ Engineering & Project Management Consultancy (EPMC) services for Meerut IRD Revamping Project for **Hindustan Petroleum Corporation Ltd.**, Mumbai.
- ♦ Project Management Consultancy services for Tie-in Connectivity from ONGC Madanam Gas Source to GAIL's Cauvery Basin Network through Injection at SV-2 (Memathur) for **GAIL (India) Ltd.**, Noida.
- ♦ Consultancy services to carry out Study and

Engineering for adhering to MOEF-Norms in NLC's Four existing Power Stations for **NLC India Limited**, Neyveli.

- ◆ Engineering & Project Management Consultancy (EPMC) services for Last Mile Connectivity to St. Gobain, Jagadia for **GAIL (India) Ltd.**, Noida.
- ◆ Engineering & Project Management Consultancy services for Sonipat, Meerut and Dewas CGD Projects (Phase-II) for a period of 07 Months for **GAIL Gas Ltd.**, Noida.
- ◆ Project Management Consultancy services for 66 KV Sub-Station of **Hindustan Petroleum Corpn. Ltd.**
- ◆ RLA/LE Study & Condition Assessment Report for Boilers, Turbines, Generators & their Auxiliaries and Electrics of 3x10 MW Chinakuri TPP of **Eastern Coalfields Ltd.**, West Bengal.
- ◆ Project Management Consultancy services for Last Mile Connectivity (LMC) to GNVFCL, Bharuch, Gujarat for **GAIL (India) Ltd.**, Noida.
- ◆ Engineering & Project Management Consultancy (EPMC) services for 12" Pipeline Modification job in JLPL-NCR (Rajasthan, Haryana, Delhi & UP) for **GAIL (India) Ltd.**
- ◆ Engineering & Project Management Consultancy (EPMC) services for Kota CGD Project for **Rajasthan State Gas Ltd.**, Jaipur.
- ◆ Engineering, Procurement and Construction Management (EPCM) services for Construction of Displacement Water Tanks at Mangalore, Replacement of existing Turbine Flow Meter with Mass Flow Meter, Supply & Installation of Double Block Bleeding Valve at Hassan and Upgradation of existing SCADA System of **Petronet MHB Ltd.**, Bangalore.
- ◆ Engineering & Project Management Consultancy services for various Critical Jobs under GAIL, Agartala Region for **GAIL (India) Ltd.**, Agartala.
- ◆ Engineering & Project Management Consultancy (EPMC) services for National Capital Region (Operation & Maintenance) for **GAIL (India) Ltd.**, Noida.
- ◆ Consultancy Services for Preliminary Works of 20 MWp Solar PV Project of BPSCL at BSL, Bokaro for **Bokaro Power Supply Co. (P) Ltd.**, Boakro.
- ◆ Engineering & Project Management Consultancy services for Re-routing of 24" x 32 Km Panvel Uran Pipeline (PUPL) for **GAIL (India) Ltd.**, Navi Mumbai.

- ◆ Consultancy services for QRA and Hazop Study for three CNG Stations in "Design with Equipment on RCC Canopy" Concept for **Indraprastha Gas Ltd.**, New Delhi.
- ◆ Consultancy services for RLA and R&M Work of Raw Coal Bunkers of Unit # 13, BTSP, Obra for **UPRVUNL, Obra Thermal Power Station**, Obra.
- ◆ Study report for Regrouping of Scrap, Unserviceable / Serviceable Materials of OHPC at different Units for **Orissa Hydro Power Corporation Ltd.**, Bhubaneswar.
- ◆ Engineering & Project Management Consultancy services for Replacement of Variable Frequency Drive (VFD) installed at Jamnagar, Abu Road & Nasirabad Pumping Stations along JLPL Pipeline for **GAIL (India) Ltd.**, Jaipur

#### Infrastructure Sector / Other Engineering

- ◆ Executing Agency for Establishment of All India Institute of Homeopathy, Narela, Delhi for Govt. of India, **Ministry of AYUSH**, New Delhi.
- ◆ Executing Agency for Construction of Multi-storied Office cum Commercial Complex at Guwahati, Assam for **Assam State Housing Board**, Guwahati.
- ◆ Executing Agency for Construction of New Water Treatment Plant (WTP) / Sewage Treatment Plant (STP) / Domestic Effluent Treatment Plant (DETP) and Upgradation / Renovation of existing WTP / STP / DETP in different Areas of **Central Coalfields Ltd.**, Ranchi.
- ◆ Design & Supervision Consultant for Dockyard and Fleet Base Buildings Package (DC-DY & FBB) for Project Seabird Phase-IIA at Naval Base, Karwar for **Project Seabird**, New Delhi.
- ◆ Detailed Engineering & Project Management Consultancy services for Development of Rehabilitation & Resettlement (R&R) Colony of Affected Families at Jharia Coalfield in Dhanbad District for **LANCO Infratech Ltd.**, Gurgaon.
- ◆ Design Engineering, Construction Management, Supervision and Commissioning of Buildings & Infrastructure Facilities at IOCL Township & CISF Colony of Paradip Refinery at Paradip, Odisha for **Indian Oil Corporation Ltd.**, Odisha.
- ◆ Consultancy for Technical Services (Engineering, Tender Document Preparation, etc.) for SPROB, Augmentation Facilities for **Indian Space Research Organisation**, Sriharikota.
- ◆ Consultancy & Project Management services for Connectivity of IOHP to MCHP for **Paradip Port**

## Trust, Odisha.

- ◆ Design Engineering & Construction Management services for New Mechanical Workshop Setup & Associated System at C2C3 Plant of **GAIL (India) Ltd.**, Vijaipur.
- ◆ EIA and EC & CRZ Clearance for Away From Reactor (AFR) Spent Fuel Storage Facility for KKNPP 1 & 2 and NSDF for KK Site for **Nuclear Power Corporation of India Ltd.**, Mumbai.
- ◆ Monitoring and Analysis of Ambient Air Quality, Effluent Quality & Stack Emission of Bokaro Steel Plant & City for **SAIL/Bokaro Steel Plant**, Bokaro.
- ◆ EIA/EMP for Replacement and Revamping of Pipeline Network at Oil Jetty area, Kandla of **Deendayal Port Trust**, Kutch, Gujarat.
- ◆ Rapid EIA/EMP Report of FFF-INRP, Tarapur Project Site and assisting the User Department to obtain MoEF Clearance for **Bhabha Atomic Research Centre**, Tarapur.

## 7.0 FOREIGN ASSIGNMENTS

Overseas assignment bagged by your company is highlighted below:

- ◆ Geological and Quality Evaluation report for Selection of Suitable Iron Ore Concession Area for **Premium Steel & Mines Ltd.**, Nigeria.

## 8.0 FUTURE BUSINESS VISION

The perceptible improvement in global steel scenario and backed up with cognizable performance of Energy and Infrastructure business verticals, your company is now poised for scaling new heights. The future business vision entails grabbing up any opportunities thrown by resurgent metal sector and go along with suitable partnerships to capitalize its presence in its remaining two strategic business verticals. In addition, the changing business landscape is throwing open opportunities in virgin areas like O&M of steel plants, performance improvement of existing units, energy efficiency, transaction advisory services, mines & minerals, etc. which the management is weighing seriously. Growing environmental concerns are opening up considerable prospects in FGD area and solar power in power sector and can be turned into a lucrative business opportunity with suitable partnership. Thus the forthcoming financial year would be throwing opportunities in existing as well as in non-conventional areas which management is fully geared up to avail.

## 9.0 FINANCIAL RESULTS

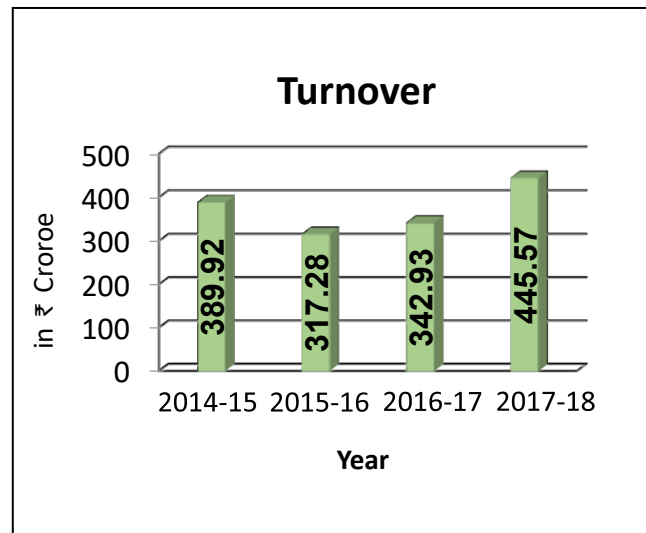
The extract of Annual Return for the period under review, is annexed as **Appendix- I**.

The financial highlight for the period under review is as under:

Particulars		₹ In Lakh	
		2017-18	2016-17*
9.1	Material changes and commitment, if any, affecting the financial position which has occurred between the end of financial year to which the financial statements relate and the date of the report.	NIL	Nil
9.2	The amount, if any which is proposes to carry to any reserve		
	Opening Balance	10,596.01	21,156.91
	Addition during the year	5800.07	(7305.33)
	Utilised / Reversed during the year	133.88	(3255.57)
	Closing Balance	16529.96	10596.01
9.3	Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013	519.52 #	519.52 #
9.4	Particulars of contracts or arrangements with related party referred under section 188(1) in Form AOC-2. <b>(Enclosed as Annexure- A)</b>	Nil	Nil

\* The company has adopted Indian Accounting Standard 'Ind AS' from 1<sup>st</sup> April, 2017 and accordingly, financials for FY 2016-17 is restated in accordance with Ind AS, as applicable.

# Represents the investment (Gross) made by the Company.



## 10.0 DIVIDEND

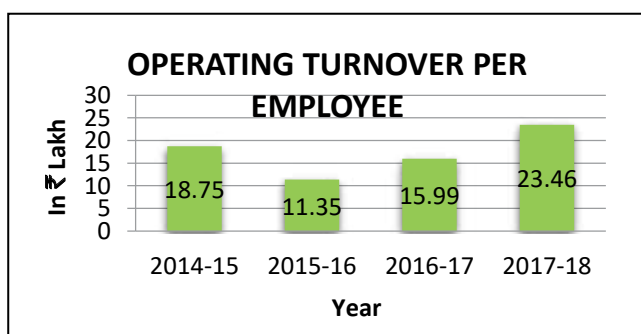
Your Company has recommended dividend of ₹1,027.19 Lakh on Equity Share Capital for the Financial Year 2017-18.

### 10.1 CUMULATIVE DIVIDEND & TAX PAID

Your company which had paid up capital of ₹4,013.84 lakh (previous year ₹4,013.84 lakh) including Bonus Shares worth ₹40.31 lakh, has paid cumulative dividend including tax (Equity & Preference) of ₹6,836.59 lakh till FY 2016-17 and have recommended ₹1,027.19 Lakh towards dividend on Equity Shares for FY 2017-18. The cumulative income tax to the exchequer amounting to ₹36,410.21 lakh has been paid / provided till FY 2017-18.

### 11.0 EARNING PER EMPLOYEE

Operating Turnover per employee per year is as follows:



## 12.0 RESEARCH & DEVELOPMENT

R&D plays an important role in the innovation process. R&D results in valuable inventions, ideas and designs which can be a source of potential value when it comes to gaining competitive advantage. Company's R&D activities are carefully planned so that all inventions are patented to protect these valuable assets.

Presently experimental R&D activities are being carried out in Steel Sector. Your Company mostly undertakes Applied Research and Experimental Development in the core area of business such as Iron and Steel as well as focused areas of national importance such as Defence, Environment etc. In recent years, Your Company also undertakes R&D activities in collaboration with Defence Research & Development Organisation (DRDO), Department of Science & Technology (DST), Ministry of Environment (MoE), Ministry of Steel and private sectors. Collaborative efforts in R&D with academic institutions and Industrial house are undertaken by R&D Division to strengthen the research potential and application domain.

The R&D of your Company is recognized by Department of Scientific and Industrial Research (DSIR), Govt. of India and the reorganization is valid

for three years. (up to 31/03/2019).

### Ongoing Project

- ◆ **Development of Torpedo Ladle Car monitoring system using Infrared Imaging.**

In order to achieve minimum failure of Torpedo ladles and to increase its average life, the best solution is online thermography using automation to locate the hotspot and to know the history of the spot for maintaining its data base at refractory maintenance management. The project is being implemented at RSP, Rourkela.

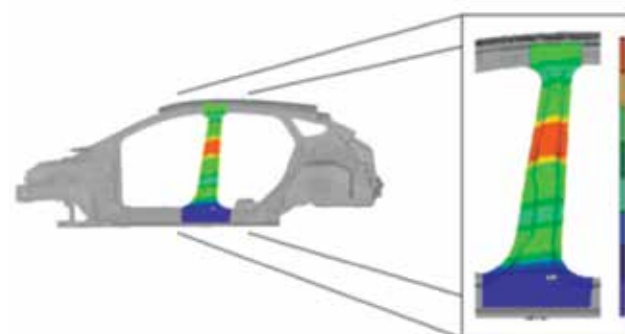
This project is funded by Ministry of Steel with ₹134.50 lakh out of which ₹76.05 lakh has been spent upto F.Y 2017-18.



### Projects Completed

- ◆ **Localized Heat Treatment of Steel Blank for Automotive application with R&D division TATA Steel**

This project is to develop Lab scale tailor made blank with different combination of microstructure and mechanical properties to produce automotive components using localized heat treatment technique so that complex heat treated sections can be produced during this special process within a single blank. This is a collaborative project with TATA Steel. Joint Patent has been filed.



♦ **Development of New suspension system for Basic Oxygen Furnace vessel.**

Based on in-house expertise of design and engineering and exposure to BOF converter design and operation, your Company developed the innovative mechanical design of the converter. Patent has been filed.

**Patents Sealed:**

Your Company has got three (3) Patent rights in the field of Blast Furnace, NOx Monitoring System and Automobile filters for cold region.

**Patents under process :**

During the year your Company has filed eleven (11) patent applications with the Patent Authority in different areas.

**13.0 CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

**13.1 Conservation of Energy**

Efforts are being undertaken to change Steel plant configuration by eliminating energy intensive outdated technologies and introducing state of the art energy efficient technologies in iron and steel plants of CPSEs.

Over the years, your company has suggested a number of established energy saving measures / technologies to various steel plants projects in India, resulting in saving in scarce, high priced coking coal, saving in import of coking coal and resultant reduction in production costs. In addition to these measures, the company has suggested few more energy saving measures / technologies in various area of steel production, during 2017-18, which are summarised below:

♦ **Iron Making**

- Implementation of Waste Heat Recovery System & Pulverized Coal Injection System at 250m<sup>3</sup> MBF of KIC Metaliks, Durgapur.
- Commissioned BF # 8 (4060m<sup>3</sup>) at SAIL-BSP which has been provided with following energy savings measures:
  - ❖ Extensive use of VVVF drives
  - ❖ Provision of PCI
  - ❖ TRT for generation of 14 MW

♦ **Electrical**

- Use of energy efficient Distribution Transformers in the present and future Projects to reduce Iron and Copper loss in the system.
- Use of Harmonic filters, Reactive Power

Compensation equipment and Phase Balancing equipment as per application to reduce heating & losses in Power Distribution Network.

- Use of energy saving Variable Frequency Drives & LCI drives for high capacity motors and use of regenerative drives for Cranes and Rolling Mill applications.
- Use of energy efficient Illumination system in the ongoing and future projects by using LED lamps, Mirror optics luminaries, Electronic ballast, Occupancy sensors in Commercial buildings, Timer based area Illumination system etc to reduce power consumption.
- Use of Roof Top Solar Photo Voltaic (SPV) power generation technology to conserve energy by reducing dependency on conventional energy sources.

**13.2 Technology Absorption**

The detailed information on efforts made and benefits derived like products improvement, cost reduction, product development or import substitution from technology absorption along with technology imported and expenditure incurred on R&D as per Section 134(3) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014 is enclosed at **Annexure-I** to this Report.

**14.0 FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company has earned ₹13.70 lakh Foreign Exchange during the year under review. The expenditure in Foreign Exchange remitted / actually spent during the year is ₹410.11 lakh as per details given below.

Particulars	(₹ in Lakh)
Professional & Consultation Fees	212.32
Other matters	197.79
<b>Total</b>	<b>410.11</b>

**15.0 HUMAN RESOURCE DEVELOPMENT**

In a knowledge-based organization, in order to have competitive advantage, the organizational competence i.e. the Human Capital needs to be unique in nature. At your Company, developing and sustaining a competent and highly responsive workforce with adequate domain expertise, by constantly upgrading their knowledge and skills has always been Management's topmost priority. Focus is laid on acquiring new skills and sharpening existing ones, which leads to better performance, increases productivity and evolves our employees as better leaders.



To transform your Company into a learning organization and encourage a culture of continual development amongst employees, apart from conducting regular trainings on technical, skill related and soft skill, based on Training Need Analysis and Organizational Requirement, an initiative was taken to depute our executives to various Centres of Excellence like IITs, IIMs, NITs, ICAIs, etc, focusing on latest Technological Advancements and developing Leadership Effectiveness. Moreover, various Knowledge Sharing sessions have been conducted through concerned domain experts. Management has achieved 1787 Man days of training and development (Technology – 612 Mandays, Skill related – 649 Man days and Soft Skill – 531 Man days) as against the target of 1300 Man days fixed for this financial year.

Apart from this, to facilitate holistic development and increase productivity, employee engagement activities such as Health Awareness Programs, Quiz competitions, Debate competitions, Retirement and Investment Planning, etc., were organized on regular basis. Management Development Assessment was also conducted for executives at E1, E3 and E5 level with regard to promotion. To encourage physical and emotional well-being amongst our employees, Yoga classes were also initiated for employees and their spouses, in collaboration with Sports Club, MECON.

#### 16.0 PERSONNEL & WELFARE

Employees strength of your Company at the end of the year i.e., as on 31.03.2018 was 1315. Out of the total strength of 1315, 250 belong to SC, 131 belong the ST categories & 10 belong to PWD category. Out of the total strength of 1315 employees, 135 are female employees.

#### 16.1 Sexual Harassment of women at workplace (Prevention, Protection and Redressal Act, 2013)

Number of Cases filed	Number of cases disposed.
1	1

16.2 As per DPE Guidelines, women in Public Sector (WIPS) Cell was established in your company in November, 2015 for development of women employees and for promoting their interactions with women employees of other public sector units.

#### 17.0 INDUSTRIAL RELATIONS

The Company focused on employee relationship and all employee related matters were addressed leading to greater satisfaction of the employees. The work atmosphere remained healthy and harmonious and this helped the Company to achieve better productivity.

The Company continued to have peaceful and cordial relations with the employees and most of the issues were resolved through interactions and dialogue with the representatives of Non-Executive and Executive employees. Liaison with other associated external agencies was also maintained cordially and on regular basis.

#### 18.0 ACTIVITIES / STEPS TAKEN FOR THE WELFARE OF SC / STs IN THE COMPANY.

In addition to its corporate and business objectives, the Company is fully aware of its social responsibilities for development and welfare of members of Scheduled Caste / Scheduled Tribe Communities. The strength and number of SC / ST candidates presently employed in your Company are indicated below:

Cat./ Group	Man-power as on 31 <sup>st</sup> March, 2018	SC		ST		PWD	
		No	%	No	%	No	%
A	1163	226	19.43	71	6.10	6	0.52
B	63	8	12.70	23	36.51	0	0
C	89	16	17.98	37	41.57	4	4.49
Total	1315	250	19.01	131	9.96	10	0.76

The Company has adopted adequate measures for safeguarding their interests and welfare, such as promotion as per general trend, power regard for human rights, equality and impartiality in all spheres of activities and providing abundant opportunities for self development through sports, cultural, educational and recreational facilities. Scheduled Caste / Scheduled Tribe employees and their families residing in Shyamali Township enjoy all the facilities as available to others. In order to implement the Government of India Directives and Post-based Rosters with regard to recruitment and promotion of SCs/ STs, and SC/ST Cell has been formed with Deputy General Manager I/c (Personnel) as Liaison Officer. The SC/ST Cell maintains proper record regarding recruitment and promotion and statistics of SC/ST employees and furnishes reports to the Ministry of Steel on regular basis. The Company has made consistent efforts to accommodate SC/ST candidates in all recruitments in MECON as well as in promotion to the next higher grade as per Government Directive.

All possible steps are taken to fill up the post in reserved category as per Government Directives issued from time to time.

## **19.0 CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY DEVELOPMENT (CSR&SD)**

As provided under Section 135 read with Schedule VII to the Companies Act, 2013 your Company has carried out CSR activities mainly focused on Sanitation (Swachh Bharat Abhiyan), healthcare, education, skill development & livelihood, social welfare, rural development, etc., out of carried over fund from the F.Y 2016-17. The details are enclosed vide Appendix-II.

## **20.0 OFFICIAL LANGUAGE POLICY (USE OF RAJBHASHA)**

Your Company is effectively implementing the Official Language Policy of Govt. of India in its official work. The Company is also making all out efforts to achieve the targets fixed in the Annual Programme issued by Rajbhasha Vibhag, Ministry of Home Affairs, Govt. of India. For this purpose, there is an Official Language Implementation Committee under the Chairmanship of CMD. Hindi workshops are being organised for the employees. Your Company is an important member of Town Official Language Implementation Committee, Ranchi and actively participates in all the programmes.

A condensed Translation Training Programme was conducted from 10<sup>th</sup> to 14<sup>th</sup> July, 2017 at Company's Head Office, Ranchi in which our employees as well as the employees of the member offices of Town Official Language Implementation Committee, Ranchi participated. This Translation Training Programme was organised in association with Central Translation Bureau, New Delhi, Dept. of Official Language, Ministry of Home Affairs, Govt. of India.

The Documentation & Evidence Sub-committee of Committee of Parliament on Official Language, Govt. of India reviewed the progressive use of Hindi at our Bengaluru Office on 4<sup>th</sup> September, 2017, Delhi Office on 22<sup>nd</sup> September, 2017 and at our Visakhapatnam Office on 24<sup>th</sup> January, 2018. Joint Director (Rajbhasha), Ministry of Steel, Govt. of India reviewed the progressive use of Hindi at our Bhilai Site Office on 22<sup>nd</sup> November, 2017.

"Hindi Pakhwara" was observed in Company's at Head Office and all the site offices of the company from 14.09.2017 to 28.09.2017. On this occasion all employees took a pledge to increase use of Hindi in their day to day official work. During the "Hindi Pakhwara" competitions of various nature were also organized at Head Office and other offices of the Company. A special Hindi workshop and one Rajbhasha symposium on "Unicode ke jariye Hindi me Kam-Kaj" were organised during the Hindi Pakhwara.

Hindi House Magazine - "MECON BHARATI" from Head Office and "MECON DARPAN" from our Delhi Office is published annually. These magazines provides a platform to Employees for creative writing in Technical field in Hindi.

## **21.0 VIGILANCE ACTIVITIES**

The Vigilance set up of the Company is functioning under Shri Upkar Kumar Kedia, ITS, CVO, MECON (Full Time) who took charge on 30.10.2017. CVO, of the Company provides a link between the organization and the Administrative Ministry, CVC and CBI and also acts as a special assistant/advisor to CMD and reports directly to him in all matters pertaining to vigilance.

Efforts are on to continuously enhance transparency in various business activities of the company with use of computerization and leveraging of technology. Emphasis is laid on preventive vigilance, spreading awareness, surveillance and analysis of system & procedures in detail to ensure optimum utilization of resources, appropriate & timely decisions, corrective action against defaulters and transparency & accountability in the system. In this direction relevant circulars and guidelines from CVC and statutory authorities, as and when issued, are put in the in-house intranet 'meconinfo' for wider circulation among the employees. Vigilance articles are also published in the in-house publications whenever possible.

Complaints, as and when received, are investigated promptly by Vigilance department after checking their veracity wherever needed. Sensitive sections/areas in the organization have been identified and thrust is laid on conducting surprise inspections, regular inspections, scrutiny of files & studies in these areas and suitable suggestions including job rotation are given for improvement in the system to eliminate discrepancies found, if any. A number of suggestions given by Vigilance Department for systemic improvement and streamlining various procedures have been implemented and the process is continuing.

Online Vigilance Clearance System for the purpose of vigilance clearance/status of employees in case of promotion, resignation, retirement etc. exists and Vigilance Department maintains a computerized database.

Submission of Annual Property Returns has been made online in the Company and APRs for the year 2017 have been submitted by the employees and its database is maintained and is continuously scrutinized and monitored.

Integrity Pact (IP) is functional in your Company since 2007 under an Independent External Monitor who is responsible for overseeing the process of procurement and transactions where Integrity Pacts are signed between your Company and counterparties. Your Company enters into Integrity Pact with vendors/suppliers/contractors for orders of ₹1.0 Crore & above for EPC Projects and for orders of ₹25.0 lakhs & above for Town Administration and In-house Procurement. The draft IP forms part of tender documents, wherever applicable. Till March 2018, your Company has signed Integrity Pact (IP) with 177 suppliers/contractors. So far no representation/ complaints/ disputes have been received in the matters of tenders and contracts under IP.

Vigilance Awareness Week-2017 was observed at MECON Head Office, Ranchi and at various Site Offices from 30<sup>th</sup> October to 4<sup>th</sup> November 2017 in which the employees participated with enthusiasm. The theme for observing Vigilance Awareness Week 2017 was “My Vision – Corruption Free India”. Various programmes/activities/talks were organized on this occasion to sensitize employees. Talks and sensitization programmes were also organized for students at Ranchi and at other cities all over India and a total of 17 academic institutions has been covered including 7 at Ranchi and 10 outside Ranchi.

Complaint Handling Policy has been uploaded on Company’s website with a provision of lodging complaint online which is accessible to common individuals. Contact Details of CVO and Senior Officials of Vigilance department, Organizational Structure of Department, Vigilance Quality Policy of the Company and ISO Certificate of Vigilance Department have been uploaded on Company’s Website [www.meconlimited.co.in](http://www.meconlimited.co.in). Whistle Blower Policy and Fraud Prevention Policy. The Handbook of CVC Circulars & Guidelines, Resolution on Public Interest Disclosures & Protection of Informer (PIDPI), Integrity Pact and RTI Manual have been uploaded in the Vigilance tab available on the Company’s Website.

Your Company is pleased to inform you that Vigilance Department follows a well-established Quality Management System (ISO 9001:2008) which has been certified by M/s TUV India Pvt. Ltd. (a subsidiary of TUV NORD CERT GmbH, Germany) and is valid until 14.09.2018. TUV India has also conducted a Surveillance Audit of Vigilance Department at Ranchi on 16.10.2017 and has expressed satisfaction on the QMS being followed by Vigilance Department.

## **22.0 DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT.**

The Company has a Risk Management Policy with the objective of managing the potential risk and reducing the risk exposure in the long run by continual identification, assessment / monitoring and management of risks associated with its overall business processes and operations.

The Company’s risk management policies and procedures cover technical, marketing, contracts, financial and human resources. Management is accountable to the Board of Directors for effective implementation of risk management strategies in all relevant areas of company operations. For this throughout the year, regular reviews are held at both the corporate and operational levels to identify and prepare action plans to address any new opportunities or risks that have arisen or likely to emerge since the previous review.

The management discusses all categories of risks with members of the Audit Committee. Risks associated with compliance and financial reporting is also shared with the Audit Committee. On quarterly basis, the management reviews actual performance against the targeted budget and forecast are held with all supplementary data / documents. The well established risk management and control systems thus described and adopted provide a reasonable assurance as to the realization of strategic objectives. Also, the framework is subject to constant monitoring and review to prevent / eliminate the instances of non-compliance with rules and regulations.

During the F.Y 2017-18 there was no such potential risk which could have threatened the existence of the Company.

## **23.0 RIGHT TO INFORMATION**

In line with the directives of the Government of India, your Company has implemented the Right to Information Act, 2005 from the date of its implementation. All relevant manuals pertaining to RTI Act, 2005 have been hoisted on the Company’s website [www.meconlimited.co.in](http://www.meconlimited.co.in) w.e.f 19.09.2005 and are timely updated. A Public Information Officer (PIO) has been nominated by the Management at its Headquarters and various Asst. Public Information Officers (APIO) have been nominated at Head Office as well as various Regional and Site offices of the Company. The queries coming to the Company from the public are being attended to by these nominated officials and replied back to the applicant by the Public Information Officer within the stipulated time period.

All quarterly and annual returns are timely e-filed with the Statutory Authorities.

## **24.0 CHANGES IN BOARD OF DIRECTORS DURING F.Y 2017-18.**

Shri Subir Chattopadhyay, Director (Project) retired from the services of the Company on attaining the age of superannuation on 31.08.2017.

Shri Syedain Abbasi, IAS, Govt. Director and Joint Secretary to the Ministry of Steel ceases to be the Director of the Company w.e.f 11.10.2017.

Shri Sunil Barthwal, IAS, Joint Secretary to the Ministry of Steel was appointed as Govt. Director on the Board of the Company w.e.f. 11.10.2017.

Shri Salil Kumar was appointed as Director (Projects) of the Company w.e.f. 25.01.2018.

## **25.0 MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion & Analysis Report covering the performance and outlook of the Company is enclosed vide **Annexure-II**.

## **26.0 CORPORATE GOVERNANCE**

The company has complied with the requirements of Corporate Governance Guidelines issued by Govt. of India. The detail in this regard forming part of this report is enclosed vide **Annexure-III**.

## **27.0 AUDITORS**

M/s. V. Rohatgi & Co, Chartered Accountants, 1<sup>st</sup> Floor, Sarjana Building, 1, Main Road, Ranchi – 834001 (Jharkhand) were appointed as Statutory Auditors by the Comptroller & Auditor General of India to audit the accounts of the Company for the financial year 2017-18. They have also been assigned to carry out the audit under Section 44AB of the Income Tax Act, 1961 for the year 2017-18.

