

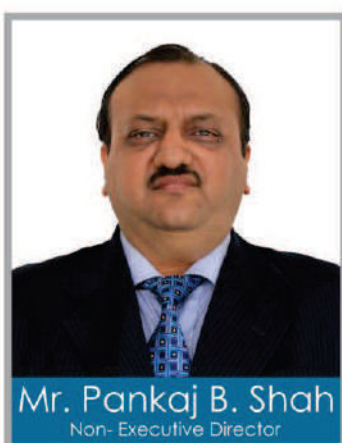


Artefact Projects Ltd.
Excellence in Infrastructure Services

GROWTH PROSPERITY PROGRESS

— 29th —
Annual Report
2016 - 2017

Board of Directors



29TH ANNUAL REPORT 2016 – 17

Board of Directors

Mr. Pankaj B. Shah
Mr. Siddharth P. Shah
Ms. Ankita M. Shah (Re-designated w.e.f. 02nd January 2017)
Mr. Sandeep M. Batta
Mr. Mohandas S. Adige (Resigned w.e.f. 30th May 2016)
Mr. Deepak B. Mehta
Mr. Sudhir P. Gupta (Appointed w.e.f. 31st March 2017)

Non- Executive Director
Executive Director
Whole-Time Director
Independent Director
Independent Director
Independent Director
Independent Director

Company Secretary & Compliance Officer

Ms. Shilpa A. Bhargava

Chief Financial Officer

Mr. Sanjay Khare

Auditors

M/s. Chaturvedi & Shah, Mumbai
M/s. Naresh Patadia & Co., Nagpur

Registered Office

Block No. 107, 4th Floor, “Artefact Towers”,
54/3, Chhatrapati Square, Wardha Road,
Nagpur -440 015, Maharashtra, India
Tel: +91712-3025120
Fax: +91712-3025128
Email: artefactnagpur@gmail.com
shareholders@artefactprojects.com

Registrar & Share Transfer Agents

Link Intime (India) Private Limited
C-101, 247 Park,
LBS Road, Vikhroli West,
Mumbai – 400 083
Ph: +9122 49186000

Corporate Website

www.artefactprojects.com

Secretarial Auditor

M/s. Manish Ghia & Associates, Mumbai.

Bankers

Canara Bank



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5 YEAR'S PERFORMANCE AT A GLANCE

(₹ in Lacs)

FINANCIAL YEAR	2012-13*	2013-14*	2014-2015*	2015-2016*	2016-2017*
REVENUES :					
Net Receipts from operations	1,412.54	2,033.94	1,986.71	1,598.42	2,301.34
Other Income	37.71	26.32	115.67	134.80	231.71
Total Income	1,450.25	2,060.26	2,102.38	1733.22	2,533.05
EXPENDITURE:					
Operating and Administrative Expenses	955.75	1,562.80	1,568.92	1,283.09	2,032.14
Operating Profit	494.50	497.46	533.46	450.13	500.91
Finance Cost	322.88	336.97	307.94	323.55	369.28
PBDT	171.62	160.49	225.52	126.58	131.63
Depreciation	103.93	86.69	84.89	80.56	80.44
PBT	67.69	73.80	140.62	46.02	51.19
Tax	23.30	64.14	50.48	45.05	31.93
PAT	44.39	9.66	90.14	0.97	19.26
Dividend per share proposed (₹)	NIL	NIL	NIL	NIL	NIL

*Standalone figures.

BALANCE SHEET

(₹ in Lacs)