## **28.0 DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that:

- i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) The Directors had taken proper and sufficient

care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv) The Directors had prepared the annual accounts for the financial year 2017-18 on a going concern basis; and
- v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

## **29.0 INDEPENDENT DIRECTOR DECLARATION**

In terms of Section 149(7) of the Companies Act, 2013, necessary declaration has been given by Shri Sisir Kumar Appikarla, Independent Director stating that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

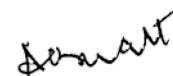
## **30.0 ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their appreciation for the contribution of all concerned towards the successful working of the Company during the year. The Directors also express their sincere and grateful thanks to the Company's trusted clients, suppliers, sub-contractors and other partners & stakeholders in business for enabling it to perform up-to the expectations of the customers.

Your Directors gratefully acknowledge the support, cooperation and guidance received from the Ministry of Steel, Government of India and various other Ministries, Govt. of Jharkhand and Departments of the Central and State Governments and Indian Embassies abroad.

Your Directors also place on record their appreciation and also acknowledge the dedicated efforts of its employees at all levels for smooth & effective functioning of the Company.

For and on behalf of the  
Board of Directors of  
MECON LIMITED



Atul Bhatt  
Chairman and Managing Director

Place: Ranchi

Date: 27.08.2018

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

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

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	U74140JH1973GOI001199
2	Registration Date	31.03.1973
3	Name of the Company	MECON LIMITED
4	Category/Sub-category of the Company	PRIVATE COMPANY GOVERNMENT COMPANY
5	Address of the Registered office & contact details	VIVEKANANDA PATH, P.O. DORANDA, RANCHI -834002 (JHARKHAND)
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

**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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	CONSULTANCY SERVICES		79.00%
2	CONSTRUCTION CONTRACTS		21.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	METALLURGICAL & ENGINEERING CONSULTANTS (NIGERIA) LTD.	-	JOINT VENTURE	50%	2(6) OF COMPANIES ACT, 2013

**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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	240	240	0.0006%	-	240	240	0.0006%	0.0000%
b) Central Govt	-	40,138,120	40,138,120	99.9994%	-	40,138,120	40,138,120	99.9994%	0.0000%

c) State Govt(s)	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
d) Bodies Corp.	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
e) Banks / FI	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
f) Any other	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>Sub Total (A) (1)</b>	-	<b>40,138,360</b>	<b>40,138,360</b>	<b>100.0000%</b>	-	<b>40,138,360</b>	<b>40,138,360</b>	<b>100.0000%</b>	<b>0.0000%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
b) Other Individuals	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
c) Bodies Corp.	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
d) Banks / FI	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
e) Any other	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>Sub Total (A) (2)</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>TOTAL shareholding of promoter (A) = (A) (1) + (A) (2)</b>	-	<b>40,138,360</b>	<b>40,138,360</b>	<b>100.0000%</b>	-	<b>40,138,360</b>	<b>40,138,360</b>	<b>100.0000%</b>	<b>0.0000%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
b) Banks / FI	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
c) Central Govt	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
d) State Govt(s)	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
e) Venture Capital Funds	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
f) Insurance Companies	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
g) FIs	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
h) Foreign Venture Capital Funds	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>i) Others (specify)</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>Sub-total (B) (1):-</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
ii) Overseas	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
c) Others (specify)									
<b>Sub-total (B) (2):-</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>Total Public (B) = (B) (1) + (B) (2)</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.0000%	-	-	-	0.0000%	0.0000%
<b>Grand Total (A+B+C)</b>	-	40,138,360	40,138,360	100.0000%	-	40,138,360	40,138,360	100.0000%	0.0000%

## (ii) Shareholding of Promoters

S N	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	THE PRESIDENT OF INDIA	40,138,120	99.9994%	NIL	40,138,120	99.9994%	NIL	0.0000%
2	GOVERNMENT DIRECTOR	120	0.0003%	NIL	120	0.0003%	NIL	0.0000%
3	CMD, MECON	120	0.0003%	NIL	120	0.0003%	NIL	0.0000%
	<b>TOTAL</b>	<b>40,138,360</b>	<b>100.0000%</b>		<b>40,138,360</b>	<b>100.0000%</b>		<b>0.0000%</b>

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	- NO CHANGE -			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying				
	At the end of the year				

(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	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	- NIL -			
	Date wise Increase /Decrease in Promoters Share holding during the year specifying				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

SN	For each of the Directors and Key Managerial Personnel	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	<b>GOVERNMENT DIRECTOR</b>				
	At the beginning of the year	120	0.0003%	120	0.0003%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase/ decrease	-	0.0000%	-	0.0000%
	At the end of the year	120	0.0003%	120	0.0003%
2	<b>CMD</b>				
	At the beginning of the year	120	0.0003%	120	0.0003%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase/ decrease	-	0.0000%	-	0.0000%
	At the end of the year	120	0.0003%	120	0.0003%



## V. INDEBTEDNESS

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

(Amt. ₹/ Lakh)

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S N.	Particulars of Remuneration	Name of Managing Director / Whole time Director / Manager (Shri)					Total Amount
		Atul Bhatt	S. Chattopahyay	P. K. Sarangi	Gautam Chatterjee	Salil Kumar	
	Period	From 01-04-17 to 31-03-2018	From 01-04-17 to 31-08-2017	From 01-04-17 to 31-03-2018	From 01-04-17 to 31-03-2018	From 25-01-18 to 31-03-2018	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,578,321.00	2,942,928.00	2,607,853.00	2,489,037.00	208,601.00	10,826,740.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	212,481.00	112,123.00	278,944.00	185,118.00	-	788,666.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-					
2	Stock Option	-					
3	Sweat Equity	-					
4	Commission	-					
	- as % of profit	-					
	- others, specify	-					
5	Others, please specify	-					
	<b>Total (A)</b>	<b>2,790,802.00</b>	<b>3,055,051.00</b>	<b>2,886,797.00</b>	<b>2,674,155.00</b>	<b>208,601.00</b>	<b>11,615,406.00</b>
	Ceiling as per the Act						

### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	<b>Shri Sisir Kumar Appikatla</b>	
	Fee for attending board / committee meetings	-	100,000.00
	Commission	-	
	Others, please specify	-	
	Total (1)	-	100,000.00
2	Other Non-Executive Directors	<b>Shri Saraswati Prasad, IAS, Shri Syedani Abbasi, IAS (upto 11.10.17) &amp; Shri Sunil Barthwal, IAS (w.e.f. 11.10.17)</b>	
	Fee for attending board committee meetings	-	
	Commission	-	
	Others, please specify	-	
	Total (2)	-	-
	Total (B)=(1+2)	-	100,000.00
	Total Managerial Remuneration	-	
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
		CEO	Company Secretary	CFO	
	Name				
	Designation	CEO	Company Secretary	CFO	
1	Gross salary	- NA -			
	(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				

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

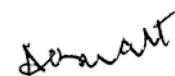
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment			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

## FORM AOC- 2

(Pursuant to Clause (h) of sub section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship NIL
  - (b) Nature of contracts/arrangements/transactions NA
  - (c) Duration of the contracts/arrangements/transactions NA
  - (d) Salient terms of the contracts/arrangements or transactions including the value, if any NA
  - (e) Justifications for entering into such contacts or arrangements or transactions NA
  - (f) Date(s) of approval of the Board NA
  - (g) Amount paid as advance, if any NA
  - (h) Date on which the special resolution was passed in the general meeting as required under first proviso to section 188 NA
  
2. Details of materials contacts or arrangements or transactions at arm's length basis
  - a) Name(s) of the related party and nature of relationship NIL
  - b) Nature of contracts/arrangements/transactions NA
  - c) Durations of the contracts/arrangements/transactions NA
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any NA
  - e) Date(s) of approval of the Board, if any NA
  - f) Amount paid as advance, if any NA



Atul Bhatt  
Chairman and Managing Director

# CORPORATE SOCIAL RESPONSIBILITY (CSR) & SUSTAINABILITY

## 1. a) Brief Outline of CSR & Sustainability Policy of MECON Limited

- ◆ The CSR & Sustainability policy of your Company is in accordance with the provisions of the Companies Act, 2013 and DPE guidelines and is approved by the Board based on the recommendation of the CSR & Sustainability Committee. The Board approved CSR & Sustainability Policy is available at [www.meconlimited.co.in/Writereaddata/Downloads/CSR\\_Policy.pdf](http://www.meconlimited.co.in/Writereaddata/Downloads/CSR_Policy.pdf)
  - ◆ Your Company has two-tier organizational structure to steer the CSR agenda. The Board Level CSR & Sustainability Committee comprising of a Government Director as Chairman and a Part time Independent Director & a functional director as members and a team of cross-section of employees, headed by a Nodal Officer constitutes the two-tier organization structure.
  - ◆ The annual budget for CSR and Sustainability is approved by Board of Directors.
  - ◆ The CSR plans are formulated and approved by CSR & Sustainability Committee and ratified by Board of Directors, as per the provision of Companies Act, 2013 and DPE guidelines.
  - ◆ Your Company spends in each financial year, at least 2.0% of the average net profits made during the three immediately preceding financial years. Any unspent/unutilized fund of a particular year, is carried forward to the following year.
  - ◆ The overall responsibility of CSR plans lies with the Nodal Officer, CSR & Sustainability.
  - ◆ The CSR & Sustainability activities of your Company are as per Schedule-VII to the Companies Act, 2013, with special attention to the development of weaker / marginalized / under privileged sections of the society including SC / ST / OBC / Minorities, women and children, old and aged, physically challenged etc.
  - ◆ All the CSR activities are implemented in project mode.
  - ◆ Your Company having expertise in Engineering and Project Management, all the CSR projects are monitored by the Company itself.
  - ◆ The implementation and monitoring of CSR activities are overseen by the CSR & Sustainability Committee.
  - ◆ As per Board's approved CSR & Sustainability policy, Impact Assessment for all completed CSR projects / activities upto project cost of ₹ 50.0 lakh are carried out by the Company. However, where project cost exceeds of ₹ 50.0 lakh, the Impact Assessment is carried out by external agency.
  - ◆ Your Company reports / discloses CSR activities to stakeholders through its official website: [www.meconlimited.co.in/csr.aspx](http://www.meconlimited.co.in/csr.aspx) and its Annual Report at: [www.meconlimited.co.in/Annual\\_Report.aspx](http://www.meconlimited.co.in/Annual_Report.aspx).
- b) The details of CSR Projects approved by the Board of Directors are indicated at Annexure-I. The same is also available at [www.meconlimited.co.in/csr\\_activities\\_planned.aspx](http://www.meconlimited.co.in/csr_activities_planned.aspx)
- c) The main highlights of CSR Projects/ Activities undertaken by your Company during the year are as follows:
- i) Sanitation (Swachh Bharat Abhiyan)
  - ii) Healthcare
  - iii) Education
  - iv) Skills Development & Livelihood
  - v) Social Welfare
  - vi) Rural Development

vii) Other activities/ Miscellaneous Programs

## 2. Composition of the CSR Committee

- ◆ The last reconstituted CSR & Sustainability Committee which was in place as on 31.03.2018, consists of the following Directors :
  - i) Shri Sunil Barthwal, IAS  
Government Director
  - ii) Shri Sisir Kumar Appikatla  
Part-time Independent Director
  - iii) Shri Pradipta Kumar Sarangi  
Director (Technical)

The details on latest reconstituted CSR & Sustainability Committee is available at [www.meconlimited.co.in/Board\\_level\\_comitte\\_csr.aspx](http://www.meconlimited.co.in/Board_level_comitte_csr.aspx)

## 3. a) Net Profit for CSR for the last 3 financial years are as follows :

2014-15	:	₹ 3,273.95 Lakh
2015-16	:	₹ (-) 17,496.18 Lakh
2016-17	:	₹ (-) 8,815.32 Lakh

b) Average Net Profit for the last 3 financial years : ₹ (-) 7,679.18 Lakh

4. Funds allocable towards CSR expenditure for the Financial Year 2017-18 : NIL

5. Details of CSR fund spent during the financial year 2017-18, are indicated in **Annexure-II**. Manner in which the amount spent are as given below:

a) Total amount available for the financial year 2017-18 :

i) Carry-over funds from previous years:	:	₹ 203.12 Lakh
ii) Allocation for financial year 2017-18	:	NIL

**Total amount** : **₹ 203.12 Lakh**

b) Total amount spent on CSR activities during the financial year 2017-18 : **₹ 49.12 Lakh**

c) Amount unspent (to be carried to next financial year (i.e. FY 2018-19) : **₹154.00 Lakh**

## 6. Reasons for not spending the amount:

6.1 The majority of CSR projects / activities are infrastructure development projects which takes time in conceiving the project, carrying out basic design & detailed engineering, tendering, drawing approval and then construction, etc.

Further, as these projects are in LWE (Left Wing Extremism) affected villages / areas, there are various factors which affect the execution of the projects:

- i) Non-availability of good Contractors and skilled labours for working in such extremism affected remote villages of Jharkhand.
- ii) Finalising Contractors to work in the LWE affected areas of Jharkhand is very difficult.
- iii) Threat perception for the workers, supervisors & contractors in the extremism affected remote villages of Jharkhand.
- iv) Transportation of building materials in extremism affected remote villages of Jharkhand.

The above problems in LWE affected areas results in very slow progress of work and fulfillment of targets. This in turn affects the utilization of CSR funds.

6.2 In addition, the following projects as listed below could not be taken up due to the reasons as indicated:

i) Providing medical care equipment/ instruments in mobile unit (Ambulance) of Lutheran Health Care Society, Ranchi [Sl. No.2 (iii) of List of Carry-over Projects for FY 2017-18]:

The tender was cancelled as no party/supplier quoted against the tender.

ii) Providing Play items to Rose Bud Preparatory School Ranchi [Sl. No.3 (ii) of List of Carry-over Projects for FY 2017-18]:

The tender was cancelled as irregularities were noticed in the bidding documents.

iii) Annual Maintenance of 36 nos. Bio-Toilets/ Purchase of Bio-Media Kit [Sl. No.1 (i) of List of New Projects for FY 2017-18] :

In the previous years, M/s Stone India Limited, Kolkata had supplied Bio-Media Kit (Bacteria) alongwith their 36 nos. Bio-Toilets in MHRD schools of Jharkhand. However later on as they had stopped their business in Bio-Toilets, MECON contacted some of the Approved Suppliers i.e. Transfer of Technology (TOT) holders of Bio-digesters (Bio-Media Kit/Bacteria) of Defence Research & Development Organisation (DRDO), Ministry of Defence, New Delhi. In response to the query, they showed their inability to supply the same, indicating that the “Bacteria enriched inoculums”, which they are supplying, will not be effective in the tanks of Bio-Toilets installed by MECON through M/s Stone India Limited.

iv) Providing 2 nos. Mortuary Refrigerator (Freezer Box) to Local NGOs/ Societies of Ranchi [Sl. No.2 (ii) of List of New Projects for FY 2017-18] :

The tender was cancelled as cartelisation was observed among the tenderers in the subject tender.

7.0 The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.

8.0 i) It is also affirmed that all the applicable clauses of Guidelines issued by DPE vide OM No.: 15(13)/2013-DPE(GM) dated: 21.10.2014 is being complied with.

ii) As indicated in Sl. No. 4 above, CSR allocation for financial year 2017-18 was **Nil**. Thus, no fund could be allocated for “Sanitation/Swachh Bharat Kosh”, as was advised by the Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India vide OM no. CSR-01/0003/2016- Dir (CSR) dated: 01.08.2016.

However, an amount of ₹8.23 Lakh was spent during the financial year 2017-18 on “Sanitation” with respect to “Construction of Toilet Complexes at Village - Pancha, Block - Bundu, District – Ranchi (Carry-over projects of financial year 2012-13) under “Rural Development Projects”.

P.K. Sarangi  
Director (Technical)

Sunil Barthwal, IAS  
Chairman (CSR Committee)

## MECON LIMITED

### Corporate Social Responsibility and Sustainability

#### Summary of Planned Expenses for On-Going Regular/Carry-Over Projects under Implementation and New Projects for FY 2017-18

Sl. No.	Projects	Item no. of Schedule-VII	Planned Recurring expenses on On-going Regular (Committed) activity (In Rs. Lakhs)	Planned Expenses on Carry-over projects (In Rs. Lakhs)	Planned Expenses on New Projects of 2017-18 (In Rs. Lakhs)	Total Planned Expenses (In Rs. Lakhs)	Remarks
1	Swachh Vidyalaya - Swachh Bharat Abhiyan Construction/Maintenance of Toilets in MHRD Schools, Construction of Tubewells/Borewells etc.	(i)	0.000	0.970	1.000	1.970	
2	Healthcare, Sanitation and Drinking Water projects	(i)	6.500	22.000	3.250	31.750	
3	Education, Employment Enhancing Vocational Skills and Livelihood Enhancement projects	(ii)	11.522	5.550	0.000	17.072	
4	Projects for Old Age Homes, Orphanage, Differently Abled etc.	(iii)	0.000	28.100	3.250	31.350	
5	Rural development projects	(x)	0.000	80.720	0.000	80.720	
6	Other Activities/Miscellaneous Programs		10.500	29.733	0.000	40.233	
	<b>TOTAL</b>		<b>28.52</b>	<b>167.07</b>	<b>7.50</b>	<b>203.10</b>	

**Note:**

- ♦ The overall expenditure on On-Going Regular Projects/Carry-Over Projects/New Projects shall be limited to the total fund available ₹ 203.12 lakhs.



## MECON LIMITED

**Corporate Social Responsibility and Sustainability**  
**List of “On-Going Regular Projects” under Implementation for FY 2017-18**

Sl. No.	Projects	Item no. of Schedule-VII	Financial Progress Target (%) in FY 2017-18		Project Cost (In Rs. Lakhs)	Planned Recurring expenses on On-going Regular activity (Committed) (In Rs. Lakhs)	Remarks
			From	To			
<b>1</b>	<b>Healthcare, Sanitation and Drinking Water projects</b>						
i)	Organising Health camps/Health Awareness Programs etc.	(i)	0	100	1.500	1.500	On-going regular activity
ii)	Engagement of Doctors etc. on Contract Basis for Health Camps	(i)	0	100	5.000	5.000	On-going regular activity
	<b>Sub-Total</b>				<b>6.500</b>	<b>6.500</b>	
<b>2</b>	<b>Education, Employment Enhancing Vocational Skills and Livelihood Enhancement projects</b>						
i)	Honorarium to Teachers of 13 Community Education Centres	(ii)	0	100	3.432	3.432	On-going regular activity
ii)	Study Materials, Stationery etc. for Community Education Centres	(ii)	0	100	0.500	0.500	On-going regular activity
iii)	Honorarium to Teachers of 10 Stitching Centres	(ii)	0	100	2.640	2.640	On-going regular activity
iv)	Cloth, Stitching Materials for Students of Stitching Centres for Training	(ii)	0	100	0.750	0.750	On-going regular activity
v)	Annual Examination of 10 Stitching & Embroidery Centres	(ii)	0	100	1.000	1.000	On-going regular activity
vi)	Honorarium to Staff members of VTI, Ranchi	(ii)	0	100	2.050	2.050	On-going regular activity
vii)	Advertisement for admission in VTI, Ranchi				0.750	0.750	On-going regular activity
viii)	Procurement of Electrical items, Consumables etc. for VTI, Ranchi	(ii)	0	100	0.400	0.400	On-going regular activity
	<b>Sub-Total</b>				<b>11.522</b>	<b>11.522</b>	
<b>3</b>	<b>Other Activities/Miscellaneous Programs</b>						
i)	Engagement of Photographer, Messenger etc. as supporting staff				3.000	3.000	On-going regular activity
ii)	Tours & travels for monitoring, site supervision etc. of projects				2.750	2.750	On-going regular activity
iii)	Training of CSR employees & associated personnel for capacity building; Seminar, CSR Fair etc.				2.750	2.750	On-going regular activity
iv)	Printed stationery, Banners, Signboards etc.				0.250	0.250	On-going regular activity
v)	Other welfare projects/activities; Miscellaneous programmes				1.750	1.750	On-going regular activity
	<b>Sub-Total</b>				<b>10.500</b>	<b>10.500</b>	
	<b>TOTAL</b>				<b>28.522</b>	<b>28.522</b>	

## MECON LIMITED

### Corporate Social Responsibility and Sustainability List of "Carry-Over Projects" under Implementation for FY 2017-18

Sl. No.	Projects	Item no. of Schedule-VII	Financial Progress Target (%) in FY 2017-18		Project Cost (in Rs. Lakhs)	Value of work done (in Rs. Lakhs)	Expenses done in FY 12-13, 13-14, 14-15, 15-16 & 16-17 (in Rs. Lakhs)	Planned Expenses on Carry-over projects (In Rs. Lakhs)				Remarks	
			From	To				Under Initiation stage/ Management Approval stage	Under Tendering/ Ordering stage	Under construction stage/billing stage	Sub-Total		
<b>1</b>	<b>Swachh Vidyalaya - Swachh Bharat Abhiyan : Construction/Maintenance of Toilets in MHRD Schools, Construction of Tubewells/Borewells etc.</b>												
i)	Construction of 53 nos. new Toilet Blocks / Repair of dis-functional Toilets in MHRD schools	(i)	98.31	100	57.33	56.36				0.970	0.970	0.970	Project of FY 2014-15
	<b>Sub-Total (1)</b>				<b>57.33</b>				<b>0.000</b>	<b>0.000</b>	<b>0.970</b>	<b>0.970</b>	
<b>2</b>	<b>Healthcare, Sanitation and Drinking Water projects</b>												
i)	Providing Ambulances to Bharat Sevashram Sangh	(i)	0	100	11.00					10.000		10.000	Project of FY 2015-16
ii)	Providing a Hearse vehicle (Vehicle for carrying Coffin for Funeral) to Local NGO/Society of Ranchi	(i)	0	100	11.00					11.000		11.000	Project of FY 2016-17
iii)	Providing medical care equipment/instruments in mobile unit (Ambulance) of Lutheran Health Care Society, Ranchi	(i)	0	100	1.00			1.000				1.000	Project of FY 2016-17
	<b>Sub-Total (2)</b>				<b>23.00</b>				<b>1.000</b>	<b>0.000</b>	<b>21.000</b>	<b>22.000</b>	
<b>3</b>	<b>Education, Employment Enhancing Vocational Skills and Livelihood Enhancement projects</b>												
i)	Augmentation of Infrastructure facilities at Livelihood generation centres in Ranchi	(ii)	69.75	100	3.82	2.665				1.330		1.330	Project of FY 2015-16

Contd...

Sl. No.	Projects	Item no. of Schedule-VII	Financial Progress Target (%) in FY 2017-18		Project Cost (in Rs. Lakhs)	Value of work done (in Rs. Lakhs)	Expenses done in FY 12-13, 13-14, 14-15, 15-16 & 16-17 (in Rs. Lakhs)	Planned Expenses on Carry-over projects (In Rs. Lakhs)					Remarks		
			From	To				Under Initiation stage/ Management Approval stage	Under Tendering/ Ordering stage		Under construction stage/billing stage	Sub-Total			
			Active	Less Active											
ii)	Providing play items to Rose Bud Preparatory School, Ranchi	(ii)	0	100	2.00			2.000						2.000	Project of FY 2016-17
iii)	Construction of an additional Classroom at Pramathanath Madhya Vidyalaya, Hinoo, Ranchi	(ii)	45.00	100	3.94		1.776			2.220				2.220	Project of FY 2016-17
<b>Sub-Total (3)</b>					<b>9.76</b>			<b>2.000</b>	<b>0.000</b>	<b>3.550</b>				<b>5.550</b>	
<b>4</b>	<b>Projects for Old Age Homes, Orphanage, Differently Abled etc.</b>														
i)	Construction of Boys Hostel in Orphanage at Vill.-Sungi, Khunti	(iii)	0	100	27.00			27.000						27.000	Project of FY 2015-16
ii)	Construction of Boys Hostel in Orphanage at Vill.-Sungi, Khunti	(iii)	0	100	1.10			1.100						1.100	<b>Additional fund requirement for Sl. No. 4 i) for completion of already approved project of FY 2015-16 (Fund provision in FY 2015-16 : ₹ 15.0 lakhs; in FY 2016-17: Rs. 12.0 lakh)</b>
<b>Sub-Total (4)</b>					<b>28.10</b>			<b>28.100</b>	<b>0.000</b>	<b>0.000</b>				<b>28.100</b>	
<b>5</b>	<b>Rural development projects</b>														
i)	Construction of Toilet Block in Village School of Adopted Village-Pancha	(x)	75.53	100	42.072		31.777			10.295				10.295	Project of FY 2012-13
ii)	Construction of Toilet Complex in Adopted Village-Pancha	(x)	80.20	100	59.138	57.976	47.425			10.551				10.551	Project of FY 2012-13
iii)	Construction of Toilet Complex in Adopted Village-Parsa Toli, Pancha	(x)	44.19	100	59.138		26.130			33.008				33.008	Project of FY 2012-13

Contid...

Sl. No.	Projects	Item no. of Schedule-VII	Financial Progress Target (%) in FY 2017-18		Project Cost (in Rs. Lakhs)	Value of work done (in Rs. Lakhs)	Expenses done in FY 12-13, 13-14, 14-15, 15-16 & 16-17 (in Rs. Lakhs)	Planned Expenses on Carry-over projects (In Rs. Lakhs)				Remarks	
			From	To				Under Initiation stage/ Management Approval stage	Under Tendering/ Ordering stage		Under construction stage/billing stage		Sub-Total
									Active	Less Active			
iv)	Construction of Toilet Block for Girls in Orphanage of Adopted Village-Sungi	(x)	71.55	100	35.374	35.189	25.310				9.879	9.879	Project of FY 2013-14
v)	Construction of Toilet Block for Boys in Orphanage of Adopted Village-Sungi	(x)	60.27	100	35.570		21.440				14.130	14.130	Project of FY 2014-15
vi)	Construction of Glass rooms in Rural areas of UP	(x)	81.21	100	15.213		12.355				2.858	2.858	Project of FY 2012-13
	Sub-Total (5)				246.504				0.000	0.000	80.720	80.720	
<b>6</b>	<b>Other Activities/Miscellaneous Programs</b>												
i)	Construction of Community Centre in UP		32.84	100	40.55		13.317				27.233	27.233	Project of FY 2013-14
ii)	Exhibition-cum-Craft Mela for centres, villages etc.				1.00						1.000	1.000	Project of FY 2015-16
iii)	Impact assessment report		0	100	1.00						1.000	1.000	Project of FY 2015-16
iv)	Impact assessment report		0	100	0.50						0.500	0.500	<b>Additional fund requirement</b> for Sl. No. 6 iii) for completion of already approved project of FY 2015-16 (Fund provision in FY 2015-16 : ₹ 1.0 lakhs)
	<b>Sub-Total (6)</b>				<b>43.05</b>				<b>0.000</b>	<b>0.000</b>	<b>29.733</b>	<b>29.733</b>	
	<b>TOTAL</b>								<b>31.100</b>	<b>0.000</b>	<b>135.973</b>	<b>167.073</b>	

## MECON LIMITED

### Corporate Social Responsibility and Sustainability List of “New Projects” for FY 2017-18

Sl. No.	Projects	Item no. of Schedule-VII	Financial Progress Target (%) in FY 2017-18		Project Cost (in Rs. Lakhs)	Planned Expenses on New Projects of 2017-18 (In Rs. Lakhs)	Remarks
			From	To			
<b>1</b>	<b>Swachh Vidyalaya – Swachh Bharat Abhiyan : Construction/Maintenance of Toilets in MHRD Schools, Construction of Tubewells/Borewells etc.</b>						
i)	Annual Maintenance of 36 Nos. Bio-Toilets / Purchase of Bio-Media Kit	(i)	0	100	1.00	1.00	New project
	<b>Sub-Total</b>				<b>1.00</b>	<b>1.00</b>	
<b>2</b>	<b>Healthcare, Sanitation and Drinking Water projects</b>						
i)	Project Smile : Cleft lip and Palate surgery for poor/downtrodden/needly patients	(i)	0	100	1.75	1.750	New project
ii)	Providing 2 nos. Mortuary Refrigerator (Freezer Box) to Local NGOs/Societies of Ranchi	(i)	0	100	1.50	1.500	New project
	<b>Sub-Total</b>				<b>3.25</b>	<b>3.25</b>	
<b>3</b>	<b>Projects for Old Age Homes, Orphanage, Differently Abled etc.</b>						
i)	Construction of Borewell at Old Age Homes, Nagri, Ranchi	(iii)	0	100	3.25	3.250	New project
	<b>Sub-Total</b>				<b>3.25</b>	<b>3.250</b>	
	<b>TOTAL</b>				<b>7.50</b>	<b>7.50</b>	

# MANNER (DETAILS OF THE PROJECT) IN WHICH THE AMOUNT SPENT DURING THE FINANCIAL YEAR 2017-18

(Period April'2017 – March'2018)

(As on: 31.03.2018)

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
<b>1.</b>	<b>Sanitation (Swachh Vidyalaya - Swachh Bharat Abhiyan in MHRD Schools)</b>							
i)	Construction of Toilets in MHRD Schools of Jharkhand (under Swachh Vidyalaya Abhiyan) (Carry-over project of FY 2015-16) [Project Cost : (Toilets + Borewells) : ₹ 57,33,000]	Infrastructure Development Programme - Sanitation	10 nos. in Ranchi & Deoghar districts of Jharkhand	96,620	--	1,80,040 (in FY 14-15) + 46,22,850 (in FY 15-16) + 8,33,490 (in FY 16-17) = 56,36,380	Direct	<b>Work complete</b> a) Physical progress – 100% b) Financial progress – 98.31% c) Performance Certificate awaited from Contractor.
			<b>Sub-Total (1)</b>	<b>96,620</b>	<b>--</b>	<b>56,36,380</b>		

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
<b>2.</b>	<b>Healthcare</b>							
i)	Health camps in Mobile Ambulance Van with a team of doctors, paramedical staff etc. alongwith medicines for free health check-up, wherein medicines were given to the poor & needy patients	Healthcare	i) Mobile Health camps with a team of doctors, paramedical staff etc. alongwith medicine for free health check-up & medicines were given to the poor & needy patients at Vill.- Oberia, Vill.- Ganyor Toli, Vill.-Pokhar Toli, Jagannathpur, CSR Pavilion, Shyamali in proper & near Ranchi; Vill.- Pancha, Block - Bundu; Vill.- Rupru, Vill.- Kherwa Kocha, & Vill. - Pahar Singh Birhore of Block - Angara; Vill.- Pandu Toli, Nagri in Ranchi district and Vill.- Rai & Vill.- Sungi in Khunti District of Jharkhand	2,00,000	1,98,335	1,98,335	Direct	1) Regular on-going project a) Physical progress - 100% b) Financial progress - 100% 2) No. of Health Camps : 79 No. of Patients : Around 3,900 patients
ii)	Providing an Ambulance (Approved Project of FY 2016-17)	Healthcare	Bharat Sewashram Sangha, PO - K.G. Ashram PS - Saraidhela, Dhanbad (Jharkhand)	9,70,000	9,70,000	9,70,000	Direct	<b>Work complete.</b> a) Physical progress - 100% b) Financial progress - 100%

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
iii)	Providing a Hearse vehicle (Vehicle for carrying Coffin for Funeral) (Approved Project of FY 2016-17)	Healthcare	Punjabi Hindu Biradari, Ranchi (Jharkhand)	9,72,000	9,72,000	9,72,000	Direct	<b>Work complete.</b> a) Physical progress – 100% b) Financial progress – 100%
iv)	Project Smile : Cleft Lip and Palate Surgery for poor/down-trodden/needly Patients	Healthcare	At Visakhapatnam, A.P. through Akila Bharatha Mahila Seva Samaja, Koramangala, Bangalore, Karnataka	1,19,000	1,19,000	1,19,000	Direct	<b>Work complete.</b> a) Physical progress – 100% b) Financial progress – 100% c) No. of Patients – 07 Nos.
			<b>Sub-Total (2)</b>	<b>22,61,000</b>	<b>22,59,335</b>	<b>22,59,335</b>		
<b>3.</b>	<b>Education</b>							
i)	Free Literacy programme for the under privileged children at 13 Community Education Centres ♦ Honorarium to teachers	Education	Vill.- Oberia, Vill.- Ganyor Toli, Vill.-Pokhar Toli, Irgoo Toli (2 nos.), Argora, Jagannathpur, Ravidas Mohalla, Kusai, Pathar Kochoa, Bharam Toli in proper & near Ranchi; Vill. – Rupru, Angara Block of Ranchi District & Vill. – Rai of Khunti district of Jharkhand	3,43,200	2,60,000	2,60,000	Direct	Regular on-going project a) Physical progress – 100% b) Financial progress – 100%



1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
ii)	Construction of an additional Class Room (Project cost: ₹ 3,94,885) (Carry-over Project of FY 2016-17)	Education	Pramathanath Middle School, Hinoo, Ranchi (Jharkhand)	2,17,185	2,17,185	1,77,700 ( in FY 16-17)+ 2,17,185 (in FY 17-18) = 3,94,885	Direct	Work complete. a) Physical progress – 100% b) Financial progress – 100%
			<b>Sub-Total (3)</b>	<b>5,60,385</b>	<b>4,77,185</b>	<b>6,54,885</b>		
<b>4.</b>	<b>Skill Development &amp; Livelihood</b>							
i)	Free Stitching training for under privileged women at 10 stitching Centres • Honorarium to teachers • Misc. expenditure – Annual Examination of Stitching Training Centres (2016-17 batch)	Women Empowerment Scheme (Employment/ Livelihood Enhancing Vocational Skills)	Mani Tola, Doranda Mistri Mohalla, Hinoo, Argora, Pathar Kochoa, Kishoregani, Jagannathpur in proper & near Ranchi, Vill.- Pancha, Block – Bundu & Vill.- Kuchhu, Block – Ormanjhi in Ranchi District & Vill – Sungi of Khunti district of Jharkhand.	2,64,000 26,750	2,20,000 21,310	2,20,000 21,310	Direct	Regular on-going project a) Physical progress – 100% b) Financial progress – 100%
ii)	Vocational Training in the field of Electrical technician and Welding technology • Honorarium to staff members • VTI (Advertisement in Newspaper)	Vocational Training Scheme (Employment/ Livelihood Enhancing Vocational Skills)	VTI, Shyamali, Ranchi (Jharkhand)	2,05,000 75,000	40,450 55,350	40,450 55,350	Direct	Regular on-going project a) Physical progress – 100% b) Financial progress – 100%
			<b>Sub-Total (4)</b>	<b>5,70,750</b>	<b>3,37,110</b>	<b>3,37,110</b>		

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
<b>5.</b>	<b>Social Welfare</b>							
i)	Construction of Community Centre (Project cost: ₹ 40,55,000) (Carry-over project of FY 2013-14)  Start date: 07.06.2013 Completion date: 06.04.2014 (10 months)	Infrastructure Development Programme	Akbarpur, Dist.-Kanpur Dehat, State – U.P.	27,23,250	22,860	6,11,370 (FY 13-14) + 57,450 (FY 15-16) + 6,62,930 (in FY 16-17)+ 22,860 (in FY 17-18) = 13,54,610	Direct	Construction work under progress a) Work done upto Roof level. b) Physical progress – 61.79% c) Financial progress – 33.40% d) Bills awaited from M/s HSCL. e) Balance work : Doors, Stair's Railing, Plumbing, Sanitary, Plastering, Electrical, Painting, Septic tank, Soak Pit, Boundary wall, Gate, etc.
			<b>Sub-Total (5)</b>	<b>27,23,350</b>	<b>22,860</b>	<b>13,54,610</b>		

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
6.	<b>Rural Development</b> Construction of 3 nos. Toilet complexes (Total Project cost: ₹ 1,60,34,715/-) (Carry-over projects of FY 2012-13)  Start date : 08.03.2013 (LOI) Completion date : 07.09.2013 (6 months) (As per Work Order)	Infrastructure Development Programme – Sanitation	1) Village Residential School (Pranavanand Vidya Mandir), Pancha- (14-seater toilet) 2) Village – Pancha (10-seater toilet) 3) Village –Parsa Toli, Pancha (10-seater toilet) All the above in Block – Bundu, Dist – Ranchi, State – Jharkhand	53,85,400	8,23,090	18,27,745 (in FY 12-13) + 37,31,740 (in FY 13-14) + 7,65,200 (in FY 14-15) + 37,52,600 (in FY 15-16)+ 5,01,735 (in FY 16-17)+ 8,23,090 (in FY 17-18) = 1,14,02,110	Direct	<b>1) Village School – Work complete.</b> a) Physical progress – 100% b) Financial progress – 83.14% c) Final bill under processing in Finance d) Bills for additional work under processing in Finance. <b>2) Vill- Pancha – Work complete.</b> a) Physical progress – 100% b) Financial progress – 88.70% c) Final bill under processing in Finance d) Bills for additional work under processing in Finance. <b>3) Vill – Parsa Toli</b> a) Physical progress – 65.76% b) Financial progress – 44.19% c) Balance work: Plumbing, Sanitary, Electrics, Finishing, Solar PV System, etc.

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
ii)	Construction of 1 no. Toilet complex (5-seater toilet) for Girls at Orphanage Hostel (Anmol Basera) (Project cost: ₹ 35,37,405/-) (Carry-over project of FY 2013-14) Start date : 27.09.2013 Completion date : 26.03.2014 (6 months) (As per Work Order)	Infrastructure Development Programme – Sanitation	Village – Sungi, Block – Karra Dist – Khunti, State – Jharkhand	9,87,900	--	7,95,590 (in FY 13-14) + 9,92,240 (in FY 14-15) + 7,19,295 (in FY 15-16) + 23,895 (in FY 16-17) = 25,31,020	Direct	<b>Work complete</b> a) Physical progress – 100% b) Financial progress – 71.55% c) Final bill under processing in Finance.
iii)	Construction of 1 no. Toilet Complex (5-seater toilet) for Boys at Orphanage Hostel (Anmol Basera) (Project cost: ₹ 35,57,005/-) (Carry-over project of FY 2014-15) Start date : 04.09.2014 Completion date : 03.03.2015 (6 months) (As per Work Order)	Infrastructure Development Programme – Sanitation	Village – Sungi, Block – Karra Dist – Khunti, State – Jharkhand	14,13,285	--	11,53,045 (in FY 14-15) + 2,26,525 (in FY 15-16) + 7,64,150 (in FY 16-17) = 21,43,720	Direct	<b>Work complete</b> a) Physical progress – 100% b) Financial progress – 60.27% c) Bill awaited from Contractor.
iv)	Augmentation of infrastructure facilities at Livelihood Generation Centre in Ranchi (Approved Project of FY 15-16) (Project Cost : ₹ 3,82,050/-) Start date : 03.02.2016 Completion date : 02.05.2016 (3 months) (As per Work Order)	Infrastructure Development Programme	Vikas Bharti, Research & Study Centre, 19, Gramaytan, Arogya Bhawan-1, Bariatu Road, Dist – Ranchi, State – Jharkhand	1,15,550	1,15,550	2,66,500 (in FY 16-17) + 1,15,550 (in FY 17-18) = 3,82,050	Direct	Work complete a) Physical progress – 100% b) Financial progress – 100%

1	2	3	4	5	6	7	8	9
Sl. No.	CSR Projects or activity identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or Others 2. Specify the state and district (where projects or programmes were undertaken)	Amount outlay (Budget) Project or Programme wise	Amount spent on the projects or programmes Sub-heads : 1. Direct expenditure on projects or programmes 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*	Status of the Project
v)	Construction of a Classrooms at Patel Gyan Vidya Peeth & Madarsa Ahle Sunnat (Project cost : ₹ 15,21,355/-) (Carry-over project of FY 2012-13) Start date(SD) & Completion date (CD) (As per Work Order) : 1. Patel Gyan - 04.10.2012 (SD)/ Vidyapeeth 31.03.2013 (CD) 2. Madarsa - 27.11.2012 (SD)/ Ahle Sunnat 31.03.2013 (CD)	Infrastructure Development Programme - Construction of Classrooms	1) Village-Sisour, Dist.-Gonda State - U.P. 2) Village-Raigaon, Dewariya Alawal, Dist-Gonda (1 No.) State - U.P.	2,85,810	51,610	4,94,075 (in FY 12-13) + 5,37,625 (in FY 13-14) + 2,03,840 (in FY 14-15) + 51,610 (in FY 17-18) =12,87,150	Direct	Work complete for Patel Gyan Vidya Peeth; Some Electrical work, glass fitting, floor repair, painting of grill, window & building, etc. for Madarsa Ahle Sunnat is pending. a) Physical progress - 100% b) Financial progress - 84.60%
			<b>Sub-Total (6)</b>	<b>81,87,945</b>	<b>9,90,250</b>	<b>1,77,46,050</b>		
<b>7.</b>	<b>Administrative/ Training Cost</b>							
	Tours & Travels, Taxi Fare, CSR Fair - 2017, Seminars, Workshops, etc.			4,95,885	3,72,685	3,72,685		
			<b>Sub-Total (7)</b>	<b>4,95,885</b>	<b>3,72,685</b>	<b>3,72,685</b>		
<b>8.</b>	<b>Other activities/Miscellaneous programs</b>							
i)	Miscellaneous Expenses such as - Impact Assessment Report, Engagement of Photographer on contract, expenses on miscellaneous activities, etc.			8,04,115	4,52,825	4,52,825	Direct	
			<b>Sub-Total (8)</b>	<b>8,04,115</b>	<b>4,52,825</b>	<b>4,52,825</b>		
			<b>Grand Total</b>	<b>1,57,00,050</b>	<b>49,12,250</b>			

# TECHNOLOGY ABSORPTION

## I. Indigenously developed Technology

Sl. No.	Efforts made towards technology absorption	Benefits derived like product improvement, cost reduction, product development
1	In-house Design Development of Tangential Cyclone for Blast Furnace	<p>The old BFs were provided with Dust Catcher for primary dust separation from BF top gas. Dust Catcher is an old technology with low dust separation efficiency (~60 – 65%). The low efficiency posed inherent difficulties of high capacity Gas Cleaning Plant , more water consumption and environmental hazards due to slurry / sludge handling.</p> <p>Cyclone is a modern technology with much higher cleaning efficiency (&gt;80%). Most of the modern BFs are equipped with Cyclone type primary dust separator which is being designed by foreign technology suppliers.</p> <p>The indigenous design is developed in house based on first principle and experience acquired over the years and in-house database. The estimated foreign exchange savings is ~ 0.50 - 0.60 US \$.</p>
2	Increase in Hot Blast Temperature of Existing Hot Blast Stoves	<p>In-house design development has been carried out &amp; successfully implemented for increasing the Hot Blast temperature of existing Hot Blast Stoves. This has broadly involved :</p> <ul style="list-style-type: none"> <li>◆ Increase in burner efficiency</li> <li>◆ Design of mushroom dome</li> <li>◆ Use of higher heating surface area checkers</li> <li>◆ Improved partition wall design to eliminate blast short circulating</li> </ul> <p>This has led to increase of Hot Blast Temperature by 60<sup>o</sup> -70<sup>o</sup> C with potential to gain another 30 – 40<sup>o</sup> C after implementation of PCI. Technologies for increasing Hot Blast Stove efficiency were available only with global technology suppliers who normally charged very high design fees.</p>
3	Localized Heat Treatment of Steel Blank for Automotive application with R&D division TATA Steel	<ul style="list-style-type: none"> <li>◆ Complex heat treated sections can be produced during this special process within a single blank</li> <li>◆ Reduction of weight of Automobiles.</li> <li>◆ Enhancement of safety of Automobile parts.</li> </ul>
4	Basic Oxygen Furnace (BOF) Vessel Suspension System	<p>It is an in-house developed system which will fill the technology gap in BOF steel making. Major benefits of this system are :</p> <ul style="list-style-type: none"> <li>◆ Simplified and sturdy design with ease of replacement and repair;</li> <li>◆ Modular approach and compact system requiring less space;</li> <li>◆ Non rigid design allowing flexibility of vessel movement and thermal expansion;</li> <li>◆ Self aligning features both in vertical and titled condition of vessel.</li> </ul>

**Expenditure incurred on Indigenously developed Technology through own R&D**

Total expenditure incurred on R&D during the Financial Year 2017-18 amounts to ₹172.58 Lakh.

## II: Imported Technology

Sl. No	Efforts made towards technology absorption.	Benefits derived like product improvement, cost reduction, product development
1.	RINL- Forged Wheel Plant, Rae Bareli - Engineering for <ul style="list-style-type: none"> <li>◆ Robo handling of Wheels</li> <li>◆ Use of 9-roll vertical Wheel Rolling Machine</li> <li>◆ Non-Destructive Testing Line</li> </ul>	Being implemented for the first time in India <ul style="list-style-type: none"> <li>◆ Resulting in elimination of intermediate reheating thus energy saving</li> <li>◆ Resulting in better wheel shape and reduction in machining allowances</li> <li>◆ Resulting in in-line testing of all wheels with recording of all test results</li> <li>◆ Provision has been kept for export of forged wheels as the wheels shall also conform to AAR (Association of American Railroads) Standards</li> </ul>

Expenditure incurred on Imported Technology	Total expenditure booked by the Company on import of technology during the start of the Project. (₹ in Lakh)	
	F.Y 2016-17	F.Y 2017-18
	₹38.32	NIL

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## 1.0 INTRODUCTION

With six decades of experience in Iron & Steel sector, your Company, has emerged as an Engineering and Technology centre and rendering EPC, Design, Engineering, Consultancy and PMC services to technology areas of Metals & Mining, Oil & Gas, Power, Infrastructure & Strategic sectors. This service portfolio is backed by cross functional capabilities, experienced workforce, pan-India presence and reliable credentials. Your Company, by virtue of its unique disposition in the Iron & Steel industry, is the sole consultancy company which possesses its own technologies in the areas of Pellet Plant, Coke Oven Battery & Blast Furnace. Your Company has also leveraged its potential to procure and execute highly strategic projects of national importance in Space, Defence & Atomic Energy.

Going forward, your Company is looking at harnessing any opportunities thrown by metal sector showing signs of recovery and Government of India's growth plans like National Steel Policy, Urja Ganga mission, PFA 24x7, Environmental norms for TPPs, National Solar Energy mission etc. Your Company has ventured into newer areas of business with strategic partners to meet challenges emerging from changed business scenario. The future business vision also entails grabbing up any opportunities in areas like O&M of steel plants, performance improvement of existing units, transaction advisory services etc.

Your Company has turned its course to embrace profitability and resolves to continue as a profitable organisation with a greater market share and tread on the path of innovation while leveraging its current capabilities to make inroads into new areas and register a formidable presence in all its business verticals in the coming years.

## 2.0 SWOT Analysis

### Strengths

- i. Core competence in the area of Metals and capability in providing end-to-end solutions, including Integrated Project Management in Greenfield/brown-field projects of various magnitudes
- ii. Capability in equipment & system design and supply & execution in Ferrous area
- iii. Multi-disciplinary experienced and capable pool of engineers/technologists in various specialized technical disciplines
- iv. Vast knowledge repository and reference materials
- v. Good credentials with financial institutions and regulating authorities
- vi. Low average age of employees due to induction of young professionals
- vii. Wide network of offices at various locations across the country
- viii. Strong past experience & presence in strategic sector including Defence, Aerospace, Nuclear sector etc.
- ix. Prominent presence in gas pipelines project of GAIL (Long Distance Pipe Line & City Gas Distribution etc.)
- x. Experience with state transcos for PMC and consultancy work in substations.
- xi. Experience in DEC and PMC services for govt. housing boards, state and central institutional buildings.
- xii. Capability in environmental impact assessment & environmental management plans
- xiii. In-house Environmental Engg. Laboratory which is recognized under Environment Protection Act,1986 renders its services for sampling, testing & analysis of air, water, noise, sewage and soil quality to various Plants in Steel and other Sectors both in private and public. Initiatives have been taken to modernize and expand Environmental Engineering Laboratory by installing sophisticated instruments.



- xiv. NABET/QCI Accreditation for 16 sectors includes Mining, Onshore & offshore oil & gas exploration, River valley and hydel projects, Thermal power plants, Coal washeries, Mineral Beneficiation, Metallurgical industries, Cement Plant, Coke Oven Plants, Oil & Gas transportation Pipelines, Isolated Storage, Ship Breaking Yard, Industrial Estate, Ports & Harbour, Highways & railways, Area Development & Township Projects.

### Weaknesses

- i. High incidence of employee benefit expense as compared to some of the competitors, especially in private sector.
- ii. Skewed organization structure (Still under transitions).
- iii. Depletion of critical knowledge / skills in certain areas on account of superannuation / separation of experienced manpower.
- iv. Limited recent credentials in the refining & petrochemical space
- v. Limited credentials for end to end EPC in thermal power generation and renewables energy.

### Opportunities

- i. Anticipated future investments in mining, beneficiation, agglomeration / pelletisation, slurry transportation and coal washeries.
- ii. Possible future investment in Steel sector in view of the National Mission of 300 MT Crude Steel Capacity by 2030-31.
- iii. Large scale investments in other diversified sectors viz. oil & gas, infrastructure & strategic sectors and power transmission & distribution & renewable energy sector
- iv. Leveraging past experience in defence sector to harness new opportunities emanating with the opening of Defence Production Manufacturing sector for participation of private sector (FDI hiked to 49%).
- v. Expansion in ports, power and mining sector are expected to offer associated Material Handling Projects and the Company expects to generate business from this sector, both on its own credentials and also through joint participation with other Companies.
- vi. Rapid urbanization and Governmental policy thrust for provision of drinking water facilities in urban areas offers another business opportunity. In the past, your Company has carried out engineering of a large number of in-plant water supply projects and has also made in-roads in infrastructure water supply projects. As such, business opportunity exists in the area of inter-city drinking water supply, Urban Water Supply, Water Treatment and Sewage Disposal projects.
- vii. Growing business opportunities in Environment Management
- viii. Development in sectors such as Green technologies, nuclear power, water management, slurry & water pipelines, sea water desalination plants, LNG terminals etc.
- ix. Increased investments in ports as a result of Sagarmala project as well as planned expansion of coal mines is expected to throw up opportunities for related projects
- x. Enhanced investment in defense sector is expected to offer opportunity in ordnance depot projects.
- xi. Additional opportunities can come up in the power space including.
  - a) De-SO<sub>x</sub>, De- NO<sub>x</sub> for existing power plants due to strict emission regulations
  - b) Transmission and distribution opportunities in the wake of DDUGJY, IPDS, UDAY Schemes of Govt of India.
  - c) Repair & Maintenance of existing TPPs
- xii. Additional opportunities can come up in the infrastructure space including:
  - a) Water desalination and waste water treatment plants
  - b) Government housing / commercial projects in the smart cities space

## Threats

- i. Mushrooming of consultancy companies operating at low margins.
- ii. Presence of Indian set-up of all major Multi-national companies like SMS, Siemens, Danielli, Kobe Steel, etc providing comprehensive services including Engineering Private sector, in particular, opting for engineered packages from the turnkey suppliers, without engagement of external consultants
- iii. Stringent technical pre-qualification criteria for consultancy as well as supply jobs
- iv. Recent decline in investment in the core area of Metals but continued dependence on Metals sector
- v. Uneven playing ground for public & private sectors
- vi. Today's consortium partners emerge as future Competitors
- vii. Risk/uncertainty in foreign strategic Tie-ups
- viii. Long approval process along with delays in defence sector may impact the overall opportunity in the sector.

## 3.0 BUSINESS OUTLOOK

### Global Economic Outlook

The upswing in global investment and trade continued in the second half of 2017. At 3.8%, global growth in 2017 was the fastest since 2011. With financial conditions still supportive, global growth is expected to tick up to a 3.9% in both 2018 and 2019. Advanced economies will grow faster than potential this year and next; euro area economies are set to narrow excess capacity with support from accommodative monetary policy, and expansionary fiscal policy will drive the US economy above full employment. Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance. Global growth is projected to soften beyond the next couple of years. Once their output gaps close, most advanced economies are poised to return to potential growth rates well below pre-crisis averages, held back by aging populations and lackluster productivity. US growth will slow below potential as the expansionary impact of recent fiscal policy changes goes into reverse. Growth is projected to remain subpar in several emerging market and developing economies, including in some commodity exporters that continue to face substantial fiscal consolidation needs.

Across emerging market and developing economies, the 0.4% pickup in 2017 growth came primarily from an acceleration in private consumption. But the picture is mixed within the group. Growth in China and India last year was supported by resurgent net exports and strong private consumption, respectively, while investment growth slowed. An end to fixed investment contractions in commodity-exporting countries that were severely affected by the commodity price downturn during 2015–16 (notably Brazil and Russia, but also Angola, Ecuador, and Nigeria) instead played an important role in their growth pickup in 2017. Higher fixed investment growth (2.3% above its 2016 level) also supported the growth performance of other emerging market and developing economies, alongside stronger private consumption.

### Indian Economy & Steel Sector

Following liberalization, the Indian economy is also integrated with the global economy. As such, both global and domestic developments are influencing the growth of the Indian economy.

The year 2018 is likely to be marked by the impact of two major domestic policy developments, the passage of the Constitutional amendment, paving the way for implementing the transformational Goods and Services Tax (GST), and the action to demonetise the two highest denomination notes. The GST will create a common Indian market, improve tax compliance and governance, and boost investment and growth. Demonetisation has had short-term costs but holds the potential for long term benefits. Follow-up actions to minimize the costs and maximise the benefits include: fast, demand-driven, remonetisation; further tax reforms, including bringing land and real estate into the GST, reducing tax rates and stamp duties; and acting to allay anxieties about over-zealous tax administration. GDP growth<sup>1</sup> is expected to be 7.4% in 2018

1 World Economic Outlook Update, January, 2018, IMF

and 7.8% in 2019. However, as per Central Statistical Organization (CSO), Government of India, the second advance estimate on real GDP growth for 2017-18 is 6.6%.

With the fillip provided by the country's policy mechanism thrusts backed by a strong economic foundation, a rising domestic supply side, stable end-use segments, large scale infrastructure investments and optimistic economic projections, future prospect of Indian economy appears to be bright. Moreover, Government of India has given special thrust on the industry and infrastructure sector as a whole by the ambitious "MAKE IN INDIA" programme which is likely to put thrust on infrastructure / industrial development and hence, huge investment is expected in sectors like steel, power, roads, railways, ports, civil aviation, telecommunications, irrigation, drinking water, sanitation, storage & warehousing etc. This will help in achieving a robust and inclusive growth in future.

Industrial growth measured by Index Number of Industrial Production (INIP)<sup>2</sup> has shown recovery in April-February, 2017-18 (4.3%) compared to the same period during 2016-17. Within industry, electricity and manufacturing sectors performed better with a growth of 5.2% and 4.6% respectively during April-February, 2017-18. Consumer durable grew by 0.3% during April-February, 2017-18.

Finished steel production reached at 100.7Mt 2016-17 registering growth of 11.4% compared to same period of previous year. Post imposition of Minimum Import Price (MIP) on select steel products in Feb, 2016, imports declined substantially to 7.2Mt while exports increased to 8.2Mt, thus making India net exporter of steel.

During April-January, 2017-18, Finished steel production remained at 88.5Mt. Import was 6.4Mt and export was 8.2Mt.

The Company's business procurement in diversified sector has shown an improvement whereas it was moderate in its core area of Ferrous and Non-Ferrous sectors. As Indian economy gather momentum in 2018-19 and this trend is likely to continue in future as per forecasts, the business procurement prospect for the company is expected to be encouraging in the forthcoming year 2018-19.

#### BUSINESS PROCUREMENT

Total ₹ in Crore

Sl. No.	SBU	2016-17		2017-18	
		Consultancy	EPC	Consultancy	EPC
1.	Metal	96.70	539.00	203.99	2.41
2.	Energy	207.09	6.57	206.71	Nil
3.	Infrastructure	39.50	529.80	122.57	467.76
Total (₹)		343.29	1075.37	533.27	470.17
Grand Total (₹)		1418.65		1003.44	

#### 4.0. INTERNAL CONTROL SYSTEMS AND ADEQUACY THEREOF

Your Company not only has a proper and adequate system of internal control and proper documented procedure encompassing all financial and operating functions but also a history and tradition bequeathed since inception.

These have been planned to provide reasonable accuracy for maintenance of proper accounting and adequate control to monitor and to govern the company's fund, to optimize internal resources for increasing operational efficiency, to secure assets from unauthorized use and to ascertain reliance on financial and all other operational information.

The company has undertaken unified untiring team effort to achieve the best possible state-of-the art system.

<sup>2</sup> Quick Estimates of Index of Industrial Production and Use based Index for the month of February, 2018 (Base 2011-12)., released by MoSPI, 12th April, 2018.

Salient facets of the internal control system are:

- ◆ Well defined delegation of power with sanctioning limits for purchasing of capital items and approving of revenue expenditure.
- ◆ Well planned budget for capital & revenue expenditure and continuous monitoring.
- ◆ Well defined Purchase and Disposal Procedure to carry out function of purchase encompassing various Government and CVC guidelines for in-house procurement as well as procurement of services and goods for executing EPC jobs and consultancy jobs.
- ◆ Well framed MECON Establishment Manual and Service Rules to codify rules and policies governing service conditions of employees.
- ◆ Well codified Apex Quality Manual for ensuring quality of services provided and goods sold for executing EPC jobs.
- ◆ Periodical meeting at all functional levels and also at corporate level for reviewing and achieving the targeted results.
- ◆ With implementation of online information system starting from raising of invoices to collection of money, the entire system has been made more effective in terms of furnishing factual information in shortest possible time.
- ◆ Well defined plan to invest surplus fund most judiciously and reporting thereof to the Apex management regularly.
- ◆ The company has an extensive programme of carrying out internal audits, management and financial reviews to ensure greater efficiency, transparency and accountability.
- ◆ Quarterly Internal Audit reports comprising of significant audit observations and follow-up actions thereon are placed before the Audit Committee for their consideration and review.

## 5.0 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, your Company has achieved turnover of ₹44,557.33 lakh. Turnover from Consultancy Jobs is ₹35,198.07 lakh, Turnover from Consultancy Jobs constituted 79.00% of the total turnover and turnover from Turnkey Projects constituted 21.00%. Total turnover has increased by 29.93% over the previous year.

During the year 2017-18, your Company has made Profit After Tax of ₹5,800.07 lakh compared to Loss after tax of ₹7,305.33 lakh of the previous year.

Your Company has earned interest of ₹3,563.38 lakh through term deposits with scheduled banks during the year 2016-17.

The Net Worth of the company has increased by ₹5,933.95 lakh compared to previous year. The major highlights of financial performance of your Company for the financial year 2017-18 with respect to financial year 2016-17 are mentioned below.

(₹ in lakh)

Sl. No.	Particulars	FY 2017-18	FY 2016-17 <sup>(*)</sup>
a)	Turnover	44,557.33	34,292.91
b)	Revenue from Operations	48,021.79	34,908.87
c)	Total Income	58,946.41	40,709.61
d)	Purchase of Equipments & Direct Expenses	12,970.47	11,345.53
e)	Employee Benefit Expenses	31,363.91	28,141.72

Sl. No.	Particulars	FY 2017-18	FY 2016-17 <sup>(*)</sup>
f)	Other Expenses	9,190.02	7,669.32
g)	Profit / (Loss) Before Tax	4,399.57	(7,735.24)
h)	Profit / (Loss) After Tax	5,800.07	(7,305.33)
i)	Total Comprehensive Income	5,933.95	(8,342.64)
j)	Property Plant & Equipments (Gross)	15,882.22	15,608.92
k)	Intangible Assets (Gross)	1,459.00	1,382.40
l)	<b>Financial Assets (Current and Non Current)</b>		
	Investment	11.92	511.92
	Trade Receivables	38,577.06	27,755.32
	Loans	985.99	914.27
	Cash and Bank Balance	58,276.68	56,217.04
	Other Financial Assets (Excluding Bank Balance)	1,342.18	1,463.88
m)	Other Assets (Current and Non Current)	8,511.92	5,992.60
n)	<b>Financial Liabilities (Current and Non Current)</b>		
	Trade Payables	20,030.10	20,012.16
	Other Financial Liabilities (Current and Non Current)	15,789.71	13,134.07
o)	Other Liabilities (Current and Non Current)	17,705.43	15,263.24
p)	Net Worth	20,543.80	14,609.85
q)	Share Capital	4,013.84	4,013.84
r)	Capital Employed	12,900.64	9,001.14

(\*) The company has adopted Indian Accounting Standard 'Ind AS' from 1<sup>st</sup> April, 2017 and accordingly, financials for FY 2016-17 is restated in accordance with Ind AS, as applicable.

## 6.0 HUMAN RESOURCE DEVELOPMENT

In a knowledge-based company, Services, Processes and Business Models can be copied, but the organizational competence i.e. the Human Capital is unique in nature. In view of this the management lays emphasis to focus and sustain a competent and highly responsive workforce with adequate domain expertise. Accordingly, it has organized training towards Performance Management, Career Advancement through multiple role exposures and Knowledge Management framework. Further projects being the centre of our delivery mechanism, management arranged workshops and trainings on selection of Technology & Product Selection with respect to Energy Sector, Contract Management in Project Execution, Project Insurance etc. To bring about an overall development of our future leaders, to enable them to unleash potential for necessary business impact along with technical capabilities augmentation, management organized training in Soft Skills, Personality and Leadership Development.

Apart from this with regard to Talent Management and Career Progression employees were also deputed to various Centre of Excellences like IITs, IIMs, NITs, ICAI for MDP programs and technical programs such as Inspired Leadership, Project Management with Application Software, Wind Loads on Tall Structures, MDP

on Creativity, Problem Solving & Decision Making, Contract Management and Arbitration, Leadership Communication & Image Management.

Regular Knowledge Management sessions are also conducted to effectively disseminate and utilize organizational knowledge. Management always strives to focus towards development of its employees with the objective that they will lead the company through challenging environment and ensure that sustained value creation is achieved. With this objective, various HRD activities were undertaken in the FY 2017-18. Management has achieved 1787 Man days of training and development (Technology – 612 Mandays, Skill related – 649 Man days and Soft Skill – 531 Man days) as against the target of 1300 Man days fixed for this financial year.

## 7.0 TECHNOLOGICAL UP-GRADATION

By virtue of MECON's 6(six) decades of experience in the development and expansion of Integrated Steel Plants as well as in its other business verticals, your Company has been able to build a strong technological base and has acquired, absorbed & innovated state-of-the-art technologies to suit various requirements. Technological & Engineering excellence achieved through above process is up-graded on continuous basis during execution of various projects in association with industry leaders. License agreements and general collaboration/cooperation agreements with organisations sharing common business interests is providing an impetus for your Company to strengthen its business verticals by carving out market share. Such initiatives are complementing knowledge acquisition/up-gradation in addition to building-up database for focussed business areas with the aim to bridge the identified technology gaps. Measures adopted to work towards technology self-reliance include:

- ✓ Exposure to Global Technologies & Benchmarks
- ✓ Maximization of indigenization
- ✓ Exploring global partners for new/potential business areas
- ✓ Aligning internal resources to cater to new areas
- ✓ Engagement of domain experts to complement in-house expertise
- ✓ In-house Research & Development
- ✓ Need based training - both In-house & outside and participation in seminars / technology fairs
- ✓ Use of modern tools for analysis, design, modelling & drafting
- ✓ Cost effective operations achieved through higher reliance on state-of-the-art software tools

## 8.0 CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT (CSR & SD)

Your Company has undertaken a number of projects / activities as a part of its Corporate Social Responsibility & Sustainability under its CSR & Sustainability Policy. The details of the project / activities taken up during 2017-18 are given in **Appendix-II** to the Director's Report.

Keeping pace with the Govt. of India, Mission of Swachh Bharat, the Company has carried out various activities/programmes for highlighting the benefits of swachhata. The awareness programme & cleanliness drive under "Swachh Bharat Abhiyan" were carried-out in adopted villages under the following heads:

- "Swachhta Hi Sewa" Campaign
- "Swachhta Pakhwada" Campaign

The Management of the Company always lay thrust upon timely completion of the CSR projects / activities so that its benefit is passed on to the end user. Moreover the Management also lays emphasis, that regular on-going schemes such as free literacy programme in Community Education Centre, free stitching training under Women Empowerment Scheme, Vocational training under Vocational Training Scheme, free health camp through mobile ambulance van etc. shall also be continued to keep CSR & Sustainability activity of the Company alive even when there is less or no allocable budget available.

# REPORT ON CORPORATE GOVERNANCE

## 1.0 COMPANY'S PHILOSOPHY:

The Company's Corporate Governance practice is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values that governs relationship with all its stakeholders and attaining maximum level of enrichment of the enterprise. The said practice of Corporate Governance stem from its professionalism. MECON lays emphasis on the proper conduct of its activities and enhance the value of all those who are associated with the Company viz. Shareholders, Customers, Vendors, Government of India, Ministry of Steel, Department of Public Enterprises, various State Governments, other Government Agencies / Departments and the society at large.

## 2.0 BOARD OF DIRECTORS:

Your Company being a Central PSU, appointment / nomination of all Directors is done by the President of India through the Ministry of Steel. The Chairman and Managing Director and Functional Directors are appointed by the Government of India, Ministry of Steel for a period of five years or till the age of superannuation or until further orders whichever is earlier. Part-time Independent Directors are normally appointed for a tenure of three years. Articles of Association of the Company stipulate that the number of Directors shall not be less than five and not more than thirteen. The composition of the Board is as per DPE Guidelines on Corporate Governance.

### Composition of Board of Directors

Sl. No	Particulars of Directors	Sanctioned Strength	Actual position as on 31.03.2018
i.	Functional Directors including CMD (WTD)	5	4
ii.	Part-time Government Directors	2	2
iii.	Part-time Independent Directors	3	1*
	Total	10	7

(\*) The sanctioned strength of Part-time Independent Director on the Board of the Company is three (3). One Part-time Independent Director was appointed by the Government of India during F.Y. 2015-16. The balance two (2) posts of Part-time Independent Director are lying vacant since January, 2014.

## 2.1 Terms & Conditions of appointment of Board Member :

The terms, conditions and tenure of appointment of all Board Members are decided by the Government of India, Ministry of Steel.

## 2.2 Remuneration / Compensation to Board of Directors :

The Chairman and Managing Director and Whole-time Directors are paid monthly remuneration as fixed by the Government of India. The Company bears all the expenditure of the Part-time Government Directors and Part-time Independent Directors for attending the meetings. Part-time Government Directors are not paid any remuneration.

The Part-time Independent Directors are paid sitting fees of ₹10,000/- per meeting of the Board / Committee attended by them.

The details of sitting fees paid to the Part-time Independent Director during F.Y. 2017-18 are as follows.

Name of Director (Shri)	Sitting Fees (₹)		Total(₹)
	Board Meetings	Committee Meetings	
Sisir Kumar Appikatla	60,000	40,000	1,00,000

## 2.3 Board Meetings:

The Board meets statutorily and also as many times as may be warranted. The Board Meetings are convened as per the Companies Act, 2013 by giving appropriate advance notice after seeking approval of the Chairman of the Board. Detailed agenda notes are circulated in advance as per the Companies Act, 2013 to the Board Members for facilitating meaningful, informed and focused decision at the meeting. In case of special and exceptional circumstances additional agenda item(s) is / are also permitted with the consent of Chairman of the Board.

The Board of Directors oversees all major actions proposed to be taken by the Company. The Board also reviews and approves the strategic and business plans including monitoring corporate performance.

The Board and Committee Meetings are held not only at Company's Registered Office at Ranchi, but also at its Engineering Office at New Delhi. The Company Secretary acts as the Secretary to the Board Meetings.

## 2.4 Number of Board Meetings:

During the year 2017-18, Six (6) Meetings were held, the details of which are given below:

Sl. No.	Date of Meeting	Board Strength	Number of Directors Present
1	18.05.2017	7	7
2	11.07.2017	7	7
3	18.09.2017	6	6
4	05.12.2017	6	6
5	12.03.2018	7	7
6	23.03.2018	7	7

Particulars of the Directors including their attendance at the Board Meetings from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018.

Name of Directors		No. of Board Meetings held.	No. of Board Meetings attended
<b>I. Whole time Directors</b>			
1.	Shri Atul Bhatt Chairman and Managing Director	Six	Six
2.	Shri S. Chattopadhyay Director (Project) (Upto 31.08.2017)	Two	Two
3.	Shri P.K.Sarang Director (Technical)	Six	Six
4.	Shri Goutam Chatterjee Director (Commercial)	Six	Six
5.	Shri Salil Kumar Director (Projects) (w.e.f 25.01.2018)	Two	Two



Name of Directors		No. of Board Meetings held.	No. of Board Meetings attended
<b>II. Part-time Government Directors</b>			
1.	Shri Saraswati Prasad, IAS SS & FA to the Govt. of India, Ministry of Steel.	Six	Six
2.	Shri Syedain Abbasi, IAS, Joint Secretary to the Govt. of India, Ministry of Steel. (Upto 11.10.2017)	Three	Three
3.	Shri Sunil Barthwal, IAS, Joint Secretary to the Govt. of India, Ministry of Steel. (w.e.f 11.10.2017)	Three	Three
<b>III. Part-time Independent Director</b>			
1.	Shri Sisir Kumar Appikatla	Six	Six

### 3.0 **BOARD COMMITTEES:**

#### 3.1 **Audit Committee**

The Audit Committee in place as on 31.03.2018 consists of one Part-time Independent Director, one Part-time Government Director and one whole-time Director. The Chairman of the Audit Committee is a Part-time Independent Director. The Audit Committee as on 31.03.2018 comprises of the following Directors.

Members of the Audit Committee as on 31.03.2018 are:-

Sl. No	Name of Directors	Status in Audit Committee
1	Shri Sisir Kumar Appikatla, Director.	Chairman
2	Shri Sunil Barthwal, IAS, Director MECON and Joint Secretary to Govt. of India, Ministry of Steel.	Member
3	Shri Goutam Chatterjee, Director (Commercial)	Member

#### **Role and Powers of the Audit Committee.**

The role and powers of the Audit Committee are as per Section 177 of the Companies Act, 2013 as well as the Guidelines on Corporate Governance for CPSE issued by the Govt. of India, Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises. The Company Secretary acts as the Secretary to the Audit Committee.

#### **Number of Audit Committee Meetings.**

During the year 2017-18, Three (3) Meetings were held, the details of which are given below:

Sl. No	Date of Meeting	Member's Strength	No. of Members Present
1	10.07.2017	Three	Three
2	12.03.2018	Three	Three
3	23.03.2018	Three	Three

Particulars of the Directors including their attendance at the Audit Committee Meetings from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018

Name of Directors	Period	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
Shri Syedain Abbasi, IAS, Director & Chairman, Audit Committee	01.04.2017 to 11.10.2017	One	One
Shri Sisir Kumar Appikatla, Director & Member and later became Chairman of the Audit Committee	01.04.2017 to 31.03.2018	Three	Three
Shri S. Chattopadhyay Director (Project) & Member, Audit Committee	01.04.2017 to 31.08.2017	One	One
Shri Sunil Barthwal, IAS, Director & Member, Audit Committee	21.11.2017 to 31.03.2018	Two	Two
Shri Goutam Chatterjee, Director (Commercial) & Member Audit Committee	07.09.2017 to 31.03.2018	Two	Two

### 3.2 Remuneration Committee

The Remuneration Committee was earlier constituted with three Part-time Independent Directors. The Chairman of the Remuneration Committee was Part-time Independent Director.

The tenure of appointment of all the Part-time Independent Directors was completed in January, 2014. Since then only one Part-time Independent Director was appointed by the Government of India. The reconstitution of Remuneration Committee is to be considered on appointment of other two Part-time Independent Directors.

### 3.3 Corporate Social Responsibility (CSR) and Sustainability Committee

In compliance of the provisions of Section 135 of the Companies Act, 2013 read with Guidelines on Corporate Social Responsibility and Sustainability for CPSEs issued by the Government of India, Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises which came into force w.e.f. 01.04.2014, a Board level CSR & Sustainability Committee was constituted. The role and functions of the CSR & Sustainability Committee is as per Companies (Corporate Social Responsibility Policy) Rules 2014.

The present CSR & Sustainability Committee in place as on 31.03.2018 comprises of the following Directors.

Sl. No.	Name of Directors (Shri)	Status in CSR & Sustainability Committee
1	Sunil Barthwal, IAS, Director and Joint Secretary to Govt. of India, Ministry of Steel.	Chairman
2	Sisir Kumar Appikatla, Director	Member
3	P. K. Sarangi, Director (Technical)	Member

The Company Secretary acts as the Secretary to the CSR & Sustainability Committee.

**Number of CSR & Sustainability Committee Meetings:**

During the year 2017-18, One (1) Meeting was held, the details of which are given below:

Sl. No	Date of Meeting	Member's Strength	No. of Members Present
1	10.07.2017	Three	Three

Particulars of the Directors including their attendance at the CSR & Sustainability Committee Meeting.

Name of Directors	Period	No. of CSR & Sustainability Committee Meetings held.	No. of CSR & Sustainability Committee Meetings attended.
Shri Syedain Abbasi, IAS, Director & Chairman, CSR & Sustainability Committee	01.04.2017 to 11.10.2017	One	One
Shri. Sisir Kumar Appikatla, Director & Member, CSR & Sustainability Committee	01.04.2017 to 31.03.2018	One	One
Shri. P. K. Sarangi, Director (Technical) & Member, CSR & Sustainability Committee.	01.04.2017 to 31.03.2018	One	One
Shri Sunil Barthwal, IAS Director & Chairman, CSR & Sustainability Committee. (w.e.f. 21.11.2017)	21.11.2017 to 31.03.2018	Nil	Nil

**3.4 Part time Independent Directors Meeting**

Since only one part-time Independent Director had so far been appointed on the Board of the Company, no meeting of Part-time Independent Directors was held during the period under review.

**4.0 GENERAL BODY MEETING:**

The details of the last three Annual General Meeting of the company are as follows:-

Year	Date	Time	Venue
2014-15	22 <sup>nd</sup> Sept., 2015	12.00 Noon	Hotel Royal Plaza, Ashok Road, New Delhi - 110107.
2015-16	22 <sup>nd</sup> Aug., 2016	2.00 P.M	Board Room, MECON Office, 13th Floor, SCOPE Minar, Laxmi Nagar, Delhi - 110092.
2016-17	21 <sup>st</sup> Sept.,2017	12.00 Noon	OUDH Conference Hall, Hotel Ashok, Chanakyapuri, New Delhi.

**5.0 DISCLOSURES:****5.1 Declaration of independence by Independent Director**

In compliance of Sec 134(3)(d) of the Companies Act, 2013 the Company has obtained declaration of independence from the Independent Director for the F.Y 2017-18 under Section 149(6) of the said Act.

**5.2 Related party transactions**

There are no 'materially significant related party transactions' that may have a potential conflict with the interest of Company at large. The details of Related Party Disclosure as per AS-18 is disclosed under Note

35.12 of the Financial Statement.

### **5.3 Disclosure of accounting treatment**

All applicable Accounting Standards issued by the Institute of Chartered Accountants of India are being followed in the preparation of financial statements. The Significant Accounting Policy of the Company is disclosed under Note 32 of the Financial Statement.

### **5.4 Compliance Certificate**

A certificate on compliance of applicable laws is placed before the Audit Committee and Board on quarterly basis.

### **5.5 Code of Conduct**

The Board of Directors has laid down the Code of Business Conduct and Ethics for the Board Members and Senior Management of the Company. The Code is displayed on the website of the Company. All Board Members and Senior Management officials of the company have affirmed their compliance with the code.

### **6.0 MEANS OF COMMUNICATION:**

Annual Report containing Chairman's Speech, Directors' Report, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report, Audited Accounts and other important information are made available on the website of the Company.

### **7.0 TRAINING OF BOARD MEMBERS:**

Directors are being nominated, as and when required for the training programme organized by DPE, SCOPE etc.

### **8.0 WHISTLE BLOWER POLICY:**

The Company has established Whistle Blower Policy in accordance with the requirement of Section 177(9) of the Companies Act, 2013 and the same is uploaded on the website of the Company.

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors of MECON Limited.

## Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Ind AS Financial Statements of MECON Limited (“**the company**”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ('The Act') 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 judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2018 and its profit (financial performance including other comprehensive income), its cash flow and the changes in equity for the year ended on that date.

## Emphasis of Matter

We draw attention to the following:

Note 40.23 to the Ind AS financial statements. As referred to the said note considering the DPE OM dated 03.08.2017 and the financial status of the company, provision for wage revision (due w.e.f. 01.01.2017) in respect of executive employees is not made during the year. Further, provision made towards wage revision in respect of executive employees based on estimate and information available, etc during the FY 2016-17 of ₹ 628.79 lakhs is written back during the year FY 2017-18.

Our opinion is not modified in respect of above matter.

## Other Matters

The comparative financial information of the Company for the year ended 31<sup>st</sup> March 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) of which audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2016 dated 6<sup>th</sup> July 2016 and report for the year ended 31<sup>st</sup> March 2017 dated 14<sup>th</sup> July 2017 has been audited by us, expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(5) of the Act, the Comptroller and Auditor General of India issued Directions and sub-directions. We give our comment thereon vide "Annexure B".
3. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the statement of Profit and Loss including other comprehensive income and the Cash flow Statement and the Statement of Change in Equity dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) In terms of Govt. of India, Department of Companies affairs Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015, Govt. Company is exempt from applicability of provision of section 164(2) of the Companies Act, 2013.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure C” and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements; (Refer Note No. 38.1)
  - ii. The Company has made provisions, as required under the applicable law or accounting standards for material foreseeable losses on long term contracts and the company did not have any derivative contracts.
  - iii. The Company has no amount that is required to be transferred to the Investor Education and Protection Fund.

For **V. Rohatgi & Co**  
Chartered Accountants  
Firm Registration No: 000980C

Sd/-

**Vandana Rastogi**  
Partner  
M.NO: 086956

Place : Ranchi  
Dated : 30<sup>th</sup> July, 2018

# “ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF MECON LIMITED.

## Report on Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

### (i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets except in respect of some cases wherein the fixed assets register and records are in the process of updation.
- (b) The fixed assets of the Company have been physically verified by the management. In our opinion, the period of verification is reasonable having regard to the size of the company and the nature of its business.
- (c) The title deeds of the Immovable Properties are held in the name of the Company as certified by the management except Deed of conveyance of Land at Ranchi, measuring 10.25 acres, valued for ₹ 2.69 lakhs, which is pending since long for execution by the Government of Jharkhand.

### (ii) In respect of physical verification of Inventory:

- (a) The inventories have been physically verified by the management during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedure for physical verification of inventories followed by the management are generally 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 explanations given to us, the company has maintained proper records of its inventory. No material discrepancies have been noticed on verification between the physical stocks and the book records.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence clause (a) to (b) is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans and guarantees and not made any investments in respect of Section 185 & 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits during the year hence clause (v) is not applicable to the Company. Accordingly the directives issued by the RBI and provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under are not applicable.
- (vi) According to the information given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act , 2013.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Service Tax, Value Added Taxes, Customs duty, Excise Duty, Cess and other material Statutory dues with the appropriate authorities.
  - b) According to the information and explanations given to us, there are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable, as per books of accounts as at 31<sup>st</sup> March, 2018.



- c) According to the information and explanations given to us, there are disputed statutory dues, which have not been deposited as at 31<sup>st</sup> March 2018, as given herein below:

Name of the Statute	Period to which relates	Forum	Amount (₹ in Lakhs)
Central Sales Tax Act & Sales Tax Acts of various states	1999-2000	STAT, Andhra Pradesh.	4.41
	2000-2001	STAT, Andhra Pradesh	101.40
	2001-2002	Andhra Pradesh. High Court	450.88
	1995-1996	Commissioner of Commercial Taxes, Ranchi	258.12
	1999-2000	Commissioner of Commercial Taxes, Ranchi	24.51
	2001-2002	Commissioner of Commercial Taxes, Ranchi	49.47
	2002-2003	Commissioner of Commercial Taxes, Ranchi	106.62
	2009-2010	Jharkhand Commercial Tax Tribunal	27.66
	1993-1994, 1994-1995 & 1996-1997	JCCT(Appeal), Dhanbad	0.67
	2005-2006	Commissioner of Commercial Taxes, Ranchi	78.50
	2008-2009	Commissioner of Commercial Taxes, Ranchi	20.61
	1996-1997	Joint Commissioner of Comm. Taxes, (appeal), Jamshedpur	1.92
	*1994-1995	Jharkhand Sales Tax Tribunal	219.10
	*2003-2004	Addl. Commissioner, Kolkata	16.47
	2006-2007	Jharkhand Commercial Tax Tribunal (Appeal)	9.76
	2007-2008	Jharkhand Commercial Tax Tribunal (Appeal)	26.16
	2010-2011	J. Commissioner of Commercial Taxes, Ranchi	217.29
	2011-2012	J. Commissioner of Commercial Taxes, Ranchi	535.81
	2011-2012	Commissioner of Commercial Taxes, Ranchi	0.016
2011-2012	Jt. Comm. (Appeals), Sundergarh, Rourkela	206.39	
1997-1998	Commissioner of Sales Tax, Cuttack	46.51	
Employees Provident Fund and Misc. Provisions Act 1952	2003-2004	EPF, Appellate Tribunal, New Delhi	229.70

Out of the above disputed statutory dues, in the two cases marked \*, provision has been made in the books of accounts under "Provision for Disputed cases –sales tax matter."

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
- ix) According to the information and explanations given by the management and the audit procedures performed, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

- xi) According to the information and explanation given to us and based upon the audit procedure performed, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Companies Act, 2013.
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Therefore the provisions of Clause 3 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 & 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based upon the audit procedure performed, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us and based upon the audit procedure performed, the company has not entered into any non cash transactions with the directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **V. Rohatgi & Co**  
Chartered Accountants  
Firm Registration No.: 000980C

Sd/-

**(Vandana Rastogi)**  
Partner  
M.No: 086956  
Place : Ranchi  
Dated : 30<sup>th</sup> July, 2018

## “ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT OF MECON LIMITED FOR THE YEAR 2017-18

**Directions under section 143(5) of Companies Act, 2013 Referred to in paragraph 2 of our report**

Sn	Question	Reply
1.	Whether the company has clear title / lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available	1. We have examined the title/lease deed of freehold and leasehold land, which was made available. 2. Deed of conveyance of Land at Ranchi, measuring 10.25 acres, valued for ₹ 2.69 Lakhs, is pending for execution by Govt. of Jharkhand. 3. As informed there is no land under dispute.
2.	Whether there are any cases of waiver/ write off of debts/ loans/ interest etc., if yes, the reason thereof and amount involved.	No Book Debts outstanding for more than three years is written off during the year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Govt. or other authorities.	As informed to us no inventory is lying with third parties. The company has not received any gift from government or other authorities during the year.

# “ANNEXURE C” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF MECON LIMITED.

## **Report on 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 MECON LIMITED (“the company”) as on 31<sup>st</sup> March, 2018 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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

### **Auditor’s 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 Ind AS 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 control 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 Ind AS financial statement 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal controls 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 **V. Rohatgi & Co.**  
Chartered Accountants  
Firm Registration Number: 000980C

Sd/-

**Vandana Rastogi**  
(Partner)  
M. No. : 086956  
Place : Ranchi  
Dated : 30<sup>th</sup> July, 2018


## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MECON LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

The preparation of financial statements of MECON Limited for the year ended 31<sup>st</sup> March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30<sup>th</sup> July 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of MECON Limited for the year ended 31<sup>st</sup> March 2018 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**



**(Indu Agrawal)**

**Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board, Ranchi.**

**Place : Ranchi**

**Date : 24<sup>th</sup> August, 2018**

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

(₹ in lakhs)

PARTICULARS	NOTE NO.	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>I. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	3	7,376.11	7,916.45	8,895.31
(b) Capital Work-in-Progress	4	12.22	65.51	316.80
(c) Investment Property		-	-	-
(d) Other Intangible Assets	5	221.30	254.79	181.51
(e) Intangible Assets under Development		-	-	-
(f) Financial Assets				
i) Investments	6	11.92	511.92	511.92
ii) Trade Receivables	7	11,972.81	9,960.54	7,266.71
iii) Loans	8	232.31	347.31	221.51
iv) Other Financial Assets	9	7,305.92	1.02	6,515.26
(g) Deferred Tax Assets (Net)	10	7,619.02	5,031.27	4,569.41
(h) Other Non-Current Assets	11	878.62	1,018.29	1,656.14
<b>(2) Current Assets</b>				
(a) Inventories	12	148.47	153.21	136.89
(b) Financial Assets				
i) Investments		-	-	-
ii) Trade Receivables	13	26,604.25	17,794.78	16,900.54
iii) Cash and Cash Equivalents	14	2,891.01	233.10	143.15
iv) Other Bank Balances	15	48,085.67	55,982.94	55,481.01
v) Loans	16	753.68	566.96	857.00
vi) Other Financial Assets	17	1,336.26	1,463.86	1,491.29
(c) Current Tax Assets (Net)	18	7,727.66	8,545.51	5,538.48
(d) Other Current Assets	19	7,633.30	4,974.31	4,611.95
<b>TOTAL ASSETS</b>		<b>130,810.53</b>	<b>114,821.77</b>	<b>115,294.88</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(A) EQUITY</b>				
(a) Equity Share Capital	20	4,013.84	4,013.84	4,013.84
(b) Other Equity	21	16,529.96	10,596.01	21,156.91
<b>(B) LIABILITIES</b>				
<b>(1) Non-Current Liabilities</b>				
(a) Financial Liabilities				
i) Borrowings		-	-	-
ii) Trade Payables	22	7,506.19	7,234.40	5,073.19
iii) Other Financial Liabilities	23	883.33	4,964.92	3,819.38
(b) Provisions	24	38,050.17	33,354.16	29,393.16
(c) Deferred Tax Liabilities (Net)	10	-	-	-
(d) Other Non-Current Liabilities	25	4,241.00	4,366.89	3,847.19
<b>(2) Current Liabilities</b>				
(a) Financial Liabilities				
i) Borrowings		-	-	-
ii) Trade Payables	26	12,523.91	12,777.76	12,490.86
iii) Other Financial Liabilities	27	14,906.38	8,169.15	8,831.54
(b) Other Current Liabilities	28	13,464.43	10,896.35	10,684.54
(c) Provisions	29	18,691.32	18,448.29	15,984.27
(d) Current Tax Liabilities (Net)	18	-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>130,810.53</b>	<b>114,821.77</b>	<b>115,294.88</b>

Note No.1 to 40 form an integral part of Financial Statements

In terms of our report of even date

For V. ROHATGI & CO.

CHARTERED ACCOUNTANTS

Sd/-  
**(VANDANA RASTOGI)**  
PARTNER  
Memb.No.086956  
Firm Regn. No.000980C

Sd/-  
**(RAVI BAMBHA)**  
COMPANY SECRETARY

Sd/-  
**(SEKHAR SAHA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

Sd/-  
**(R. H. JUNEJA)**  
DIRECTOR (FINANCE)

Sd/-  
**(ATUL BHATT)**  
CHAIRMAN and  
MANAGING DIRECTOR

Place : Ranchi

Date : 30<sup>th</sup> July 2018

## STATEMENT OF PROFIT AND LOSS

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(₹ in lakhs)

PARTICULARS	NOTE NO.	Current Year	Previous Year
<b>I. Revenue from Operations</b>	30	<b>48,021.79</b>	34,908.87
<b>II. Other Income</b>	31	<b>10,924.62</b>	5,800.74
<b>III. TOTAL INCOME (I+II)</b>		<b>58,946.41</b>	<b>40,709.61</b>
<b>IV. EXPENSES:</b>			
(a) Purchases of Equipments & Direct Expenses	32	<b>12,970.47</b>	11,345.53
(b) (Accretion)/Decretion to Jobs-in-Progress	33	<b>(78.40)</b>	159.24
(c) Employee Benefits Expenses	34	<b>31,363.91</b>	28,141.72
(d) Finance Costs	35	<b>165.90</b>	156.68
(e) Depreciation and Amortisation Expenses	36	<b>934.94</b>	972.36
(f) Other Expenses	37	<b>9,190.02</b>	7,669.32
<b>TOTAL EXPENSES (IV)</b>		<b>54,546.84</b>	<b>48,444.85</b>
V. Profit/(Loss) before exceptional items and tax (III-IV)		<b>4,399.57</b>	(7,735.24)
VI. Exceptional Items		—	—
VII. Profit/(Loss) before tax (V-VI)		<b>4,399.57</b>	(7,735.24)
VIII. Tax Expense:			
(a) Current Tax		<b>1,187.25</b>	—
(b) Deferred Tax		<b>(2,587.75)</b>	(461.86)
(c) Taxes relating to Earlier Years		—	31.95
<b>IX. Profit/(Loss) for the year (VII-VIII)</b>		<b>5,800.07</b>	<b>(7,305.33)</b>
X. Other Comprehensive Income			
(a) Items that will not be reclassified to Profit and Loss			
Re-measurement of Defined Benefit Plans		<b>133.88</b>	(1,037.31)
(b) Income tax relating to items that will not be reclassified to Profit and Loss		—	—
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>5,933.95</b>	<b>(8,342.64)</b>
XII. Earnings per equity share (Face Value ₹ 10/- each)	40.14		
Basic & Diluted (₹)		<b>14.45</b>	(18.20)

**Note No.1 to 40 form an integral part of Financial Statements**

In terms of our report of even date

For V. ROHATGI & CO.

CHARTERED ACCOUNTANTS

Sd/-  
**(VANDANA RASTOGI)**  
PARTNER  
Memb.No.086956  
Firm Regn. No.000980C

Sd/-  
**(RAVI BAMBHA)**  
COMPANY SECRETARY

Sd/-  
**(SEKHAR SAHA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

Sd/-  
**(R. H. JUNEJA)**  
DIRECTOR (FINANCE)

Sd/-  
**(ATUL BHATT)**  
CHAIRMAN and  
MANAGING DIRECTOR

Place : Ranchi

Date : 30<sup>th</sup> July, 2018



## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

#### A. EQUITY SHARE CAPITAL

(₹ in lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2016	Changes in Equity Share Capital during the year	Balance as at 31 <sup>st</sup> March, 2017	Changes in Equity Share Capital during the year	Balance as at 31 <sup>st</sup> March, 2018
Equity Share Capital	4,013.84	-	4,013.84	-	4,013.84

#### B. OTHER EQUITY

(₹ in lakhs)

Particulars	Reserves and Surplus				Re-valuation Reserve	Other Comprehensive Income Re-measurement of Defined Benefit Plans	TOTAL
	Capital Redemption Reserve	CSR Activity Reserve	General Reserve	Retained Earnings			
<b>Balance as at 1<sup>st</sup> April, 2016</b>	<b>6,300.00</b>	<b>82.55</b>	<b>9,852.39</b>	<b>4,043.14</b>	<b>2,218.26</b>	<b>(1,339.43)</b>	<b>21,156.91</b>
Net Profit / (Loss) during the period	-	-	-	(7,305.33)	-	-	(7,305.33)
Remeasurement of gains / (losses) on Defined Benefit Plans	-	-	-	-	-	(1,037.31)	(1,037.31)
Dividend on Equity Shares	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transferred from Retained Earnings during the period	-	-	-	-	-	-	-
Transferred to Retained Earnings during the period	-	(67.30)	-	-	-	-	(67.30)
Transferred from CSR Activity Reserve during the period	-	-	-	67.30	-	-	67.30
Transferred to CSR Activity Reserve during the period	-	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-	-
Adjusted / written back on Revaluation Reserve	-	-	-	-	(2,218.26)	-	(2,218.26)
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>6,300.00</b>	<b>15.25</b>	<b>9,852.39</b>	<b>(3,194.89)</b>	<b>-</b>	<b>(2,376.74)</b>	<b>10,596.01</b>
Net Profit / (Loss) during the period	-	-	-	5,800.07	-	-	5,800.07
Remeasurement of gains / (losses) on Defined Benefit Plans	-	-	-	-	-	133.88	133.88
Dividend on Equity Shares	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transferred from Retained Earnings during the period	-	-	-	-	-	-	-
Transferred to Retained Earnings during the period	-	(15.25)	-	-	-	-	(15.25)
Transferred from CSR Activity Reserve during the period	-	-	-	15.25	-	-	15.25
Transferred to CSR Activity Reserve during the period	-	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-	-
Adjusted / written back on Revaluation Reserve	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>6,300.00</b>	<b>-</b>	<b>9,852.39</b>	<b>2,620.43</b>	<b>-</b>	<b>(2,242.86)</b>	<b>16,529.96</b>

**Note No.1 to 40 form an integral part of Financial Statements**

In terms of our report of even date

For V. ROHATGI & CO.

CHARTERED ACCOUNTANTS

Sd/-  
**(VANDANA RASTOGI)**  
PARTNER  
Memb.No.086956  
Firm Regn. No.000980C

Sd/-  
**(RAVI BAMBHA)**  
COMPANY SECRETARY

Sd/-  
**(SEKHAR SAHA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

Sd/-  
**(R. H. JUNEJA)**  
DIRECTOR (FINANCE)

Sd/-  
**(ATUL BHATT)**  
CHAIRMAN and  
MANAGING DIRECTOR

Place : Ranchi

Date : 30<sup>th</sup> July, 2018

## CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 (INDIRECT METHOD)

(₹ in lakhs)

	2017-18		2016-17
<b>Cash Flows from Operating Activities</b>			
Net Profit/(Loss) before Taxation		<b>4,399.57</b>	<b>(7,735.24)</b>
Add : Adjustments for			
Depreciation & Amortisation	934.94		972.36
Loss on Sale/Disposal of Fixed Assets	2.02		13.55
Provision for Bad & Doubtful Trade Receivables / ECL	639.58		198.25
Provision for impairment in the value of Investments	500.00		-
Other Provisions	926.98		695.98
Finance Costs	165.90	<b>3,169.42</b>	156.68
Less : Adjustments for			
Profit on Sale/Disposal of Fixed Assets	0.69		2.20
Interest Income	3,872.74		4,427.60
Dividend Received	1.60	<b>3,875.03</b>	1.06
Operating Profit/(Loss) before Working Capital Changes		<b>3,693.96</b>	<b>(10,129.28)</b>
Add : Adjustments for			
(Increase) / Decrease in Inventories	4.74		(16.33)
(Increase) / Decrease in Trade Receivables	(11,461.32)		(3,786.32)
(Increase) / Decrease in Loans	(144.82)		142.65
(Increase) / Decrease in Other Current Financial Assets	127.60		23.78
(Increase) / Decrease in Tax Assets	(369.40)		(3,038.98)
(Increase) / Decrease in Other Non-Financial Assets	(2,870.87)		(30.25)
Increase / (Decrease) in Trade Payables	17.94		2,448.11
Increase / (Decrease) in Financial Liabilities	2,225.25		297.49
Increase / (Decrease) in Provisions	5,072.92		5,387.71
Increase / (Decrease) in Non-Financial Liabilities	2,370.25	<b>(5,027.71)</b>	554.71
Cash Generated from Operations		<b>(1,333.75)</b>	<b>(8,146.71)</b>
Less : Taxes Paid		-	-
Net Cash from Operating Activities {A}		<b>(1,333.75)</b>	<b>(8,146.71)</b>

## CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 (INDIRECT METHOD) (CONTD.)

(₹ in lakhs)

	2017-18		2016-17	
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant & Eqpt. and Intangible Assets	(312.42)		(2,064.11)	
Property, Plant & Eqpt. and Intangible Asset sold/discarded	3.27		19.02	
(Increase) / Decrease in Deposits with Bank	154.10		5,490.56	
Interest Received	4,311.01		4,949.35	
Dividend Received	1.60		1.06	
Net Cash from Investing Activities {B}		<b>4,157.56</b>		<b>8,395.88</b>
<b>Cash Flows from Financing Activities</b>				
Dividend including Dividend Tax Paid	-		-	
Finance Costs	(165.90)		(159.22)	
Net Cash from Financing Activities {C}		<b>(165.90)</b>		<b>(159.22)</b>
Net Increase/(Decrease) in Cash & Cash Equivalent {A}+{B}+{C}		<b>2,657.91</b>		<b>89.95</b>
Cash and Cash Equivalent at the beginning		<b>233.10</b>		<b>143.15</b>
Cash and Cash Equivalent at the end		<b>2,891.01</b>		<b>233.10</b>
<b>Note No.1 to 40 form an integral part of Financial Statements</b>				
Cash & Cash Equivalent represents				
i) Cash at Bank (Current A/c & Flexi Deposit A/c)	2,882.19		216.21	
ii) Cheques & Drafts on hand	-		-	
iii) Cash & Stamps on hand	8.82	<b>2,891.01</b>	16.89	<b>233.10</b>

**Note No.1 to 40 form an integral part of Financial Statements**

In terms of our report of even date  
For V. ROHATGI & CO.  
CHARTERED ACCOUNTANTS

Sd/-  
**(VANDANA RASTOGI)**  
PARTNER  
Memb.No.086956  
Firm Regn. No.000980C

Sd/-  
**(RAVI BAMBHA)**  
COMPANY SECRETARY

Sd/-  
**(SEKHAR SAHA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

Sd/-  
**(R. H. JUNEJA)**  
DIRECTOR (FINANCE)

Sd/-  
**(ATUL BHATT)**  
CHAIRMAN and  
MANAGING DIRECTOR

Place : Ranchi

Date : 30<sup>th</sup> July, 2018

## NOTE 1 : CORPORATE AND GENERAL INFORMATION

MECON LIMITED, a Government of India Enterprise under Ministry of Steel, providing engineering & consultancy services and executing turnkey projects is domiciled in India and was incorporated 31<sup>st</sup> March, 1973. The Company has its registered office situated at Vivekananda Path, Doranda, Ranchi – 834002, Jharkhand, India. The Company operates in three major segments, namely, Metals, Energy & Infrastructure.

For all periods upto and including the financial year ended 31<sup>st</sup> March, 2017, the Company prepared its financial statements in accordance with accounting standards as notified / amended under Companies Act, 2013/1956. The financial statements for the year ended 31<sup>st</sup> March, 2018 are the first Ind AS compliant financial statement of the Company. For the purpose of comparatives, financial statements for the year ended 31<sup>st</sup> March, 2017 are also prepared under Ind AS. The provisions of Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been followed in preparing the first Ind AS compliant financial statement of the Company with its opening Ind AS Balance Sheet as of the date of transition, viz., 1<sup>st</sup> April, 2016.

These financial statements for the year ended 31<sup>st</sup> March, 2018 were approved for issue by the Board of Directors of the Company in their meeting held on 26<sup>th</sup> July, 2018.

## NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### 1.1 Statement of Compliance

The financial statements are prepared in accordance with generally accepted accounting principles in India, Indian Accounting Standards as notified / amended from time to time, provisions of the Companies Act, 2013/1956 and relevant rules as applicable.

#### 1.2 Basis of Measurement

The financial statements are prepared on a going concern basis and on accrual basis of accounting under the historical cost concept except as otherwise mentioned in the policy.

#### 1.3 Functional and Presentation Currency

The amounts in financial statements and notes are presented in Indian Rupees (INR) (₹) which is the functional currency of the Company. All financial information presented in INR (₹) has been rounded off to the nearest INR ₹ in lakhs with two decimal places, except as otherwise stated.

#### 1.4 Use of Estimates and Management Judgment

In preparing the financial statements in conformity with accounting principles generally accepted in India, Indian Accounting Standards as notified / amended from time to time, provisions of the Companies Act 2013 / 1956 and relevant rules as applicable, the company makes best estimates, assumptions and judgments that may affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities as at the reporting date and the amount of revenue and expenses during the reporting period. The estimates and judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual result in some cases may differ from such estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision of such estimates is recognised during the period in which the same is determined.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### 1.4.1 Revenue

Where the company recognises revenue using the percentage completion method, technical estimates, assessments and judgments are made depending upon the nature / scope, etc. of job.

### 1.4.2 Defined Benefit Obligations

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increase and the inflation rate. However, any changes in these assumptions may have impact on the resulting calculations.

### 1.4.3 Provisions and Contingencies

Assessments undertaken in recognizing provisions and contingencies have been made as per the best judgment based on the current information as available.

## 1.5 Current and Non-Current Classification

- 1.5.1 All items of assets and liabilities in the Balance Sheet are classified as Current and Non-current as per requirement of the Companies Act, 2013, as applicable.
- 1.5.2 Normal operating cycle of the company is considered 12 months keeping in view past experience and nature of business of the company.
- 1.5.3 Trade Receivables (i.e. dues arising only from clients in the normal course of business) outstanding for a period exceeding six months is determined after taking into account 30 days normal credit period allowed by the company.
- 1.5.4 Dues on account of goods purchased or services received in the normal course of business are treated as Trade Payables.

## 2. PROPERTY, PLANT AND EQUIPMENT

### 2.1 Recognition

- 2.1.1 Items of Property, Plant and Equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises any directly attributable costs net of tax / duty credit availed and includes borrowing costs which meet capitalization criteria, expenses incidental to acquisition, installation, etc. of bringing the items of Property, Plant and Equipment to the location and working condition for its intended use but excludes training, administration and overhead costs.
- 2.1.2 Deposits / payments / liabilities made towards compensation, rehabilitation, etc. relating to acquisition of land are treated as cost of land in the period in which they occur.
- 2.1.3 Items of major spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalised. Otherwise, they are classified as inventories in accordance with Ind AS – 2.
- 2.1.4 Items of Property, Plant and Equipment purchased during the year costing upto ₹1,000/- each item are charged to revenue.
- 2.1.5 The cost of any software purchased along with the computer hardware, being an integral part of the hardware, is capitalized along with the cost of the hardware.
- 2.1.6 Items of Property, Plant and Equipment held under finance lease are recognised as per Ind AS -17.
- 2.1.7 Advances paid towards the acquisition of Property, Plant and Equipment and outstanding at each Balance Sheet date are classified as “Capital Advances” under Non-Current Assets.

### 2.2 Subsequent Costs

- 2.2.1 Subsequent major expenditure on items of Property, Plant and Equipment fulfilling the criteria of recognition is recognised as an increase in the carrying amount of the items of Property, Plant and Equipment.
- 2.2.2 The costs of the day-to-day servicing of Property, Plant and Equipment are recognised as expenses in the Statement of Profit and Loss as and when they are incurred.

### 2.3 Derecognition

- 2.3.1 Items of Property, Plant and Equipment are derecognised on disposal or when no future economic benefits

are expected from its intended use. Gains / losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognised in the Statement of Profit and Loss.

- 2.3.2 Items of Property, Plant and Equipment held for immediate sale in the present condition, their sale is highly probable and their carrying amount will be recovered principally through a sale transaction are classified separately as “Non-Current Assets Held for Sale” at the lower of their carrying amount and fair value less costs to sale.

## 2.4 Depreciation

- 2.4.1 Depreciation on Property, Plant and Equipment is commenced when it is available for intended use and is provided for under “Straight-Line Method”, considering residual value of 5% of the original cost of the Property, Plant and Equipment, over the useful life of the Property, Plant and Equipment in line with Schedule II of the Companies Act, 2013 and relevant rules as applicable.
- 2.4.2 Items of Property, Plant and Equipment costing above ₹1,000/- each item and up to ₹5,000/- each item are fully depreciated in the year of acquisition.
- 2.4.3 Items of Property, Plant and Equipment held under Finance Lease are depreciated as per Schedule II of the Companies Act, 2013. However, if there is no reasonable certainty that the company (lessee) will obtain the ownership by the end of the lease term, the asset is fully depreciated over the lease term or its useful life, whichever is shorter.
- 2.4.4 Where cost of a part of an item of Property, Plant and Equipment is significant in relation to the total cost of the item and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for computation of depreciation.
- 2.4.5 Depreciation on additions to / deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposed.
- 2.4.6 Depreciation on subsequent cost of an item of Property, Plant and Equipment capitalized is charged off prospectively over the remaining useful life of main item of Property, Plant and Equipment.
- 2.4.7 Depreciation on Property, Plant and Equipment which is declared idle or retired from active use, but not classified as held for sale in accordance with Ind AS – 105, is charged off over the remaining useful life of that Property, Plant and Equipment.
- 2.4.8 Depreciation on Property, Plant and Equipment is ceased at the earlier of, the date that the asset is classified as held for sale in accordance with Ind AS – 105 and the date that the asset is de-recognised.

## 2.5 Capital Work-In-Progress

The cost of construction of Property, Plant and Equipments incurred till they are ready for their intended use are recognised as Capital Work-in-Progress.

## 3. INTANGIBLE ASSETS

### 3.1 Recognition

- 3.1.1 Expenditure incurred on acquisition of technical know-how, engineering materials, computer software (which is not an integral part of related hardware), etc. is treated as intangible asset.
- 3.1.2 Intangible assets that are acquired by the Company, which have finite useful lives, are recognised at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use but excludes training, administration and overhead costs.
- 3.1.3 Expenditure incurred on research & development activities are accounted as expenses in the Statement of Profit and Loss.

### 3.2 Derecognition

An intangible asset is derecognised when no future economic benefits are expected from their intended use or upon their disposal. Gains / losses on disposal of an item of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognised in the Statement of Profit and Loss.

### 3.3 Amortisation

- 3.3.1 Amortisation is commenced from the date the intangible asset is available for intended use.
- 3.3.2 Expenditure incurred on acquisition of software is amortised on straight line method over a period of five years or its license period, whichever is less. However, software individually costing upto ₹5,00,000/- each is fully amortised in the year of acquisition.
- 3.3.3 Expenditure incurred on acquisition of other intangible assets is amortised over a period of five years on straight line method.

### 4. BORROWING COST

- 4.1 Borrowing costs incurred by the Company which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.
- 4.2 Other borrowing costs are recognised as expense in the period in which these are incurred.

### 5. IMPAIRMENT OF NON-FINANCIAL ASSETS

The company reviews the carrying amount of its non-financial assets, whenever circumstances indicate that the carrying amount of the asset may not be recoverable. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the assets exceeds the higher of its fair value less costs to sell and its value in use. If it is found that some of the impairment losses already recognised need to be reversed, the same are recognised in the Statement of Profit & Loss in the year of reversal.

### 6. INVENTORIES

- 6.1 Closing stock of stores & spares, printing & stationery items and other consumables are valued at lower of cost, on First in First Out (FIFO) basis, and net realisable value. Consumption of the above items during the reporting period is arrived at by deducting the value of physical stock in hand as on the reporting date from the aggregate value of opening stock and purchases during the reporting period.

However, spare parts, equipments, etc. are not considered as inventory when it is required to be capitalized as per Ind AS -16.

- 6.2 Provision for obsolescent / surplus / non-moving inventory is made based on best estimates of net realisable value of such inventories.

### 7. FOREIGN CURRENCY TRANSACTION AND TRANSLATION

- 7.1 Foreign currency transactions are translated into the functional currency of the Company using the exchange rate prevailing at the date of the transactions as applicable.
- 7.2 Monetary assets and liabilities denominated in foreign currency are translated at the functional currency rate of exchange at the reporting date as applicable. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss in the year in which it arises.
- 7.3 Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated using the exchange rate at the date of the transaction as applicable.

### 8. REVENUE RECOGNITION

The Company derives its revenue from design, engineering & consultancy services, execution of EPC projects / construction contracts, project management & consultancy services and other income. Revenue from other income comprises interest on deposits with banks / financial institutions / employees, dividend from investments, other miscellaneous income, etc.

#### 8.1 Engineering / Consultancy Services

- 8.1.1 Income from Engineering & Consultancy services rendered to the clients against contracts or Letters of Intent or Work orders or exchange of letters which stipulate lump sum fee is recognised on the basis of technical estimate of percentage of progress achieved at the end of the reporting period considering the pre-determined threshold limit on the basis of value of respective jobs. Revenue is recognised on 90% of actual percentage of progress achieved at the end of the reporting period and the balance 10% is taken into account in the year in which 100% of progress is achieved.

8.1.2 Income from services rendered other than lump sum fee basis (including reimbursable jobs) is recognised at 100% value of the invoices raised during the reporting period.

## **8.2 Execution of Projects / Construction Contracts**

8.2.1 Income from execution of projects / construction contracts (including sale of spares) for the clients against contracts or letters of intent or work orders or exchange of letters which stipulate fixed price is recognised on the basis of percentage of progress achieved during the reporting period.

8.2.2 Income from cost plus construction contracts / deposit works with turnkey scope is recognised to the extent of amount billed and / or billable during the reporting period on the basis of contracts or letters of intent or work orders or exchange of letters received from clients.

8.2.3 Income on account of escalation, additional or extra claims and other miscellaneous items like project insurance claims is recognised at 100% value as and when they are admitted.

**8.3** In cases where minimum undisputed terms are agreed to by the client, income is accounted for on the basis of such undisputed terms.

## **8.4 Others**

Dividend income from Investments is recognised as and when the right to receive the payment is established.

## **9. JOB-IN-PROGRESS**

9.1 For lump sum fee Engineering & Consultancy jobs, where the progress achieved in respect of a job is below the pre-determined threshold limit, lower of cost or value of the work done, computed on the basis of technical estimate of 90% of the percentage of progress achieved, is carried forward under Job-in-Progress.

9.2. Where the work is started on the basis of job allotted by LOI / any other communication from the client, but the fee is yet to be settled, the cost incurred against such jobs is carried forward under Job-in-Progress.

## **10. EMPLOYEE BENEFITS**

### **10.1 Post-Employment Benefits**

#### **10.1.1 Defined Contribution Plan**

Contributions paid / payable under defined contribution plan is recognised on the basis of actual liability on undiscounted basis in the reporting period in which they are incurred and charged to profit and loss.

#### **10.1.2 Defined Benefit Plans**

The Company has post-retirement defined benefit plans comprising Retirement Gift, Post-Retirement Settlement Benefits, Post-Retirement Medical Benefits, Gratuity and Provident Fund to the extent of interest liability on provident fund contribution.

Employee benefits expenses under post-retirement defined benefit plans are recognised based on the actuarial valuation as per Ind AS – 19 as at the end of the reporting period using the projected unit credit method and recognised in profit and loss. Any actuarial gains or losses are recognised in other comprehensive income in the period in which they arise.

### **10.2 Other Long-Term Employee Benefits**

Other long-term employee benefits under defined benefit plans comprises of leave encashment, long-service award, leave travel concession / leave travel assistance and employee family benefit schemes.

Employee benefits under other long-term defined benefit plans are recognised based on the actuarial valuation as at the end of the reporting period using the projected unit credit method and recognised in profit and loss. Any actuarial gains or losses are recognised in profit and loss in the period in which they arise.

### **10.3 Short-Term Employee Benefits**

Short-term benefits comprise of employee costs such as salaries, bonus, etc. are accrued in the year in which the associated service are rendered by employees.



#### 10.4 Termination Benefits

Expenses are recognised for termination benefits (including Voluntary Retirement Compensation) in the period in which it is incurred.

#### 11. MATERIAL PRIOR PERIOD ERRORS

- 11.1 Any expenditure or income which exceeds 0.5% of turnover in each case, which arise in the current period as a result of errors or omissions in the preparation of financial statements of one or more prior periods, are treated as material prior period errors.
- 11.2 Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.
- 11.3 A prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

#### 12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- 12.1 Provisions for estimated liabilities on account of guarantees & warranties etc. in respect of Engineering & Consultancy Services and Turnkey Contracts are made by the company after assessment of risk and consequential probable liabilities on case to case basis.
- 12.2 Provisions for liquidated damages are made as and when these are deducted and/or considered deductible by the client as per contract.
- 12.3 Suppliers'/contractors' claims for price escalation, additional or extra claims, etc. are accounted for to the extent such claims are accepted by the company.
- 12.4 Where the effect of time value of money is material, provisions are determined and maintained by discounting the expected future cash flows, wherever applicable.
- 12.5 Contingent Liabilities / Contingent Assets are disclosed on the basis of best judgment. These are reviewed at each balance sheet date and are adjusted to reflect the current estimate.

#### 13. INCOME TAXES

- 13.1 Income tax expense comprises current and deferred tax. Current tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income (OCI) or equity, in which case it is recognised in OCI or equity.
- 13.2 Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.
- 13.3 Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.
- 13.4 Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity.
- 13.5 Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.
- 13.6 Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.
- 13.7 Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

## 14. LEASES

### 14.1 Company as a Lessee

#### 14.1.1 Finance Lease

Asset acquired on lease where substantially all the risks and rewards incidental to ownership are transferred by the lessor to the company is classified under finance lease. At the inception of the lease, finance lease is recorded at amount equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as finance costs over the period of the lease.

#### 14.1.2 Operating Lease

Asset acquired on lease where a significant portion of risk and rewards of ownership are retained by the lessor is classified under operating lease. Lease rental are charged to Statement of Profit and Loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

### 14.2 Company as a Lessor

#### 14.2.1 Operating Lease

Asset given on lease where the Company does not transfer substantially all the risks and rewards of ownership of the asset is classified under operating lease. Receipts under operating lease are recognized in the Statement of Profit and Loss on straight line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

## 15. DIVIDENDS

Dividends payable to the shareholders of the Company are recognised as changes in equity in the period in which they are approved by the Board of Directors and the Shareholder's Meeting respectively.

## 16. STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared under "Indirect Method" in accordance with Ind AS – 7 "Statement of Cash Flows".

## 17. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 17.1 Financial Assets

#### 17.1.1 Initial Recognition

Financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

#### 17.1.2 Subsequent Measurement

Subsequent to initial recognition, all financial assets are measured either at amortised cost or at fair value. Where financial assets are measured at fair value, gains and losses are recognised entirely in profit and loss (fair value through profit and loss, FVTPL).

Effective interest rate (EIR) method for measurement is used for financial assets measured at amortised cost. The effective interest rate (EIR) amortization is included in the finance income in the profit and loss.

Equity investments in subsidiaries and joint ventures are measured at cost.

#### 17.1.3 Derecognition

A financial asset is primarily derecognised when the right to receive cash flows from the financial asset has expired or the company has transferred its rights to receive cash flows from the financial asset.

#### 17.1.4 Impairment of financial assets

##### *Trade Receivables*

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables.

##### *Investment in subsidiaries, joint ventures and associates*

The company assesses whether there is any indication that these investments are be impaired. If any such indication exists, the investment is considered for impairment based on the fair value thereof.

##### *Other Financial Assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

The losses arising from impairment are recognised in the Statement of Profit and Loss.

#### 17.2 Financial Liabilities

##### 17.2.1 Initial Recognition

Financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of financial liabilities is also adjusted.

##### 17.2.2 Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

##### 17.2.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### 17.3 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

## NOTE 3.1 - PROPERTY, PLANT AND EQUIPMENT (GENERAL)

AS ON 31<sup>ST</sup> MARCH, 2018

(₹ in lakhs)

Sl. No.	Particulars	COST						DEPRECIATION						NET CARRYING AMOUNT	
		As on 01.04.17	Addition/Adjustment	Sale/Adjustment	Inter-Head Adjustment	Adjust./Write Back of Revaluation Reserve	As on 31.03.18	As on 01.04.17	On Sale/Adjustment	Inter-Head Adjustment	Adjust./Write Back of Revaluation Reserve	During the period	Upto 31.03.18	As on 31.03.18	As on 31.03.17
1.	Land	63.93	-	-	-	-	63.93	-	-	-	-	-	-	63.93	63.93
2.	Building – Freehold – Leasehold	2,595.03	22.75	-	(186.53)	-	2,431.25	1,011.85	(69.21)	-	111.67	1,054.31	1,376.94	1,583.18	1,583.18
3.	Road, Bridges & Culverts	185.11	-	-	-	-	185.11	60.88	-	-	3.32	64.20	120.91	124.23	124.23
4.	Water Supply and Sewerage	36.17	-	-	-	-	36.17	11.03	-	-	2.12	13.15	23.02	25.14	25.14
5.	Furniture & Fixtures	1,119.79	0.93	0.17	-	-	1,120.55	795.46	0.17	-	60.60	855.89	264.66	324.33	324.33
6.	Motor Vehicles	67.74	-	-	-	-	67.74	33.62	-	-	7.21	40.83	26.91	34.12	34.12
7.	Office Equipments	952.81	19.41	5.34	-	-	966.88	650.52	4.44	-	85.40	731.48	235.40	302.29	302.29
8.	Computer Hardware	2,327.13	14.45	6.64	-	-	2,334.94	1,895.98	4.28	-	179.12	2,070.82	264.12	431.15	431.15
9.	Laboratory Equipments	591.85	-	0.14	-	-	591.71	374.57	-	-	28.81	403.38	188.33	217.28	217.28
10.	Electrical Installation	1,265.47	86.15	3.51	-	-	1,348.11	661.09	2.32	-	98.71	757.48	590.63	604.38	604.38
11.	Misc. Articles including Library	209.50	0.83	0.01	-	-	210.32	197.59	-	-	2.03	199.62	10.70	11.91	11.91
	<b>TOTAL</b>	<b>9,415.08</b>	<b>144.52</b>	<b>15.81</b>	<b>(186.53)</b>	<b>-</b>	<b>9,357.26</b>	<b>5,693.12</b>	<b>11.21</b>	<b>(69.21)</b>	<b>578.99</b>	<b>6,191.69</b>	<b>3,165.57</b>	<b>3,721.96</b>	<b>3,721.96</b>

Contd...

AS ON 31<sup>ST</sup> MARCH, 2017

(₹ in lakhs)

Sl. No.	Particulars	COST						DEPRECIATION						NET CARRYING AMOUNT	
		As on 01.04.16	Addition/Adjustment	Sale/Adjustment	Inter-Head Adjustment	Adjust / Write Back of Revaluation Reserve	As on 31.03.17	As on 01.04.16	On Sale/Adjustment	Inter-Head Adjustment	Adjust / Write Back of Revaluation Reserve	During the period	Upto 31.03.17	As on 31.03.17	As on 01.04.16
1.	Land	266.79	-	-	-	202.86	63.93	-	-	-	-	-	-	63.93	266.79
2.	Building – Freehold – Leasehold	3,501.80	38.46	4.98	(49.40)	890.85	2,595.03	-	(28.05)	217.89	109.64	1,011.85	1,583.18	2,353.65	
3.	Road, Bridges & Culverts	185.11	-	-	-	-	185.11	-	-	-	3.31	60.88	124.23	127.54	
4.	Water Supply and Sewerage	36.17	-	-	-	-	36.17	-	-	-	2.12	11.03	25.14	27.26	
5.	Furniture & Fixtures	1,067.74	54.46	2.41	-	-	1,119.79	2.36	-	-	91.15	795.46	324.33	361.07	
6.	Motor Vehicles	56.84	10.91	0.01	-	-	67.74	0.01	-	-	7.61	33.62	34.12	30.82	
7.	Office Equipments	926.74	62.87	36.80	-	-	952.81	34.30	-	-	79.33	650.52	302.29	321.25	
8.	Computer Hardware	2,359.21	212.12	244.20	-	-	2,327.13	227.23	-	-	220.46	1,895.98	431.15	456.46	
9.	Laboratory Equipments	575.92	15.93	-	-	-	591.85	-	-	-	28.09	374.57	217.28	229.44	
10.	Electrical Installation	1,206.33	73.08	13.94	-	-	1,265.47	8.07	-	-	101.78	661.09	604.38	638.95	
11.	Misc. Articles including Library	206.60	2.91	0.01	-	-	209.50	0.01	-	-	3.80	197.59	11.91	12.80	
	<b>TOTAL</b>	<b>10,389.80</b>	<b>470.74</b>	<b>302.35</b>	<b>(49.40)</b>	<b>1,093.71</b>	<b>9,415.08</b>	<b>271.98</b>	<b>(28.05)</b>	<b>217.89</b>	<b>647.29</b>	<b>5,693.12</b>	<b>3,721.96</b>	<b>4,826.05</b>	

## NOTE 3.2 - INFORMATION REGARDING GROSS BLOCK OF PROPERTY, PLANT AND EQUIPMENT (GENERAL) AND ITS ACCUMULATED DEPRECIATION UNDER PREVIOUS GAAP IS AS FOLLOWS:

(₹ in lakhs)

Sl. No.	Particulars	Gross Block as on 01.04.16	Accumulated amortisation as on 01.04.16	Net Carrying Amount as on 01.04.16 (Deemed Cost)	Ind AS adjustments as on 01.04.16	Opening Balance as on 01.04.16
1.	Land	266.79	-	266.79	-	266.79
2.	Building - Freehold	3,501.80	1,148.15	2,353.65	-	2,353.65
	- Leasehold	185.11	57.57	127.54	-	127.54
3.	Road, Bridges & Culverts	0.55	0.53	0.02	-	0.02
4.	Water Supply and Sewerage	36.17	8.91	27.26	-	27.26
5.	Furniture & Fixtures	1,066.95	706.59	360.36	0.71	361.07
6.	Motor Vehicles	56.84	26.02	30.82	-	30.82
7.	Office Equipments	897.92	592.97	304.95	16.30	321.25
8.	Computer Hardware	2,346.57	1,903.10	443.47	12.99	456.46
9.	Laboratory Equipments	551.89	345.94	205.95	23.49	229.44
10.	Electrical Installation	1,205.78	567.35	638.43	0.52	638.95
11.	Misc. Articles including Library	206.60	193.80	12.80	-	12.80
	<b>TOTAL</b>	<b>10,322.97</b>	<b>5,550.93</b>	<b>4,772.04</b>	<b>54.01</b>	<b>4,826.05</b>

**NOTE 3.3 - PROPERTY, PLANT AND EQUIPMENT (SOCIAL AMENITIES)**  
AS ON 31<sup>ST</sup> MARCH, 2018

(₹ in lakhs)

Sl. No.	Particulars	COST					DEPRECIATION					NET CARRYING AMOUNT			
		As on 01.04.17	Addition/Adjustment	Sale/Adjustment	In-Head Adjustment	Adjust. / Write Back of Revaluation Reserve	As on 31.03.18	As on 01.04.17	On Sale/Adjustment	In-Head Adjustment	Adjust. / Write Back of Revaluation Reserve	During the period	Upto 31.03.18	As on 31.03.18	As on 31.03.17
1.	Land	197.46	-	-	-	-	197.46	-	-	-	-	-	-	197.46	197.46
2.	Building	3,868.13	2.45	-	186.53	-	4,057.11	-	69.21	-	68.41	970.60	3,086.51	3,035.15	3,035.15
3.	Road, Bridges & Culverts	318.12	-	-	-	-	318.12	-	-	-	62.90	291.71	26.41	89.31	89.31
4.	Water Supply and Sewerage	283.35	-	-	-	-	283.35	-	-	-	10.10	177.49	105.86	115.96	115.96
5.	Fences	82.20	-	-	-	-	82.20	-	-	-	-	78.09	4.11	4.11	4.11
6.	Plant & Equipments	489.44	1.18	-	-	-	490.62	-	-	-	25.27	284.98	205.64	229.73	229.73
7.	Furniture & Fixtures	112.65	1.52	-	-	-	114.17	-	-	-	7.28	79.85	34.32	40.08	40.08
8.	Motor Vehicles	1.01	0.04	-	-	-	1.05	-	-	-	0.08	0.88	0.17	0.21	0.21
9.	Office Equipments	31.17	0.42	-	-	-	31.59	-	-	(0.46)	2.93	22.36	9.23	11.28	11.28
10.	Computer Hardware	16.59	3.61	-	-	-	20.20	-	-	-	3.00	10.77	9.43	8.82	8.82
11.	Electrical Installation	787.50	135.37	-	-	-	922.87	-	0.46	-	65.89	391.75	531.12	462.10	462.10
12.	Misc. Articles including Library	6.22	-	-	-	-	6.22	-	-	-	-	5.94	0.28	0.28	0.28
	<b>TOTAL</b>	<b>6,193.84</b>	<b>144.59</b>	<b>-</b>	<b>186.53</b>	<b>-</b>	<b>6,524.96</b>	<b>1,999.35</b>	<b>69.21</b>	<b>-</b>	<b>245.86</b>	<b>2,314.42</b>	<b>4,210.54</b>	<b>4,194.49</b>	<b>4,194.49</b>

Contid...

(₹ in lakhs)

Sl. No.	Particulars	COST					DEPRECIATION					NET CARRYING AMOUNT			
		As on 01.04.16	Addition/Adjustment	Sale/Adjustment	In-Header Adjustment	Adjust. / Write Back of Revaluation Reserve	As on 31.03.17	As on 01.04.16	On Sale/Adjustment	In-Header Adjustment	Adjust. / Write Back of Revaluation Reserve	During the period	Upto 31.03.17	As on 31.03.17	As on 01.04.16
1.	Land	1,380.37	5.09	-	-	1,188.00	197.46	-	-	-	-	-	-	197.46	1,380.37
2.	Building	2,711.15	1,455.49	-	49.40	347.91	3,868.13	-	28.05	193.47	84.93	832.98	3,035.15	3,035.15	1,797.68
3.	Road, Bridges & Culverts	318.12	-	-	-	-	318.12	-	-	-	62.90	228.81	89.31	89.31	152.21
4.	Water Supply and Sewerage	283.00	0.35	-	-	-	283.35	-	-	-	10.10	167.39	115.96	115.96	125.71
5.	Fences	82.20	-	-	-	-	82.20	0.01	-	-	-	78.09	4.11	4.11	4.10
6.	Plant & Equipments	430.31	59.13	-	-	-	489.44	-	-	-	23.31	259.71	229.73	229.73	193.91
7.	Furniture & Fixtures	110.48	2.57	0.40	-	-	112.65	0.40	-	-	6.48	72.57	40.08	40.08	43.99
8.	Motor Vehicles	1.01	-	-	-	-	1.01	-	-	-	0.03	0.80	0.21	0.21	0.24
9.	Office Equipments	28.46	2.71	-	-	-	31.17	-	-	-	3.07	19.89	11.28	11.28	11.64
10.	Computer Hardware	47.24	0.11	-	(30.76)	-	16.59	0.01	(2.65)	-	2.71	7.77	8.82	8.82	39.52
11.	Electrical Installation	588.63	181.34	-	17.53	-	787.50	(0.01)	1.66	-	54.71	325.40	462.10	462.10	319.61
12.	Misc. Articles including Library	6.22	-	-	-	-	6.22	-	-	-	-	5.94	0.28	0.28	0.28
	<b>TOTAL</b>	<b>5,987.19</b>	<b>1,706.79</b>	<b>0.40</b>	<b>36.17</b>	<b>1,535.91</b>	<b>6,193.84</b>	<b>0.41</b>	<b>27.06</b>	<b>193.47</b>	<b>248.24</b>	<b>1,999.35</b>	<b>4,194.49</b>	<b>4,069.26</b>	



## NOTE 3.4 - INFORMATION REGARDING GROSS BLOCK OF PROPERTY, PLANT AND EQUIPMENT (SOCIAL AMENITIES) AND ITS ACCUMULATED DEPRECIATION UNDER PREVIOUS GAAP IS AS FOLLOWS:]

(₹ in lakhs)

Sl. No.	Particulars	Gross Block as on 01.04.16	Accumulated amortisation as on 01.04.16	Net Carrying Amount as on 01.04.16 (Deemed Cost)	Ind AS adjustments as on 01.04.16	Opening Balance as on 01.04.16
1.	Land	1,380.37	-	1,380.37	-	1,380.37
2.	Building	2,710.66	898.25	1,812.41	(14.73)	1,797.68
3.	Road, Bridges & Culverts	318.12	165.91	152.21	-	152.21
4.	Water Supply and Sewerage	283.00	157.29	125.71	-	125.71
5.	Fences	82.20	78.10	4.10	-	4.10
6.	Plant & Equipments	423.60	236.33	187.27	6.64	193.91
7.	Furniture & Fixtures	110.48	66.49	43.99	-	43.99
8.	Motor Vehicles	1.01	0.77	0.24	-	0.24
9.	Office Equipments	28.46	16.82	11.64	-	11.64
10.	Computer Hardware	46.87	7.60	39.27	0.25	39.52
11.	Electrical Installation	586.30	269.00	317.30	2.31	319.61
12.	Misc. Articles including Library	6.22	5.94	0.28	-	0.28
	<b>TOTAL</b>	<b>5,977.29</b>	<b>1,902.50</b>	<b>4,074.79</b>	<b>(5.53)</b>	<b>4,069.26</b>

## NOTE 3.5 - PROPERTY, PLANT & EQUIPMENT, ETC.

### A) LAND

- (i) Under Section 7 of Public Sector Iron & Steel Companies (Restructuring) and Miscellaneous Provisions Act, 1978, land measuring 118.95 acres for residential colony acquired by the Government of India for the erstwhile Hindustan Steel Limited (HSL) was transferred in favour of MECON Limited by the Gazette Notification dated 30.4.1978. Deed of conveyance for land measuring 118.53 acres has been executed by the Government of Jharkhand in favour of MECON Limited on 1<sup>st</sup> August, 2016. Balance land measuring 0.42 acres has been released and handed over to Government of Jharkhand for road purpose. Out of the land measuring 118.53 acres executed in favour of MECON Limited, 21.06 acres have been allotted to Steel Authority of India Limited (SAIL), Research & Development Centre for Iron & Steel (RDCIS), Ranchi in 1980-81 for which transfer deed is still pending. The amount received/receivable for such transfer has been taken in the accounts.
- (ii) Under Section 7 of Public Sector Iron & Steel Companies (Restructuring) and Miscellaneous Provisions Act, 1978, land measuring 10.25 acres for the administrative building acquired by the Government of India for the erstwhile Hindustan Steel Limited (HSL) was transferred in favour of MECON Limited by the

Gazette Notification dated 30.4.1978. Deed of conveyance in this respect has not yet been executed by the Government of Jharkhand in favour of MECON Limited. Government of Jharkhand has been approached for deed of conveyance in favour of MECON Limited and the matter is in progress.

- (iii) Deed of conveyance has been executed in favour of MECON Limited by Government of Jharkhand on 1<sup>st</sup> August, 2016 for land measuring 103.33 acres for township at Ranchi acquired from Govt. of Bihar by the Company in 1978-79. Out of the land measuring 103.33 acres, transfer deed in favour of Steel Authority of India Limited (SAIL), Research & Development Centre for Iron & Steel (RDCIS), Ranchi for 7.43 acres of land and in favour of Steel Authority of India Limited (SAIL), Management Training Institute (MTI), Ranchi for 5.42 acres of land is pending. The amount received / receivable for such transfer has been taken in the accounts. Deed of conveyance has been executed in favour of MECON Limited by Government of Jharkhand on 1<sup>st</sup> August, 2016 for land measuring 1.50 acres of land for township at Ranchi which was acquired from Govt. of Bihar by the Company in 1983-84.
- (iv) Out of 223.36 acres of land in possession of the Company in township at Ranchi, 0.856 acres of land is under unauthorised occupation.

## B) BUILDINGS

- (i) Residential buildings at Rourkela, Gross block ₹5.12 lakhs (Previous year ₹5.12 lakhs) and at Durgapur, Gross block ₹8.62 lakhs (Previous year ₹8.62 lakhs) have been constructed on the land belonging to SAIL for which the depreciation is being charged at the rate applicable for Residential Building.
- (ii) Pending determination of the proportionate value of the land in respect of Buildings acquired at New Delhi, Gaziabad, Navi Mumbai, Bangalore (Austin Town & Rajiv Nagar) and Kolkata the cost of acquisition of flats has been considered as Building and depreciation thereon has been provided at the rate as applicable for Residential Building.
- C) Based on the concept of materiality, assets purchased during the year costing upto ₹1,000/- each are charged to revenue (Refer Note 2 Sl.No.2.1.4) and included in NOTE 37 - "OTHER EXPENSES". Assets purchased during the year costing above ₹1,000/- each and upto ₹5,000/- each are fully depreciated in the year of acquisition (Refer Note 2 Sl.No. 2.4.2) w.e.f. 1993-94.

## NOTE 4 - CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Particulars	Opening Balance as on 01.04.17	Additions/ Adjustments	Total	Capitalised/ Adjustments	Balance		
					As on 31.03.18	As on 31.03.17	As on 01.04.16
Installation of Energy Meter at Residential Township and Elevator / Modular Furniture / Biometric Attendance System at Head Office at Ranchi, Jharkhand.	65.51	122.28	187.79	175.57	12.22	65.51	316.80
<b>TOTAL</b>	<b>65.51</b>	<b>122.28</b>	<b>187.79</b>	<b>175.57</b>	<b>12.22</b>	<b>65.51</b>	<b>316.80</b>

- i). Installation of Elevator at Administrative Building, Ranchi has been capitalised and transferred under "Electrical Installations" in NOTE 3.1 - "PROPERTY, PLANT AND EQUIPMENTS (GENERAL)" ₹ 52.08 Lakhs.
- ii). Installation of Energy Meter at Residential Township, Ranchi has been capitalised and transferred under "Electrical Installations" in NOTE 3.3 - "PROPERTY, PLANT AND EQUIPMENTS (SOCIAL AMENITIES)" ₹ 123.49 Lakhs.

## NOTE 5.1 - OTHER INTANGIBLE ASSETS

AS ON 31<sup>ST</sup> MARCH, 2018

(₹ in lakhs)

Sl. No.	Particulars	COST				AMORTISATION				NET CARRYING AMOUNT			
		As on 01.04.17	Addition/ Adjustment	Sale/ Adjustment	Inter-Head Adjust-ment	As on 31.03.18	As on 01.04.17	On Sale/ Adjustment	Inter-Head Adjust-ment	During the period	Upto 31.03.18	As on 31.03.18	As on 31.03.17
1.	Computer Software (General)	1,369.17	76.60	-	-	1,445.77	1,123.97	-	-	107.54	1,231.51	214.26	245.20
2.	Computer Software (Social Amenities)	13.23	-	-	-	13.23	3.64	-	-	2.55	6.19	7.04	9.59
	<b>TOTAL</b>	<b>1,382.40</b>	<b>76.60</b>	<b>-</b>	<b>-</b>	<b>1,459.00</b>	<b>1,127.61</b>	<b>-</b>	<b>-</b>	<b>110.09</b>	<b>1,237.70</b>	<b>221.30</b>	<b>254.79</b>

AS ON 31<sup>ST</sup> MARCH, 2017

Sl. No.	Particulars	COST				AMORTISATION				NET CARRYING AMOUNT			
		As on 01.04.16	Addition/ Adjustment	Sale/ Adjustment	Inter-Head Adjust-ment	As on 31.03.17	As on 01.04.16	On Sale/ Adjustment	Inter-Head Adjust-ment	During the period	Upto 31.03.17	As on 31.03.17	As on 01.04.16
1.	Computer Software (General)	1,242.68	137.87	11.38	-	1,369.17	1,061.17	11.38	-	74.18	1,123.97	245.20	181.51
2.	Computer Software (Social Amenities)	-	-	-	13.23	13.23	-	-	0.99	2.65	3.64	9.59	-
	<b>TOTAL</b>	<b>1,242.68</b>	<b>137.87</b>	<b>11.38</b>	<b>13.23</b>	<b>1,382.40</b>	<b>1,061.17</b>	<b>11.38</b>	<b>0.99</b>	<b>76.83</b>	<b>1,127.61</b>	<b>254.79</b>	<b>181.51</b>

## NOTE 5.2 - INFORMATION REGARDING GROSS BLOCK OF INTANGIBLE ASSETS AND ACCUMULATED AMORTISATION UNDER PREVIOUS GAAP IS AS FOLLOWS:

Sl. No.	Particulars	Gross Block as on 01.04.16	Accumulated amortisation as on 01.04.16	Net Carrying Amount as on 01.04.16 (Deemed Cost)	Ind AS adjustments as on 01.04.16	Opening Balance as on 01.04.16
1.	Computer Software (General)	1,242.68	1,061.17	181.51	-	181.51
2.	Computer Software (Social Amenities)	-	-	-	-	-
	<b>TOTAL</b>	<b>1,242.68</b>	<b>1,061.17</b>	<b>181.51</b>	<b>-</b>	<b>181.51</b>

## NOTE 6 - INVESTMENTS (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a) Trade Investment - at Cost (Unquoted)</b>						
<b>i) Investment in Equity Instruments</b>						
<b>1) Joint Venture</b>						
5000 Equity Shares of Naira 10 each fully paid up being 50% of paid up share capital of M/s Metallurgical & Engineering Consultants (Nigeria) Limited, a Company set up in Nigeria jointly by this Company with two Nigerian Government Companies and Nigerian Citizens	7.60		7.60		7.60	
Less : Provision for impairment in the value of investment	7.60	-	7.60	-	7.60	-
<b>2) Others</b>						
50,00,000 Equity Shares of ₹10/- each fully paid up of "Neelachal Ispat Nigam Limited".	500.00		500.00		500.00	
Less : Provision for impairment in the value of investment	500.00	-	-	500.00	-	500.00
<b>(b) Other Investment - at Cost (Unquoted)</b>						
<b>Investment in Equity Instruments</b>						
<b>1) Others</b>						
106,383 Equity Shares of ₹10/- each fully paid-up of "Global Procurement Consultants Limited". (Out of the above, 6,383 Equity Shares of ₹10/- each fully paid-up acquired at a premium of ₹20/- per share subsequently.)		11.92		11.92		11.92
		11.92		511.92		511.92

a) Aggregate amount of Quoted Investments	NIL	NIL	NIL
b) Aggregate amount of Unquoted Investments	519.52	519.52	519.52
c) Aggregate provision for impairment of in the value of investment	507.60	7.60	7.60

## NOTE 7 - TRADE RECEIVABLES (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
a) Unsecured, considered good	11,972.81	9,960.54	7,266.71
b) Considered doubtful	4,348.29	4,118.04	4,167.03
	16,321.10	14,078.58	11,433.74
Less : Provision for Bad and Doubtful Trade Receivables / ECL	4,348.29	4,118.04	4,167.03
	11,972.81	9,960.54	7,266.71

## NOTE 8 - LOANS (NON-CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a)</b>	<b>Security Deposits</b>						
	(i) Government Authorities \$		<b>5.45</b>		5.44		5.50
	(ii) Others						
	Unsecured, considered good	201.42		316.79		188.39	
	Considered doubtful	186.33		113.24		92.65	
		387.75		430.03		281.04	
	Less : Provision for doubtful deposits	186.33	<b>201.42</b>	113.24	316.79	92.65	188.39
<b>(b)</b>	<b>Loans to Related Parties</b>		-		-		-
<b>(c)</b>	<b>Others</b>						
	(i) Advance to Employees \$		<b>6.97</b>		7.57		9.22
	(ii) Interest Receivable on Advance to Employees \$		<b>13.06</b>		14.50		18.30
	(iii) Claims Recoverable						
	Unsecured, considered good	5.41		3.01		0.10	
	Considered Doubtful	116.34		116.34		115.35	
		121.75		119.35		115.45	
	Less : Provision for Claims Recoverable	116.34	<b>5.41</b>	116.34	3.01	115.35	0.10
			<b>232.31</b>		<b>347.31</b>		<b>221.51</b>

\$ Unsecured, considered good

## NOTE 9 - OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a)</b>	<b>Bank Balances</b>		<b>7,300.00</b>		1.00		6,501.00
	Fixed deposits with more than 3 months maturity which are due for maturity beyond 12 months from balance sheet date						
	Bank Balances include amounts held as security deposit	-		1.00		1.00	
<b>(b)</b>	<b>Interest accrued but not due</b>		<b>5.92</b>		0.02		14.26
			<b>7,305.92</b>		<b>1.02</b>		<b>6,515.26</b>

## NOTE 10 - DEFERRED TAX ASSETS (NET)

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a)</b>	<b>Deferred Tax Assets</b>						
	(i) Provision for bad & doubtful debts, etc.	5,896.52		4,682.42		4,513.90	
	(ii) Others	1,127.49	<b>7,024.01</b>	1,183.46	5,865.88	970.50	5,484.40
<b>(b)</b>	<b>Deferred Tax Liability</b>						
	(i) Difference between book and tax depreciation	668.74		703.27		703.23	
	(ii) Provision for gratuity	(1,404.75)		(8.31)		72.11	
	(iii) Others	141.00	<b>(595.01)</b>	139.65	834.61	139.65	914.99
	<b>NET DEFERRED TAX ASSET / (LIABILITY) (a) - (b)</b>		<b>7,619.02</b>		<b>5,031.27</b>		<b>4,569.41</b>

## NOTE 11 - OTHER NON-CURRENT ASSETS

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
(a)	<b>Capital Advances</b>		-		-		347.33
(b)	<b>Advances other than Capital Advances</b>						
	(i) Security Deposits		-		-		-
	(ii) Advances to related parties		-		-		-
	(iii) Other Advances						
	- Advance to Suppliers and Sub-Contractors						
	Secured, considered good #	762.34		763.38		762.34	
	Unsecured, considered good	-		-		-	
	Considered Doubtful	361.73		361.73		361.73	
		1,124.07		1,125.11		1,124.07	
	Less : Provision for doubtful advance to Suppliers and Sub-Contractors	361.73	<b>762.34</b>	361.73	763.38	361.73	762.34
	- Advance to Others \$		<b>104.69</b>		105.60		106.72
	- Prepaid Expenses \$		<b>1.59</b>		0.34		0.63
	- Advances to Board of Trustees, MECON Employees Gratuity Fund \$		-		138.97		429.12
	- Payment against Sales Tax / VAT \$		<b>10.00</b>		10.00		10.00
(c)	<b>Others</b>						
	- Liquidated Damages Recovered by Clients						
	Unsecured, considered good	-		-		-	
	Considered Doubtful	253.96		249.67		166.64	
		253.96		249.67		166.64	
	Less : Provision for doubtful liquidated damages recovered	253.96	-	249.67	-	166.64	-
	- EMD, SD, PBG and Advance Amount in dispute						
	Unsecured, considered good	-		-		-	
	Considered Doubtful	4,612.06		700.76		700.76	
		4,612.06		700.76		700.76	
	Less : Provision for doubtful EMD, SD, PBG and Advance Amount in dispute	4,612.06	-	700.76	-	700.76	-
			<b>878.62</b>		<b>1,018.29</b>		<b>1,656.14</b>

\$ Unsecured, considered good

# Secured against bank guarantee / materials supplied / work done, as the case may be

## NOTE 12 - INVENTORIES

(₹ in lakhs)

Particulars		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
(a)	Stores and Spares	104.84	98.47	82.61
(b)	Printing and Stationery	27.41	34.82	39.98
(c)	Computer Consumables	16.22	19.92	14.30
Valued as per Accounting Policy (NOTE 2, Sl.No.6)				
		<b>148.47</b>	<b>153.21</b>	<b>136.89</b>

## NOTE 13 - TRADE RECEIVABLES (CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
a)	Unsecured, considered good	26,604.25	17,794.78	16,900.54
b)	Considered doubtful	561.28	400.29	422.69
		<b>27,165.53</b>	<b>18,195.07</b>	<b>17,323.23</b>
Less : Provision for Bad and Doubtful Trade Receivables / ECL		561.28	400.29	422.69
		<b>26,604.25</b>	<b>17,794.78</b>	<b>16,900.54</b>

## NOTE 14 - CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
i)	Cash at Bank (Current & Flexi Deposit A/cs)	2,882.19	216.21	127.69
ii)	Cheques & Drafts on hand	-	-	-
iii)	Cash & Stamps on hand	8.82	16.89	15.46
		<b>2,891.01</b>	<b>233.10</b>	<b>143.15</b>

## NOTE 15 - OTHER BANK BALANCES

(₹ in lakhs)

Particulars		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
(a)	Fixed Deposits with more than 3 months maturity which are due for maturity within 12 months from balance sheet date	47,351.00	54,810.00	53,800.56
(b)	Interest accrued but not due on Fixed Deposits	734.67	1,172.94	1,680.45
		<b>48,085.67</b>	<b>55,982.94</b>	<b>55,481.01</b>
➤ Other Bank Balances include amounts earmarked / available for specified purposes as under :				
	i) CSR and SD Expenditure	456.07	498.39	565.69
	ii) Research & Development Expenditure	135.46	135.46	135.46
	➤ Other Bank Balances include amounts held as margin money & security under lien against borrowings, etc.	12,051.00	7,250.00	7,300.00
	➤ Other Bank Balances include Deposits with more than 12 months maturity	-	6,500.00	10,750.00

## NOTE 16 - LOANS (CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a)</b>	<b>Security Deposits</b>						
	Deposit with Others						
	Unsecured, considered good	188.31		174.05		366.78	
	Considered Doubtful	0.84		0.84		0.84	
		189.15		174.89		367.62	
	Less : Provision for Doubtful Deposit with Others	0.84	<b>188.31</b>	0.84	174.05	0.84	366.78
<b>(b)</b>	<b>Loans to Related Parties</b>		-		-		-
<b>(c)</b>	<b>Others</b>						
	(i) Advance to Employees						
	Secured, considered good ##	0.02		0.02		0.02	
	Unsecured, considered good	315.07	<b>315.09</b>	234.04	234.06	359.58	359.60
	(ii) Interest Receivable on Advance to Employees ##		<b>1.07</b>		2.51		2.69
	(iii) Claims Recoverable						
	Unsecured, considered good	249.21		156.34		127.93	
	Considered Doubtful	20.61		20.61		20.61	
		269.82		176.95		148.54	
	Less : Provision for Claims Recoverable	20.61	<b>249.21</b>	20.61	156.34	20.61	127.93
			<b>753.68</b>		<b>566.96</b>		<b>857.00</b>

## Secured against buildings and vehicles

## NOTE 17 - OTHER FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

Particulars		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a)</b>	<b>Jobs-in-Progress for Consultancy Services</b>		707.90		629.50		788.74
	Valued as per Accounting Policy (NOTE 2, SI.No.9)						
	Less : Provision for Stagnant Jobs-in-Progress	13.71	<b>694.19</b>	13.71	615.79	47.47	741.27
<b>(b)</b>	<b>Other Receivables</b>		<b>642.07</b>		848.07		750.02
			<b>1,336.26</b>		<b>1,463.86</b>		<b>1,491.29</b>

The value of Jobs-in-Progress as on 31.03.2018 includes ₹195.54 lakhs (Previous Year ₹137.62 lakhs) for few non-moving jobs against which substantial payments have been received by the company. Therefore, no provision is made against value of such jobs. However, necessary provision is made against non-moving jobs where payment received is less than the value of Jobs-in-Progress as on 31.03.2018.



## NOTE 18 - CURRENT TAX ASSETS (NET)

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
Payment against Income Taxes (Net)	7,727.66	8,545.51	5,538.48
<b>CURRENT TAX ASSETS / (LIABILITIES)</b>	<b>7,727.66</b>	<b>8,545.51</b>	<b>5,538.48</b>

## NOTE 19 - OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>(a) Advances other than capital advances</b>			
(i) Security Deposits	-	-	-
(ii) Advances to related parties	-	-	-
(iii) Other Advances			
- Advances to Contractors \$	14.57	9.12	5.72
- Advance to Suppliers and Sub-Contractors			
Secured, considered good #	790.54	772.12	785.33
Unsecured, considered good	65.35	27.66	4.29
Considered Doubtful	0.06	0.06	-
	855.95	799.84	789.62
Less : Provision for doubtful advance to Suppliers and Sub-Contractors	0.06	0.06	-
	855.89	799.78	789.62
- Advance to Others & Canteen \$	161.27	18.80	26.99
- Prepaid Expenses \$	17.56	14.03	7.07
- Payment against Sales Tax / VAT (Net) \$	1,223.07	1,106.10	1,049.55
- VAT Credit Receivable (INPUT) \$	4.57	39.47	63.25
- OUTPUT VAT Receivable			
Unsecured, considered good	43.55	23.40	30.65
Considered Doubtful	19.96	19.96	19.96
	63.51	43.36	50.61
Less : Provision for Output VAT Receivable	19.96	19.96	19.96
	43.55	23.40	30.65

\$ Unsecured, considered good

# Secured against bank guarantee / materials supplied / work done, as the case may be

## NOTE 19 - OTHER CURRENT ASSETS (CONTD.)

(₹ in lakhs)

Particulars		AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
	- VAT / CST Receivable			
	Unsecured, considered good	9.47	93.72	92.27
	Considered Doubtful	421.13	400.94	371.87
		430.60	494.66	464.14
	Less : Provision for VAT Receivable	421.13	400.94	371.87
		<b>9.47</b>	93.72	92.27
	- Service Tax Receivable			
	Unsecured, considered good	1,094.54	2,869.89	2,546.83
	Considered Doubtful	912.29	602.22	536.05
		2,006.83	3,472.11	3,082.88
	Less : Provision for Service Tax Receivable	912.29	602.22	536.05
		<b>1,094.54</b>	2,869.89	2,546.83
	- GST Receivable			
	Unsecured, considered good	<b>4,208.81</b>	-	-
<b>(b)</b>	<b>Others</b>			
	- Liquidated Damages Recovered by Clients			
	Unsecured, considered good	-	-	-
	Considered Doubtful	121.00	121.00	121.00
		121.00	121.00	121.00
	Less : Provision for doubtful liquidated damages recovered	121.00	121.00	121.00
		-	-	-
		<b>7,633.30</b>	<b>4,974.31</b>	<b>4,611.95</b>

## NOTE 20 : EQUITY SHARE CAPITAL

(₹ in lakhs)

	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>AUTHORISED</b>			
<b>Equity Shares</b>			
4,10,00,000 (Previous year 4,10,00,000) Equity Shares of ₹ 10/- each	4,100.00	4,100.00	4,100.00
<b>Preference Shares</b>			
6,30,00,000 (Previous year 6,30,00,000) 5% Non Cumulative Redeemable Preference Shares of ₹ 10/- each	6,300.00	6,300.00	6,300.00
	10,400.00	10,400.00	10,400.00
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>			
<b>Equity Shares</b>			
4,01,38,360 ( Previous year 4,01,38,360) Equity Shares of ₹ 10/- each with voting rights.	4,013.84	4,013.84	4,013.84
a) 4,01,38,120 equity shares are held as fully paid-up by the President of India.			
b) 120 equity shares are held as fully paid-up by the Govt. Director of the company			
c) 120 equity shares are held as fully paid-up by the Chairman and Managing Director of the company.			
Out of the total shares,			
➤ 20,14,800 equity shares are allotted as fully paid-up for consideration other than cash, pursuant to the Government of India, Ministry of Steel & Mines letter No. 6(100)/78-SAIL(1) dated 15 <sup>th</sup> May, 1979 as consideration for net book value of immovable assets of M/s Hindustan Steel Limited at Ranchi transferred to the Company.			
➤ 4,03,060 equity shares are allotted as fully paid-up Bonus Shares during 1996-97			
➤ 77,20,000 equity shares are allotted as fully paid-up against conversion of Govt. of India Loan and Interest on Loan vide Government of India, Ministry of Steel Order No.4(46)/2004-HSM dated 30 <sup>th</sup> March,2007			
<b>TOTAL :</b>	<b>4,013.84</b>	<b>4,013.84</b>	<b>4,013.84</b>

## RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING

	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>Equity Shares</b>			
Number of Shares Outstanding at the beginning	40,138,360	40,138,360	40,138,360
Number of Shares Issued during the period	-	-	-
Number of Shares Bought Back during the period	-	-	-
Number of Shares Outstanding at the end	40,138,360	40,138,360	40,138,360

## NOTE 21 : OTHER EQUITY

(₹ in lakhs)

	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>A. RESERVES AND SURPLUS</b>			
<b>Capital Redemption Reserve</b>			
As per last Balance Sheet	6,300.00	6,300.00	6,300.00
<b>CSR Activity Reserve</b>			
As per last Balance Sheet	15.25	82.55	82.55
Add : Transferred from Surplus	-	-	-
Less : Transferred to Surplus	15.25	67.30	-
<b>General Reserve</b>			
As per last Balance Sheet	9,852.39	9,852.39	9,852.39
Add : Transferred from Surplus	-	-	-
<b>Retained Earnings</b>			
As per last Balance Sheet	(3,194.89)	4,043.14	19,514.30
Less : Adjustment of Prior Period Depreciation	-	-	20.25
Less : Adjustment of Expected Credit Loss - Trade Receivables	-	-	540.97
Add : Net Profit / (Loss) from Statement of Profit and Loss	5,800.07	(7,305.33)	(14,909.94)
Add : Transferred from CSR Activity Reserve	15.25	67.30	-
Amount available for appropriation	2,620.43	(3,194.89)	4,043.14
Less : Transferred to CSR Activity Reserve	-	-	-
Less : Dividend on Equity Shares	-	-	-
Less : Dividend Distribution Tax on Dividend on Equity Shares	-	-	-
Less : Transferred to General Reserve	-	(3,194.89)	-
<b>B. REVALUATION RESERVE \$</b>			
As per last Balance Sheet	-	2,218.26	2,218.26
Less : Amount adjusted / written back	-	2,218.26	-
<b>C. OTHER COMPREHENSIVE INCOME</b>			
As per last Balance Sheet	(2,376.74)	(1,339.43)	(1,339.43)
Add : Other Comprehensive Income from Statement of Profit and Loss	133.88	(1,037.31)	-
<b>TOTAL</b>	<b>16,529.96</b>	<b>10,596.01</b>	<b>21,156.91</b>

\$ A Revaluation Reserve of ₹3,879.23 lakhs was created as on 31.03.2000 due to revaluation of certain Land & Buildings owned by the company. It was adjusted to the extent of ₹1,660.97 lakhs upto 31<sup>st</sup> March, 2016 on account of disposal / depreciation of Revalued Assets.

Due to changes in accounting policy in line with Accounting Standard-10 as notified / amended by Ministry of Corporate Affairs on 30.03.2016, Revaluation Reserve of ₹2218.26 lakhs is adjusted / written back during the year 2016-17.

## NOTE 22 - TRADE PAYABLES (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>Trade Payables</b>						
i) Dues to Micro, Small & Medium Enterprises (MSME)	1,256.40		1,032.15		967.23	
ii) Others	6,249.79	<b>7,506.19</b>	6,202.25	7,234.40	4,105.96	5,073.19
<b>TOTAL</b>		<b>7,506.19</b>		<b>7,234.40</b>		<b>5,073.19</b>

## NOTE 23 - OTHER FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a) Other Payables</b>						
(i) Sundry Creditors	172.01		568.61		156.59	
(ii) Securities and Other Deposits	352.08		324.38		304.05	
(iii) Deposit under Employees Family Benefit Scheme	336.39		358.70		278.81	
(iv) Liability for Employees	22.85		3,713.23		3,079.93	
<b>TOTAL</b>		<b>883.33</b>		<b>4,964.92</b>		<b>3,819.38</b>

## NOTE 24 - PROVISIONS (NON-CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>(a) Provision for Employee Benefits</b>						
(i) Provision for Gratuity (Present Value of Defined Benefit Obligation as per actuarial valuation)	4,009.01		152.21		191.06	
(ii) Provision for Leave Encashment (Present Value of Defined Benefit Obligation as per actuarial valuation)	10,162.47		9,806.72		8,671.69	
(iii) Provision for Other Employee Defined Benefit Schemes (Present Value of Defined Benefit Obligation as per actuarial valuation)	6,234.93		5,802.91		4,846.85	
(iv) Provision for Employee Defined Contribution Schemes	14,422.25		14,216.78		12,639.64	
<b>(b) Other Provisions</b>						
(i) Provision for Miscellaneous Deduction by Clients	2,936.39		3,090.42		2,758.80	
(ii) Provision for Disputed Cases	285.12		285.12		285.12	
<b>TOTAL</b>		<b>38,050.17</b>		<b>33,354.16</b>		<b>29,393.16</b>

## NOTE 25 - OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
(i) Advances from Clients	3,779.09	3,919.97	3,457.17
(ii) Liquidated Damages Recovered from Parties	461.91	446.92	390.02
<b>TOTAL</b>	<b>4,241.00</b>	<b>4,366.89</b>	<b>3,847.19</b>

## NOTE 26 - TRADE PAYABLES (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>Trade Payables</b>			
(i) Dues to Micro, Small & Medium Enterprises (MSME)			
(a) – Principal Amount, remaining unpaid	2,762.35	1,479.42	1,438.03
– Interest due on Principal Amount, remaining unpaid	-	1,479.42	-
(b) Principal and Interest amount paid beyond appointed day during the year	-	-	-
(c) Interest due and payable for the delay in making payment which have been paid beyond appointed day but without adding the interest	-	-	-
(d) Amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(e) Amount of further interest remaining due and payable until such date when the interest dues above are actually paid	-	-	-
(ii) Others	9,761.56	11,298.34	11,052.83
<b>TOTAL</b>	<b>12,523.91</b>	<b>12,777.76</b>	<b>12,490.86</b>

## NOTE 27 - OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
(a) Current Maturity of Non-Current Borrowings	-	-	-
(b) Interest accrued but not due on borrowings	-	-	2.54
(c) Interest accrued and due on borrowings	-	-	-
(d) Other Payables			
(i) Sundry Creditors	3,361.22	2,002.88	2,411.91
(ii) Securities and other deposits	421.59	396.14	372.53
(iii) Deposit under Employees Family Benefit Scheme	71.65	44.85	70.74
(iv) Liability for Employees	3,754.52	3,368.98	3,642.47
(v) Invoice raised but not accrued (Net)	7,297.40	2,356.30	2,331.35
<b>TOTAL</b>	<b>14,906.38</b>	<b>8,169.15</b>	<b>8,831.54</b>

## NOTE 28 - OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
(i) Advances from Clients	8,287.98	9,922.80	9,580.88
(ii) Deposit from Clients (Deposit Works)	2,245.89	-	-
(iii) Liquidated Damages Recovered from Parties	80.23	79.17	115.30
(iv) VAT / Central Sales Tax Payable	116.44	187.32	76.11
(v) Service Tax Payable	1.11	48.34	45.57
(vi) GST Payable	2,071.89	-	-
(vii) Others (including CSR / SD / R&D Fund)	660.89	658.72	866.68
<b>TOTAL</b>	<b>13,464.43</b>	<b>10,896.35</b>	<b>10,684.54</b>

## NOTE 29 - PROVISIONS (CURRENT)

(₹ in lakhs)

Particulars	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>(a) Provision for Employee Benefits</b>			
(i) Provision for Gratuity (Present Value of Defined Benefit Obligation as per actuarial valuation)	10.98	10.75	29.68
(ii) Provision for Leave Encashment (Present Value of Defined Benefit Obligation as per actuarial valuation)	1,817.53	1,901.05	1,838.73
(iii) Provision for Other Employee Defined Benefit Schemes (Present Value of Defined Benefit Obligation as per actuarial valuation)	219.49	194.13	151.55
<b>(b) Other Provisions</b>			
(i) Provision for Bonus	10.69	10.57	11.74
(ii) Provision for Expenses & Contractual Obligations	16,580.66	16,296.50	13,662.68
(iii) Provision for Miscellaneous Deductions by Clients	51.97	35.29	289.89
<b>TOTAL</b>	<b>18,691.32</b>	<b>18,448.29</b>	<b>15,984.27</b>

## NOTE 30.1 - REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	2017-18	2016-17
<b>(a) Revenue from Consultancy Services</b>	<b>35,198.07</b>	26,176.23
<b>(b) Revenue from Construction Contracts</b>	<b>9,359.26</b>	8,116.68
<b>(c) Other Operating Revenue</b>		
(i) Provision no longer required written back (Direct)	2,878.04	605.71
(ii) Others	586.42	10.25
<b>TOTAL</b>	<b>48,021.79</b>	<b>34,908.87</b>

## NOTE 30.2 - GROSS INCOME DERIVED FROM SERVICES RENDERED

[Refer Note 30.1(a) and Note 30.1(b)]

(₹ in lakhs)

Particulars		2017-18	2016-17
(a)	Engineering, Technical Consultancy, Project Management Services, etc. – Domestic	35,184.37	26,089.94
(b)	Engineering, Technical Consultancy, Project Management Services, etc. – Foreign [Refer Note-40.17]	13.70	86.29
(c)	Execution of Construction Contracts/EPC Contracts including Supply of Equipment & Components, etc.	9,359.26	8,116.68
<b>TOTAL</b>		<b>44,557.33</b>	<b>34,292.91</b>

## NOTE 31 - OTHER INCOME

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>(a)</b>	<b>Interest Income</b>		
	(i) Interest from Bank (Tax deducted at Source ₹ 239.17 lakhs) (CPLY ₹ 428.01 lakhs)	3,563.38	4,419.22
	(ii) Interest on Advances to Employees for Conveyance and House Building	0.07	1.29
	(iii) Interest from Income Tax Department and Others	309.29	7.09
<b>(b)</b>	<b>Dividend Income from Non-Current Investment</b>	<b>1.60</b>	<b>1.06</b>
<b>(c)</b>	<b>Other Non-Operating Income</b>		
	(i) Profit on Sale / Disposal of Fixed Assets	0.69	2.20
	(ii) Income from Township	1,297.34	1,013.51
	(iii) Provision no longer required written back	5,511.99	208.87
	(iv) Miscellaneous Income	240.26	147.50
<b>TOTAL</b>		<b>10,924.62</b>	<b>5,800.74</b>

## NOTE 32 - PURCHASE OF EQUIPMENTS & DIRECT EXPENSES

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>(a)</b>	<b>Purchase of Equipments &amp; Components for execution of jobs</b>	<b>4,719.64</b>	5,393.75
<b>(b)</b>	<b>Expenses on Sub-Contractors &amp; Others for execution of jobs</b>	<b>4,035.37</b>	3,270.16
<b>(c)</b>	<b>Provision for Expenses &amp; Contractual Obligations for execution of jobs</b>	<b>4,215.46</b>	2,681.62
<b>TOTAL (a)+(b)+(c)</b>		<b>12,970.47</b>	<b>11,345.53</b>

## NOTE 33 - (ACCRETION) / DECRETION TO JOBS-IN-PROGRESS

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>(a)</b>	<b>Opening Jobs-in-Progress (Consultancy)</b>	<b>629.50</b>	788.74
<b>(b)</b>	<b>Closing Jobs-in-Progress (Consultancy)</b>	<b>707.90</b>	629.50
<b>(a)-(b)</b>		<b>(78.40)</b>	<b>159.24</b>



## NOTE 34 - EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>(a)</b>	<b>Salaries &amp; Wages</b>		
	– Salary and Allowances	17,704.58	17,383.55
	– Leave Encashment	1,575.14	1,492.34
	– Perks and Allowances	3,266.57	3,872.75
	– Bonus	7.85	7.59
	– Superannuation Benefits	1,774.46	2,389.93
	<b>Sub-Total</b>	<b>24,328.60</b>	<b>25,146.16</b>
<b>(b)</b>	<b>Company's Contribution to Provident and Other Fund</b>	<b>6,154.45</b>	<b>2,026.13</b>
<b>(c)</b>	<b>Staff Welfare Expenses</b>		
	– Education	4.77	3.67
	– Medical	547.87	620.67
	– Social & Cultural Activities	57.66	54.85
	– Rent (Residential)	1.53	–
	– Group Insurance Premium	16.70	34.71
	– Staff Welfare (Others)	252.33	255.53
	<b>Sub-Total</b>	<b>880.86</b>	<b>969.43</b>
	<b>TOTAL (a)+(b)+(c)</b>	<b>31,363.91</b>	<b>28,141.72</b>

## NOTE 35 - FINANCE COSTS

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>(a)</b>	<b>Interest</b>		
	Interest on Loan from Banks	32.00	90.99
	<b>Sub-Total (a)</b>	<b>32.00</b>	<b>90.99</b>
<b>(b)</b>	<b>Other Borrowing Costs</b>		
i)	Bank Charges	39.12	17.81
ii)	Bank Guarantee Commission	94.78	47.88
	<b>Sub-Total (b)</b>	<b>133.90</b>	<b>65.69</b>
	<b>TOTAL (a) + (b)</b>	<b>165.90</b>	<b>156.68</b>

## NOTE 36 - DEPRECIATION AND AMORTISATION EXPENSES

(₹ in lakhs)

Particulars		2017-18	2016-17
<b>a)</b>	<b>Depreciation</b>	<b>824.85</b>	<b>895.53</b>
<b>b)</b>	<b>Amortisation</b>	<b>110.09</b>	<b>76.83</b>
	<b>TOTAL (a) + (b)</b>	<b>934.94</b>	<b>972.36</b>

## NOTE 37 - OTHER EXPENSES

(₹ in lakhs)

Particulars		2017-18	2016-17
1.	Travelling Expenses	1,908.73	1,799.29
2.	Foreign Deputation	336.93	299.90
3.	Maintenance & Repairs to Buildings	1,450.32	1,200.57
4.	Repairs (Others)	64.66	96.88
5.	Stores & Spares consumed	163.76	102.15
6.	Printing & Stationery consumed	99.41	121.47
7.	Expenses on Computer Consumables	21.79	74.06
8.	Rent (Non-residential)	362.79	307.16
9.	Rates & Taxes	114.02	46.90
10.	Advertisement & Publicity	90.95	47.33
11.	Advertisement (Reimbursible)	617.27	355.45
12.	Payment to Auditors :		
	– As Statutory Auditor	3.00	3.00
	– For Tax Audit Matters	0.48	0.48
	– For Quarterly Audit	1.80	1.80
	– For reimbursement of expenses	2.60	2.81
		7.88	8.09
13.	Insurance	4.23	3.70
14.	Training Expenses :		
	– Inland	63.80	59.22
	– Foreign	-	-
		63.80	59.22
15.	Postage,Telephones & Telegraphs	133.26	149.30
16.	Computer Services	96.79	116.80
17.	Power and Fuel	535.09	515.24
18.	Legal & Professional Charges	93.31	34.27
19.	Assets Charged to Revenue	0.44	1.55
20.	Other Administrative and Misc. Expenses	924.23	957.07
21.	Fees Withdrawn	18.22	9.21
22.	Expenses on CSR and Sustainable Development	13.56	55.93
23.	Expenses on Research & Development	-	400.00
24.	Loss on Sale / Disposal of Fixed Assets	2.02	13.55
25.	Provisions		
	– Provision for Doubtful Trade Receivables / ECL	639.58	198.25
	– Provision for Impairment in the value of Investments	500.00	-
	– Provision for Claims Recoverable	-	1.00
	– Provision for Doubtful Deposit with Others	73.10	-
	– Provision for Earnest Money Deposit	-	20.59
	– Provision for Stagnant Jobs-in-Progress	-	3.65
	– Provision for Stagnant Jobs	430.39	188.20
	– Provision for LD Recovered by Clients	4.66	83.53
	– Provision for Doubtful Advances to Suppliers	-	0.06
	– Provision for Service Tax Receivable	285.51	113.39
	– Provision for VAT / Cess Receivable	54.70	47.35
	– Provision for Doubtful ITDS Credit	6.68	56.84
	– Provision for Doubtful STDS Credit	-	4.57
	– Provision for Misc. Deduction by Clients	71.94	176.80
	<b>TOTAL</b>	<b>9,190.02</b>	<b>7,669.32</b>

## NOTE 38: CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

(₹ in lakhs)

Particulars		31.03.2018	31.03.2017	01.04.2016
<b>38.1</b>	<b>Contingent Liabilities</b>			
i)	Claims against Company under liquidated damage clause by the Clients.	NIL	NIL	NIL
ii)	Income tax in dispute / under appeal	781.60	605.86	802.91
iii)	Sales tax demands pending appeals with Appellate Authorities.	2,166.68	1,913.77	1,287.26
iv)	Claims against Company by Contractors/Suppliers, etc. pending final decision.	7,590.64	8,720.19	4,870.16
v)	Claims against Company for electricity supply by Jharkhand Urja Vikas Nigam Limited (JUVNL) in dispute ₹2,486.07 lakhs. Out of this, ₹527.14 lakhs is paid / provided in accounts pending final decision during the FY 2015-16.	1,958.93	1,958.93	1,958.93
vi)	<p>The Regional Provident Fund Commissioner-II, Jharkhand, Ranchi ordered for payment of ₹385.27 lakhs by way of interest and penalty to the BOT, arising out of delayed remittances by the company to the BOT, MECON Employees PF Trust. The company disputed the same and filed an appeal with EPF, Appellate Tribunal, New Delhi after depositing ₹96.32 lakhs as interim adhoc advance.</p> <p>The Hon'ble High Court of Jharkhand, vide order dated 30<sup>th</sup> July, 2012 has directed Provident Fund Commissioner, Ranchi to decide the question of delay in payment and determine the quantum of damages with a view to re-assess the liability of the Company, setting aside all earlier orders.</p> <p>RPFC has worked out liability of ₹326.02 lakhs vide their letter dated 28.08.2013. Provision of ₹3.11 lakhs has been made during 2013-14 based on Company's calculation pending final decision. Out of the above, the Regional Provident Fund Commissioner-I, Jharkhand, Ranchi vide their letter dated 17.03.2015, demanded ₹116.86 lakhs towards interest and penalty, arising out of delayed remittances of PF and Pension amounts for the period from April, 1971 to February, 2001.</p> <p>Writ Petition has been filed before Hon'ble Jharkhand High Court against the order dated 14.02.2017 passed by EPF, Appellate Tribunal, New Delhi.</p>	322.91	322.91	322.91
vii)	Interest on arrear perks and allowances in respect of executive employees as determined upto 31.03.2018 following order no. O.A. 350/00191/2014 dated 15.02.2016 passed by the Central Administrative Tribunal, Calcutta Bench, pending final decision.	4,684.16	4,129.82	3,575.48

Particulars		31.03.2018	31.03.2017	01.04.2016
viii)	Arrears Perks and Allowances in respect of executive employees for the period 26.11.2008 to 20.10.2009 as estimated following the order no. O.A. 350/00191/2014 dated 15.02.2016 issued by the Central Administrative Tribunal, Calcutta Bench. The matter is in dispute and is pending before the Hon'ble Calcutta High Court as intimated by the Ministry of Steel.	3,079.66	NIL	NIL
<b>38.2</b>	<b>Commitments</b>			
	Estimated amount of contracts/orders remaining to be executed/supplied on capital account and not provided for	27.77	136.35	1,304.64

## NOTE 39: PROPOSED DIVIDEND

(₹ in lakhs)

Particulars	2017-18	2016-17
Proposed dividend on equity shares		
Total dividend (₹ in lakhs)	1,027.19	NIL
Dividend per share (₹)	2.56	NIL
Dividend distribution tax on Proposed dividend	211.14	NIL

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognized as liability (including dividend distribution tax)

## NOTE 40: ADDITIONAL INFORMATION AND OTHER DISCLOSURES

(₹ in lakhs)

	Particulars	2017-18		2016-17	
40.1	Letters of Credit opened with Bankers for purchase of equipment & components and technical services.	94.51		NIL	
40.2	Guarantees given by Banks for and on behalf of the Company to different clients etc.	16,811.08		17,239.63	
40.3	Earnings in Foreign Exchange Fees for services rendered.	13.70		86.29	
40.4	Expenditure in Foreign Currency				
	(i) Professional and Consultation Fees	212.32		104.67	
	(ii) Other matters	197.79	410.11	136.37	241.04
40.5	Value of Imports (Calculated on CIF basis)				
	(i) Equipment, components & spares parts used in construction contract	251.56		139.92	
	(ii) Capital goods	NIL	251.56	11.52	151.44
40.6	(i) Expenses on Advertisement & Publicity				
	(a) Advertisement	52.80		13.10	
	(b) Publicity	38.15	90.95	34.23	47.33
	(ii) Expenses on Public Relation Establishment		37.02		47.79

Particulars		2017-18		2016-17	
40.7	Expenses on Engineering, Research & Development Wing / establishment, including capital assets				
	(a) Salary & Wages, etc.	<b>71.32</b>		76.57	
	(b) Expenses out of R&D Fund	<b><u>NIL</u></b>	<b>71.32</b>	<b><u>NIL</u></b>	76.57

#### 40.8 PARTICULARS OF PROVISIONS

(₹ in lakhs)

PARTICULARS	Provi- sion for Bonus	Provision for Bad & Doubtful Debts	Provision for Liq- uidated Damages recovered by Clients	Provi- sion for Claims Recover- able	Provi- sion for Doubtful Earnest Money Deposit	Provi- sion for Doubtful Deposit with Others	Provision for doubt- ful ad- vances to suppliers/ sub-con- tractors	Provision for Miscel- laneous Deduct- ions by Clients	Provision for Disputed Cas- es, Stagnant jobs, EMD, SD, etc
Opening Balance as on 01.04.2017	<b>10.57</b> (11.73)	<b>3,988.60</b> (4,048.75)	<b>370.67</b> (287.63)	<b>136.95</b> (135.95)	<b>27.44</b> (6.85)	<b>86.64</b> (86.64)	<b>361.79</b> (361.73)	<b>3,125.71</b> (3,048.68)	<b>8,509.20</b> (8,214.22)
Add: Provision made during the year	<b>3.51</b> (7.01)	<b>468.66</b> (198.25)	<b>4.66</b> (83.53)	<b>NIL</b> (1.00)	<b>NIL</b> (20.59)	<b>73.09</b> (NIL)	<b>NIL</b> (0.06)	<b>71.94</b> (176.80)	<b>4,688.57</b> (414.00)
Less: Provision utilised during the year	<b>3.39</b> (3.33)	<b>NIL</b> (1.90)	<b>NIL</b> (0.49)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>0.59</b> (2.12)
Less: Unused provision reversed during the year	<b>NIL</b> (4.84)	<b>248.34</b> (256.50)	<b>0.37</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>NIL</b> (NIL)	<b>209.29</b> (99.77)	<b>2,491.13</b> (116.90)
Closing Balance as on 31.03.2018	<b>10.69</b> (10.57)	<b>4,208.92</b> (3,988.60)	<b>374.96</b> (370.67)	<b>136.95</b> (136.95)	<b>27.44</b> (27.44)	<b>159.73</b> (86.64)	<b>361.79</b> (361.79)	<b>2,988.36</b> (3,125.71)	<b>10,706.05</b> (8,509.20)

Figures in bracket relates to previous year

#### 40.9 DISCLOSURE UNDER IND AS-11 ON "CONSTRUCTION CONTRACTS"

(₹ in lakhs)

Particulars	2017-18	2016-17
i) Contract Revenue recognized as revenue for the period [Refer Note 30.2]	<b>44,557.33</b>	34,292.91
ii) Contract costs incurred and recognized profits (Less recognized losses) upto the reporting date	<b>454,378.85</b>	413,934.20
iii) Advances received	<b>8,337.70</b>	9,289.70
iv) Gross amount due from customers for contract work	<b>8,272.21</b>	11,295.60
v) Gross amount due to customers for contract work	<b>19,495.79</b>	16,394.49

#### 40.10 DISCLOSURE UNDER IND AS-17 ON “LEASES”

The Company has taken certain offices, residential premises, etc on operating lease which are cancellable by giving appropriate notices as per respective agreements. During the FY 2017-18 an amount of ₹362.79 lakhs (PY ₹318.59 lakhs) has been accounted for as rental charges in respect of these cancellable leases.

The Company has given certain office, residential premises, etc on operating lease which are cancellable by giving appropriate notices as per respective agreements. During the FY 2017-18 an amount of ₹ 201.49 lakhs (PY ₹103.33 lakhs) has been accounted for as rental income in respect of these cancellable leases.

#### 40.11 DISCLOSURE UNDER IND AS -19 ON “EMPLOYEE BENEFITS”

##### A Defined Benefit Scheme

##### A.1 General Description of Defined Benefit Schemes:

- Gratuity** : Payable on separation @ 15 days salary for each completed year of service or part thereof in excess of six months to eligible employees who render continuous service of 5 years or more. Beyond 30 years of service, gratuity is payable at the rate of one month's/30 days salary for each completed year of service in excess of 30 years. The maximum limit of gratuity is ₹10.00 lakhs. The maximum limit of gratuity is enhanced from ₹ 10.00 lakhs to ₹ 20.00 lakhs w.e.f. 29.03.2018.
- Leave Encashment** : Payable on separation to eligible employees who have accumulated earned leave and half pay leave. Maximum limit of accumulation is 300 days (both earned leave and half pay leave taken together). However, no commutation of HPL would be permissible for the purpose of encashment of 300 days leave as above. Encashment of accumulated earned leave is also allowed upto 30 days once in a calendar year.
- Provident Fund** : 12% of Basic Pay & Dearness Allowance contributed to the Provident Fund Trust by the Company.
- Post Retirement Medical Benefits** : Available to the employees and his spouse after separation (Superannuation/death) at company's hospitals / under Health Insurance scheme / a fixed amount of ₹2,400/- p.a. under Outdoor Medical Treatment (ODMT) scheme, as applicable.
- Post Retirement Settlement Benefits** : Payable to employees/spouse on separation (Superannuation, Voluntary Retirement, Death, Discharge on medical ground and resignation after the age of 57 years) for settlement upto their home town.
- Employees' Family Benefit Scheme** : Monthly payments to disabled separated employees/legal heirs of deceased employees in lieu of prescribed deposit till the notional date of superannuation.
- Long Service Award** : Payable in kind on rendering 15 years of service and also on rendering 30 years of service.
- Retirement Gift** : Payable in kind on retirement.
- LTC/LTA** : Non-executive regular employees are entitled to one LTC and one LTA according to rates in the eligible grade, in a block of four years.

## A.2 Reconciliation of Present Value of Defined Benefit Obligation (DBO)

		(₹ in lakhs)							
Sl.	Particulars	1	2	3	4	5	6	7	8
		Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	EFBS	Retirement Gift	Long Service Award	LTC/LTA
1	P.V. of DBO (Opening)	5,298.87	11,707.77	1,483.64	188.30	246.33	25.21	20.30	80.52
	P.V. of DBO (Opening)(Previous Year)	5,267.13	10,510.42	577.41	174.79	172.76	24.58	18.12	78.00
2	Current Service Cost	154.40	789.87	-	10.79	-	1.45	2.11	-
	Current Service Cost (Previous Year)	141.72	725.06	-	9.80	-	1.38	2.05	-
3	Interest Cost	365.69	785.27	104.90	13.08	16.67	1.75	1.44	6.81
	Interest Cost (Previous Year)	394.28	767.28	43.98	13.18	11.69	1.85	1.41	5.48
4	Actuarial Loss/ (Gain)	(165.95)	(387.70)	410.71	(20.92)	21.63	(3.82)	1.98	10.20
	Actuarial Loss/ (Gain) (Previous Year)	150.22	591.88	171.56	0.70	122.27	(2.43)	(1.28)	2.71
5	Premium Paid	(7.84)	-	-	-	-	-	-	-
	Premium Paid (Previous Year)	(9.97)	-	-	-	-	-	-	-
6	Past Service Cost	4,053.85	-	70.21	-	-	-	-	-
	Past Service Cost (Previous Year)	-	-	768.81	-	-	-	-	-
7	Benefit Paid	(571.18)	(915.21)	(92.93)	(9.91)	(62.57)	(0.55)	(0.05)	(25.60)
	Benefit Paid (Previous Year)	(644.51)	(886.87)	(78.12)	(10.17)	(60.39)	(0.17)	-	(5.67)
8	P.V. of DBO (Closing)	9,127.84	11,980.00	1,976.53	181.34	222.06	24.04	25.78	71.93
	P.V. of DBO (Closing) (Previous Year)	5,298.87	11,707.77	1,483.64	188.30	246.33	25.21	20.30	80.52

### A.3 Reconciliation of Fair Value of Plan Assets and Obligations.

The company has wholly/partly funded the gratuity liability through a separate Gratuity Fund. The fair value of the plan assets is mainly based on the information given by LIC through whom the investments have been made by the Fund. Investments of the fund is also made in flexi deposit account with Banks. The reconciliation of fair value of plan assets of the Gratuity Fund and defined benefit Gratuity obligations are as under:

Sl.	Particulars	As on 31.03.2018	As on 31.03.2017
1	<b>F.V of Plan Assets (Opening)</b>	<b>5,274.88</b>	5,475.50
2	Interest Income	376.73	425.89
3	Benefit Payment	(552.21)	(624.83)
4	Contributions made	8.45	-
5	Actuarial (Loss)/ Gain	-	(1.68)
6	<b>F.V. of Plan Assets (Closing)</b>	<b>5,107.85</b>	5,274.88
7	P.V. of D.B.O. (Closing)	9,127.84	5,298.87
	<b>Net liability / (assets) recognised in the Balance Sheet</b>	<b>4,019.99</b>	<b>23.99</b>

The Company expects to contribute the amount to the Gratuity Fund during the Year 2018-19 after considering liability and fund position.

### A.4 Provident Fund

Company's contribution paid/payable during the year to the Provident Fund Trust are recognised in the Statement of Profit & Loss. The Company's Provident Fund Trust is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-a-vis statutory rate. The Company has already made adequate provisions in the accounts based on actuarial valuation of Provident Fund.

The defined benefit obligations , other than Gratuity and Provident fund, are unfunded.



## A.5 Expenses recognised in Statement of Profit &amp; Loss

		(₹ in lakhs)							
Sl.	Particulars	1	2	3	4	5	6	7	8
		Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	EFBS	Retirement Gift	Long Service Award	LTC/LTA
1	<b>Current Service Cost</b>	154.40	789.87	-	10.79	-	1.45	2.11	-
	Current Service Cost (Previous Year)	141.72	725.06	-	9.80	-	1.38	2.05	-
2	<b>Past Service Cost</b>	4,053.85	-	70.21	-	-	-	-	-
	Past Service Cost (Previous Year)	-	-	768.81	-	-	-	-	-
3	<b>Interest Cost</b>	365.69	785.27	104.90	13.08	16.67	1.75	1.44	6.81
	Interest Cost (Previous Year)	394.28	767.28	43.98	13.18	11.69	1.85	1.41	5.48
4	<b>Interest Income on Plan Assets</b>	(384.57)	-	-	-	-	-	-	-
	Interest Income on Plan Assets (Previous Year)	(435.86)	-	-	-	-	-	-	-
	<b>Expenses Recognised in statement of Profit and Loss</b>	4,189.37	1,575.14	175.11	23.87	16.67	3.20	3.55	6.81
	Expenses Recognised in statement of Profit and Loss (Previous Year)	100.14	1,492.34	812.79	22.98	11.69	3.23	3.46	5.48

## A.6 Expenses recognised in Other Comprehensive Income

		(₹ in lakhs)							
Sl.	Particulars	1	2	3	4	5	6	7	8
		Gratuity	Leave Encashment	Post Retirement Medical Benefits	Post Retirement Settlement Benefits	EFBS	Retirement Gift	Long Service Award	LTC/LTA
1	<b>Re-remeasurements due to changes in financial assumptions</b>	(124.55)	(303.07)	-	(3.00)	-	(0.64)	4.29	-
	Re-remeasurements due to changes in financial assumptions (Previous Year)	253.86	597.87	-	18.36	-	1.32	0.90	-
2	<b>Re-remeasurements due to changes in experience adjustments</b>	(41.40)	(84.63)	410.71	(17.92)	21.63	(3.18)	(2.32)	10.20
	Re-remeasurements due to changes in experience adjustments (Previous Year)	(103.64)	(5.99)	171.56	(17.66)	122.27	(3.75)	(2.18)	2.71
3	<b>Return on Plan Assets (excluding Interest Income)</b>	-	-	-	-	-	-	-	-
	Return on Plan Assets (excluding Interest Income) (Previous Year)	1.68	-	-	-	-	-	-	-
	<b>Expenses recognised in Other Comprehensive Income</b>	(165.95)	(387.70)	410.71	(20.92)	21.63	(3.82)	1.97	10.20
	Expenses recognised in Other Comprehensive Income (Previous Year)	151.90	591.88	171.56	0.70	122.27	(2.43)	(1.28)	2.71

## A.7 Actuarial Assumptions

		2017-18	2016-17
1	Discount Rate (per annum) -	7.60%	7.30%
2	Mortality Rate -	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
3	Withdrawal Rate (per annum) -	0.10% to 0.50% depending on age group. 10% flat at all age groups for Contract Employees	0.10% to 0.50% depending on age group. 10% flat at all age groups for Contract Employees
4	Medical Inflation Rate (per annum) -	12% for first 5 years and thereafter 8%	12% for first 5 years and thereafter 8%
5	Rate of return on Plan Assets (per annum) -	7.4% - 7.65%	8.35% - 9.5%
6	Salary Escalation (per annum) -	16% on Basic Pay	16% on Basic Pay
		The estimate of future salary increase considered in actuarial valuation, takes into account inflation rate, seniority, promotion and other relevant factors.	

## A.8 Financial Assumptions Sensitivity Analysis

(₹ in lakhs)

Sl. No.	Particulars	0.5 %age decrease in Discount Rate	0.5 %age increase in Discount Rate	0.5 %age decrease in Salary Rate	0.5 %age increase in Salary Rate
1	Gratuity	9,448.78	8,835.84	9,110.67	9,158.11
2	Leave Encashment	12,432.46	11,567.15	11,670.90	12,319.69
3	Post Retirement Settlement Benefits	188.57	174.64	174.86	188.28
4	EFBS	225.10	219.09	-	-
5	Retirement Gift	25.00	23.15	23.18	24.96
6	Long Service Award	26.54	25.05	25.09	26.50
7	LTC/LTA	73.31	70.60	-	-

## A.9 Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under post-retirement medical benefits scheme:

(₹ in lakhs)

Sl. No.	Particulars	One percentage point increase in medical inflation rate	One percentage point decrease in medical inflation rate
1	Increase/(decrease) on aggregate service cost and interest cost of post retirement medical benefits	14.17	(12.27)
2	Increase/(decrease) on present value of post retirement benefit obligations as at 31 <sup>st</sup> , March, 2018	188.88	(165.48)

**A.10 Expected Cash Flows for the following years**

(₹ in lakhs)

Period	Gratuity	Leave Encashment
Year 1	888.66	1,817.53
Year 2	1,117.26	1,921.10
Year 3	1,345.23	1,970.05
Year 4	1,201.51	1,574.90
Year 5	1,191.41	1,412.43
Next 5 years	4,627.58	3,269.79

**B Defined Contribution Scheme****B.1 Post Retirement Pension Benefits**

- i) 10% of Basic Pay & Dearness Allowance for executives to be contributed by the Company w.e.f. 01.01.2007.
- ii) 6% of Basic Pay & Dearness Allowance for non-executives to be contributed by the Company w.e.f. 01.01.2012.

**B.2 Expenses recognised in Statement of Profit & Loss for the year**

(₹ in lakhs)

Particulars	Post Retirement Pension Benefits	
	2017-18	2016-17
Expenses charged to Statement of Profit and Loss	1,599.35	1,577.14

**40.12 DISCLOSURE UNDER IND AS-24 ON “RELATED PARTY DISCLOSURES”****i) Related Parties and their relationships:**

Name of the Related Party	Nature of Relationship
M/s.Metallurgical & Engineering Consultants (Nigeria) Limited	Joint Venture Company
Board of Trustees, MECON Employees’ Provident Fund and Gratuity Fund	Post Employment Benefit Plans
<b>Key Management Personnel</b>	
Shri Atul Bhatt	Chairman and Managing Director
Shri S. Chattopadhyay (upto 31.08.2017)	Director (Project)
Shri P. K. Sarangi	Director (Technical)
Shri Goutam Chatterjee	Director (Commercial)
Shri Salil Kumar (w.e.f. 25.01.2018)	Director (Projects)
Shri Saraswati Prasad, IAS	Government Director
Shri Syedain Abbasi, IAS (upto 11.10.2017)	Government Director
Shri Sunil Barthwal, IAS (w.e.f. 11.10.2017)	Government Director
Shri Sisir Kumar Appikatla	Independent Director

ii) **The details of transactions between the Company and the Related Parties other than Key Managerial Personnel:**

(₹ in lakhs)

Sl. No.	Name of the related party	M/s. Metallurgical & Engineering Consultants (Nigeria) Limited	
		2017-18	2016-17
1.	Transaction during the year	NIL	NIL
2.	Outstanding Balances as at the end of the year	NIL	NIL

iii) **The details of transactions and balances pertaining to Key Managerial Personnel:**

(₹ in lakhs)

Sl. No.	Name of the related party	2017-18	2016-17
1.	Salary and wages	114.18	117.01
2.	Post Employment Benefit	87.14	93.30
3.	Sitting fees	1.00	1.10

Remuneration excludes medical facilities provided at Company's hospital, monetary value of which is not ascertainable.

iv) **Transaction with Government and Government Related Entities:**

As MECON is a government entity under the control of Ministry of Steel, the company has availed exemption from detailed disclosures required under Ind AS -24 with respect to related party transaction with government and government related entities.

As required under Ind AS 24, the collective significant transactions with respect to government and government related entities are that around 42% of the company's Turnover, around 53% of Trade Receivables are with respect to government and government related entities.

**40.13 DISCLOSURE UNDER IND AS-28 ON "INVESTMENTS IN ASSOCIATES AND JOINT VENTURES"**

As per Ind AS-28 "Investments in Associates and Joint Ventures", the Company's share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture company, incorporated in Nigeria, are given below:

(₹ in lakhs)

Name of the Joint Venture Company	% of Company's Ownership Interest	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
Metallurgical & Engineering Consultants (Nigeria) Limited	50 (50)	3.41 (27.60)	313.36 (335.47)	11.76 (15.15)	46.14 (55.48)	NIL (NIL)	NIL (NIL)

Figures in bracket relates to previous year

The above figures are based on the audited accounts of Metallurgical & Engineering Consultants (Nigeria) Ltd. for the year ending 31.12.2014. Reporting currency of Metallurgical & Engineering Consultants (Nigeria) Ltd. is Naira.

Assets and Liabilities are reported using the closing rate of exchange as on 31.12.2014 whereas Income and Expenditure are reported using the average exchange rate in force during the year 2014 as available.

**40.14 DISCLOSURE UNDER IND AS-33 ON “EARNINGS PER SHARE”****Calculation of Earnings Per Share:**

Sl. No.	Particulars	2017-18	2016-17
a)	Net Profit / (Loss) for the year attributable to Equity Shareholders (₹ in lakhs)	5,800.07	(-) 7,305.33
b)	Weighted average number of Equity Shares (Refer Note 20)	4,01,38,360	4,01,38,360
c)	Earnings Per Share (Basic and Diluted) (b) / (c) (in ₹)	14.45	(-) 18.20
d)	Face Value per share (in ₹)	10.00	10.00

40.15 Considering the nature of company's business and the type of assets held by the company, there is no indication of loss due to impairment of assets as at 31.03.2018 as per Ind AS- 36.

40.16 In case of foreclosure of jobs, the fee settled by the client is considered as 100% value of work done and income is accounted for accordingly. In case the settled fee is less than the income already booked, such excess income is charged to revenue under the head “Fees Withdrawn” (Refer Note 37).

40.17 Owing to uncertainty, income from foreign consultancy jobs for the clients against contracts or letters of intent or work orders or exchange of letters, which stipulate fixed price, is recognized on the basis of amount received from the clients against work done. In such cases, the percentage progress method and threshold criteria are not applied.

40.18 Payments against Supplies & Services from SSI Units are generally made in accordance with agreed credit terms and there is no overdue amount.

**40.19 Disclosure on R&D:**

(₹ in lakhs)

Particulars	2017-18	2016-17
Opening Balance of Fund	135.46	135.46
Add : Allocation / Provision made during the year	NIL	NIL
Less : Adjustment / Utilization made during the year	NIL	NIL
Closing Balance of Fund (Refer Note 15)	135.46	135.46

Necessary R&D Fund have been created debiting P/L account and R&D expenses have been debited to R&D Fund in line with DPE guidelines issued from time to time as applicable.

**40.20 Disclosure on CSR:**

(₹ in lakhs)

Particulars	2017-18	2016-17
CSR Projects /Programmes, etc.	40.63	55.93
Others	1.69	11.37
Total Amount Spent	42.32	67.30
Amount unspent out of prescribed allocated sum during the year	NIL	NIL

Necessary CSR & SD Fund have been created debiting P/L account upto the financial year 2013-14 and CSR & SD expenses have been debited to CSR & SD Fund in line with DPE guidelines issued from time to time as applicable. Unspent amount carried forward in CSR & SD Fund is ₹456.07 lakhs as on 31.03.2018 (₹483.14 lakhs as on 31.03.2017 and as on 01.04.2016).

From 2014-15 onwards necessary CSR amount is appropriated / transferred to CSR Activity Reserve and CSR amount spent is adjusted / transferred from CSR Activity Reserve. During the year no amount (Previous Year ₹ NIL) is transferred from Surplus to CSR Activity Reserve. Unspent CSR amount carried forward under the head CSR Activity Reserve is ₹ NIL as on 31.03.2018 (₹15.25 lakhs as on 31.03.2017 and ₹82.55 lakhs as on 01.04.2016).

- 40.21 Considering the principle of prudence and conservatism, Deferred Tax Asset is not recognized for taxable loss incurred / carried forward due to uncertainty in sufficient future taxable income.
- 40.22 Wage revision is due for non-executive employees w.e.f. 01.01.2017. During the FY 2017-18, provision has been made for ₹17.69 lakhs (Previous Year ₹4.52 lakhs) towards wage revision in respect of non-executive employees, based on estimate and information as available, etc.
- 40.23 Wage revision is due for executive employees w.e.f. 01.01.2017. However, considering the DPE OM dated 03.08.2017 and the financial status of the company, provision for wage revision in respect of executive employees is not made during the year. Further, provision made towards wage revision in respect of executive employees based on estimate and information as available, etc during the FY 2016-17 of ₹628.79 lakhs is written back during the FY 2017-18. However, the matter will be reviewed in 2018-19 based on company's performance etc.
- 40.24 Provision was made during the FY 2015-16 towards arrears Perks and Allowances in respect of executive employees for ₹ 3,079.66 lakhs for the period 26.11.2008 to 20.10.2009 following order no. O.A. 350/00191/2014 dated 15.02.2016 issued by the Central Administrative Tribunal, Calcutta Bench. The matter is in dispute and is pending before the Hon'ble Calcutta High Court as intimated by the Ministry of Steel. Accordingly, provision of ₹ 3,079.66 lakhs is written back during the FY 2017-18.
- 40.25 Provision was made towards "Post Superannuation Medical Benefit Scheme" w.e.f. 01.01.2007 as per DPE OM dated 26.11.2008 and 02.04.2009 under Superannuation Benefits as applicable. The unutilized provision of ₹ 1,393.88 lakhs is written back during the FY 2017-18 after implementation of the above scheme.
- 40.26 Payment of Gratuity Act, 1972 has been amended vide the Payment of Gratuity (Amendment) Act, 2018 enhancing the ceiling of gratuity amount from ₹ 10.00 lakhs to ₹ 20.00 lakhs w.e.f. 29.03.2018 as per DPE OM dated 11.04.2018. The Board of Directors has approved necessary amendment in MECON Gratuity Fund Rules on 09.05.2018. Accordingly, the company has made provision of ₹ 4,189.37 lakhs during the FY 2017-18 towards gratuity based on actuarial valuation.
- 40.27 Advance of ₹ 756.86 lakhs was given to M/s Mysore Construction Company (W.O. No. 11.51/Q6AA/Civil/7720 dated 05.12.2005) against valid Bank Guarantee. The Company lodged claims within due date against Bank Guarantee and the matter is in process in the Hon'ble Principal District Court at Cuddalore.

#### **40.28 First time adoption of Ind AS:**

##### **(a) Transition to Ind AS:**

These financial statements of the Company are the first Ind AS compliant financial statements. For periods upto and including the year ended as on 31<sup>st</sup> March, 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013.

For the purpose of transition to Ind AS, the Company has followed the provisions prescribed in Ind AS 101, First -Time Adoption of Indian Accounting Standards, with April 1, 2016 as the date of transition. The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles.

##### **(b) Ind AS optional exemptions:**

**Deemed cost for property, plant and equipment, investment property and intangible assets:** Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment property covered by Ind AS 40 Investment Properties. Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value as deemed cost.

**(c) Ind AS mandatory exemptions:****i) Estimated**

An entity's estimates in accordance with Ind ASs at the date transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustment to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

**ii) Classification and measurement of financial assets and liabilities**

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

**(d) Reconciliations:**

The following reconciliations provide the effect of transition to Ind AS from GAAP in accordance with Ind AS-101:

**i) Reconciliation of Total Equity as at 01<sup>st</sup> April, 2016 and 31<sup>st</sup> March, 2017**

(₹ in lakhs)

Particulars	31 <sup>st</sup> March, 2017	01 <sup>st</sup> April, 2016
<b>Total Equity (Shareholders' Funds) as per previous GAAP</b>	<b>15,137.35</b>	<b>25,739.96</b>
Brought forward adjustment from previous year	(569.21)	-
Adjustments due to earlier year Depreciation	28.24	(28.24)
Restatement of Expected Credit Loss – Trade Receivables	11.24	(540.97)
Re-computation of Jobs-in-Progress	2.23	-
<b>Total Equity as per Ind AS</b>	<b>14,609.85</b>	<b>25,170.75</b>

**ii) Reconciliation of Total Comprehensive Income for the year ended 31<sup>st</sup> March, 2017**

(₹ in lakhs)

Particulars	31 <sup>st</sup> March, 2017
<b>Profit / (Loss) after tax as per previous GAAP</b>	<b>(8,384.35)</b>
Adjustments due to earlier year Depreciation	28.24
Restatement of Expected Credit Loss – Trade Receivables	11.24
Re-computation of Jobs-in-Progress	2.23
<b>Total comprehensive income for the year ended 31<sup>st</sup> March, 2017</b>	<b>(8,342.64)</b>

**40.29 Financial Instruments:**

Financial assets / liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted. Subsequent to initial recognition, all financial assets are measured either at amortised cost or at fair value. Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Valuation process and technique used to determine fair value:

- 1) The carrying amount of financial assets and liabilities with less than 12 months are considered to be representative of their fair value.
- 2) Investments in associate and joint venture are measured at cost.

## Risk Management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The company does not actively engage in the trading of financial assets. The most significant financial risk to which the Company is exposed is credit risk.

### Credit Risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of following types financial assets.

- ◆ Cash and cash equivalents
- ◆ Trade Receivables
- ◆ Other financial assets

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporated this information into its credit risk controls.

#### a) Credit risk management

##### Cash and cash equivalents

Credit risk related to cash and cash equivalents is managed by only accepting highly rated bank deposits and accounts in different banks across the country.

##### Trade Receivables

The Company closely monitors the credit-worthiness on the Trade Receivables and only provide service to credit worthy parties.

##### Other financial assets

Other financial assets for example loans and advances to employees and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amount continuously.

#### b) Expected credit losses

Company provides expected credit losses based on the following:

##### Trade Receivables

The Company recognizes lifetime expected credit losses on Trade Receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables:

(₹ in lakhs)

Ageing (As at 31 <sup>st</sup> March, 2018)	0-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount	27,165.53	3,458.89	3,306.51	9,555.70	43,486.63
Expected credit loss provision	561.28	71.25	68.11	4,208.93	4,909.57
Carrying amount of trade receivables (Net of impairment)	26,604.25	3,387.64	3,238.40	5,346.77	38,577.06



Ageing (As at 31 <sup>st</sup> March, 2017)	0-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount	18,195.07	3,942.65	1,940.86	8,195.07	32,273.65
Expected credit loss provision	400.29	86.74	42.70	3,988.60	4,518.33
Carrying amount of trade receivables (Net of impairment)	17,794.78	3,855.91	1,898.16	4,206.47	27,755.32

Ageing (As at 1 <sup>st</sup> April, 2016)	0-12 months	12-24 months	24-36 months	More than 36 months	Total
Gross carrying amount	17,323.23	2,737.22	2,110.45	6,586.07	28,756.97
Expected credit loss provision	422.69	66.79	51.49	4,048.75	4,589.72
Carrying amount of trade receivables (Net of impairment)	16,900.54	2,670.43	2,058.96	2,537.32	24,167.25

#### Reconciliation of Expected credit provision

(₹ in lakhs)

Particulars	Amount
<b>As at 1<sup>st</sup> April, 2016</b>	<b>4,589.72</b>
Changes in provision	(71.39)
<b>As at 31<sup>st</sup> March, 2017</b>	<b>4,518.33</b>
Changes in provision	391.24
<b>As at 31<sup>st</sup> March, 2018</b>	<b>4,909.57</b>

#### Other financial assets

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes financial assets of varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

**40.30 : DISCLOSURE UNDER INDIAN ACCOUNTING STANDARD-108 ON “OPERATING SEGMENTS”  
BUSINESS SEGMENT (PRIMARY SEGMENT) REPORTING FOR THE YEAR 2017-18**

(₹ in lakhs)

SEGMENTS		METALS		ENERGY		INFRASTRUCTURE		TOTAL	
Particulars		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>I.</b>	<b>SEGMENT REVENUE</b>								
a.	Segment Revenue	<b>20,055.06</b>	18,517.16	<b>17,664.00</b>	11,702.74	<b>6,838.27</b>	4,073.01	<b>44,557.33</b>	34,292.91
<b>II.</b>	<b>SEGMENT RESULTS</b>								
a.	Segment Result [Profit/(Loss)]	<b>(7,820.55)</b>	(12,266.96)	<b>2,197.32</b>	799.82	<b>(812.30)</b>	(1,739.37)	<b>(6,435.53)</b>	(13,206.51)
b.	Unallocated Corporate Expenses							-	-
c.	Operating Profit/(Loss)							<b>(6,435.53)</b>	(13,206.51)
d.	Finance Costs							<b>165.90</b>	156.68
e.	Interest Income							<b>3,872.74</b>	4,427.60
f.	Income Taxes							<b>(1,400.50)</b>	(429.91)
g.	Non Operating Loss							<b>2.02</b>	13.55
h.	Non Operating Income							<b>7,051.88</b>	1,373.14
i.	Accretion / (Decretion) to Jobs-in-Progress							<b>78.40</b>	(159.24)
j.	Net Profit/(Loss)							<b>5,800.07</b>	(7,305.33)
<b>III.</b>	<b>OTHER INFORMATION</b>								
a.	Segment Assets	<b>39,012.57</b>	30,389.99	<b>15,001.91</b>	11,157.84	<b>9,048.69</b>	5,930.92	<b>63,063.17</b>	47,478.75
b.	Unallocated Corporate Assets							<b>67,747.36</b>	67,343.01
c.	<b>Total Assets</b>							<b>130,810.53</b>	114,821.76
d.	Segment Liabilities	<b>56,516.20</b>	50,091.50	<b>9,238.22</b>	9,155.42	<b>12,176.31</b>	9,470.59	<b>77,930.73</b>	68,717.51
e.	Unallocated Corporate Liabilities							<b>32,336.00</b>	31,494.41
f.	<b>Total Liabilities</b>							<b>110,266.73</b>	100,211.92
g.	Non-Cash Expenses other than Depreciation	<b>1,303.71</b>	3,154.78	<b>83.69</b>	168.85	<b>196.13</b>	104.10	<b>1,583.53</b>	3,427.73
h.	Capital Employed							<b>12,900.64</b>	9,001.14

#### 40.31 NOTES ON SEGMENT REPORT

- a) **“Business Segments”** have been identified as Primary Segments in accordance with the guidelines of “Ind AS-108” on Operating Segments issued by ICAI considering the return/risk profiles of the businesses, the organisation structure and the management reporting system.
- b) As a part of business restructuring process, the core business activities of the organisation have been regrouped and classified from four “Strategic Business Units” (SBUs) to three “Strategic Business Units” (SBUs) in line with the recommendation of the Consultants w.e.f. 2016-17 as below:

##### Segment Definitions:

- i) **“Metals”** includes Iron & Steel, Rolling Mills, Non-Ferrous, Raw Materials & Mining, Refractories etc.
  - ii) **“Energy”** includes Renewable Energy, Power plant- Thermal & Hydel, Transmission & Distribution, RLA & RMU studies, Oil & Gas pipelines, Petro-chemical & Refineries, POL Depots, Retail Outlets etc.
  - iii) **“Infrastructure”** includes Architecture & Town Planning, Ports & Material Handling, Roads, Highways, Bridges, & Flyovers, Defence, Environmental & Hydro engineering, Management Advisory Services, Information Technology etc.
- c) **Segment Revenue** comprises income from Construction Contracts and income from Engineering & Consultancy Services for the Jobs in India and abroad.
  - d) Unallocated corporate expenditure includes expenses incurred on corporate services provided to Business Segments and other expenses not allocable on a reasonable basis to Business Segments.
  - e) Disclosure of Information on Geographical Segment (Secondary Segment) is not made considering the risk and return of business activities / operations being carried out by the company which are not affected by the geographical conditions / locations of the Business Centres / Project Sites etc.
  - f) Segment Assets and Segment Liabilities represent operating assets and liabilities respectively which are directly attributable to the segment or allocated to the segment on a reasonable basis.
  - g) Property, Plant & Equipment and Intangible Assets used in the company’s business are common in nature for all by and large and therefore are not directly attributable to the segment or can be allocated to the segment on a reasonable basis.

40.32 Previous year’s/year-to-date figures have been regrouped / recast wherever necessary in the Balance Sheet, Statement of Profit & Loss, Cash Flow Statement and Notes, etc.

# FORM AOC-I

## Part "B": Associates and Joint Ventures

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

Name of Joint Venture	M/s Metallurgical & Engineering Consultants (Nigeria) Limited
1. Latest audited Balance Sheet Date	For the year ending on 31.12.2014
2. Date on which the Joint Venture was associated or acquired	28.10.1982
3. Shares of Joint Ventures held by the company on the year end	
No.	5000
Amount of Investment in Joint Venture	₹ 7.60 lakhs
Extent of Holding %	50%
4. Description of how there is significant influence	Majority of the members of the Board of M/s Metallurgical & Engineering Consultants (Nigeria) Limited are also Directors / Senior Managerial Personnel of MECON Limited.
5. Reason why the associate/joint venture is not consolidated	Consolidation is not applicable for Joint Venture company.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(-) ₹309.94 lakhs (50%)
7. Profit / Loss for the year	(-) ₹34.38 lakhs
i. Considered in Consolidation	Not Applicable
ii. Not Considered in Consolidation	Not Applicable

In terms of our report of even date

For V. ROHATGI & CO.

CHARTERED ACCOUNTANTS

Sd/-  
**(VANDANA RASTOGI)**  
PARTNER  
Memb.No.086956  
Firm Regn. No.000980C

Sd/-  
**(RAVI BAMBHA)**  
COMPANY SECRETARY

Sd/-  
**(SEKHAR SAHA)**  
DY. GENERAL  
MANAGER I/C  
(FINANCE)

Sd/-  
**(R. H. JUNEJA)**  
DIRECTOR (FINANCE)

Sd/-  
**(ATUL BHATT)**  
CHAIRMAN and  
MANAGING DIRECTOR

Place : Ranchi

Date : 30<sup>th</sup> July, 2018

## GLIMPSES OF CSR ACTIVITIES



**Providing hearse vehicle (Dead Body Carrier) to Punjabi Hindu Biradari, Ranchi**



**Inauguration of Classroom at Pramathanath Madhya Vidyalaya Hinoo, Ranchi**



**Primary Education Centre, Pokhar Toli, Ranchi**



**Stitching Training Centre, Irgu Toli**



**Medical camp organised at Birsa Siksha Niketan, Jagannathpur, Ranchi**



**2 - day "Orientation Training Program" for teachers of Stitching Training Centers run under Resource generation schemes of MECON CSR**



## MECON LIMITED

(A Govt. of India Enterprise)

### Head Office

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CIN No. - U74140JH1973GOI001199  
[www.meconlimited.co.in](http://www.meconlimited.co.in)

### For Enquiry Contact

Joint General Manager (Marketing)  
Phone : +91-651-2483136/2483653, Fax : +91-651-2482214/ 2482189  
E-mail: [marketing@meconlimited.co.in](mailto:marketing@meconlimited.co.in)

### Major Offices

City	Phone	Fax	e-mail
Bangalore	+91-80-26252000	+91-80-26576352	<a href="mailto:bangalore@meconlimited.co.in">bangalore@meconlimited.co.in</a>
New Delhi	+91-11-22447417	+91-11-22041214	<a href="mailto:delhi@meconlimited.co.in">delhi@meconlimited.co.in</a>
Navi Mumbai	+91-22-27812155-58	+91-22-27812275	<a href="mailto:mumbai@meconlimited.co.in">mumbai@meconlimited.co.in</a>
Kolkata	+91-33-22822381-82	+91-33-22824441	<a href="mailto:kolkata@meconlimited.co.in">kolkata@meconlimited.co.in</a>

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