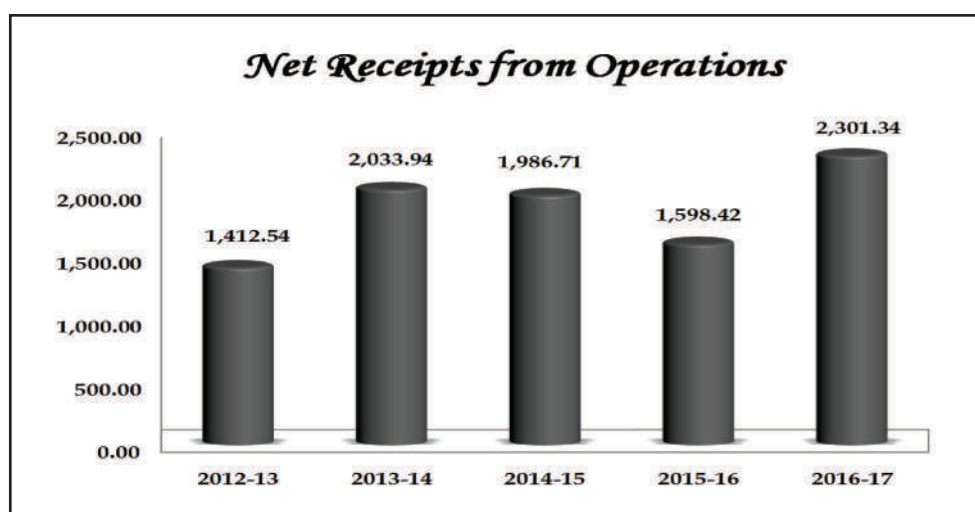
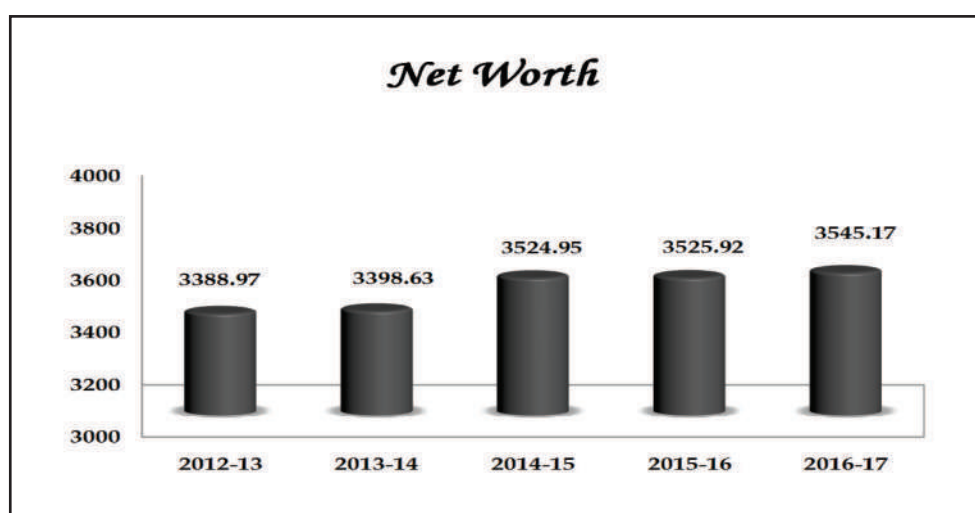
FINANCIAL YEAR	2012-13**	2013-14**	2014-15**	2015-16**	2016-17**
ASSETS					
Net Block- Fixed Asset-Own	2,506.13	2,464.87	2,377.19	2,287.35	2,227.60
Goodwill on Consolidation					
Investments (Incl. JVs)	1,040.00	1,040.00	636.63	490.00	1,090.00
Long Term Loans and Advances	534.29	789.91	538.87	747.30	528.54
Other Non Current Assets	-----	-----	-----	-----	-----
Net Current Assets	1,441.53	1,164.27	1,703.13	2,083.60	1,623.69
Miscellaneous Expenditure (to the extent not w/off)	-----	-----	-----	-----	-----
TOTAL ASSETS	5,521.95	5,459.05	5,255.82	5,608.25	5,469.83
LIABILITIES					
Equity Share Capital	552.50	552.50	552.50	552.50	552.50
Reserves & Surplus	2,836.47	2,846.13	2,972.45	2,973.42	2,992.67
Application Money Pending Allotment	-----	-----	-----	-----	-----
Convertible Share Warrants	-----	-----	-----	-----	-----
Minority Interest	-----	-----	-----	-----	-----
Secured Loans	2,009.18	1,798.45	1,516.46	1,851.29	1,671.34
Unsecured Loans	-----	82.65	-----	-----	-----
Deferred tax liability	118.77	172.00	208.68	222.89	242.23
Other Long Term Liabilities	-----	2.17	-----	-----	-----
Long Term Provisions	5.03	5.15	5.73	8.15	11.08
TOTAL NET WORTH	3,388.97	3,398.63	3,524.95	3,525.92	3,545.17
TOTAL LIABILITY	5,521.95	5,459.05	5,255.82	5,608.25	5,469.83

FINANCIAL RATIO

	2013	2014	2015	2016	2017
Operating Ratio	35.00%	24.45%	26.85%	28.16%	21.76%
PBIDT Ratio	34.09%	24.14%	25.37%	25.97%	19.77%
PBT Ratio	4.79%	3.62%	7.08%	2.88%	2.22%
PAT Ratio	3.14%	0.47%	4.53%	0.06%	0.83%
Net Worth	3,388.97	3,398.63	3,524.95	3,525.92	3,547.17
Return on Equity (PBT/Equity)	2.00%	2.17%	3.99%	1.30%	1.44%
Interest Coverage Ratio	1.53	1.48	1.73	1.40	1.35
Debt Equity Ratio (Secured Loan/Equity)	0.60	0.53	0.43	0.52	0.47
EPS (Basic)*	0.80	0.17	1.63	0.02	0.35
EPS (Diluted)*	0.80	0.17	1.63	0.02	0.35

Previous year's figures have been regrouped/ rearranged/ reclassified wherever required.

* EPS is calculated after considering the effect of Goodwill and Minority Interest



NOTICE :

Notice is hereby given that the 29th Annual General Meeting (AGM) of the members of the Company will be held on Friday, 30th June, 2017 at 11.00 A.M. at the registered office of the Company at Block No. 107, 4th Floor, "Artefact Towers", 54/3, Chhatrapati Square, Wardha Road, Nagpur - 440015, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 together with the Reports of the Board of Directors' and Auditors' thereon;
2. To appoint a Director in place of Ms. Ankita Shah (DIN: 06772621), Whole-Time Director who retires by rotation and being eligible, offers herself for re-appointment;
3. To appoint M/s. Banthia Damani & Associates, Chartered Accountants, Nagpur (FRN:126132W) as the Statutory Auditor of the Company to hold office from the conclusion of 29th Annual General Meeting upto the conclusion of the 34th Annual General Meeting and to fix their remuneration in place of retiring Joint Statutory Auditors M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai, (FRN: 101720W) and M/s. Naresh Patadia & Co., Chartered Accountants, Nagpur (FRN: 106936W) who hold office upto the conclusion of ensuing Annual General Meeting (AGM) in compliance with the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the term of existing Joint Statutory Auditors of the Company expires at the conclusion of the ensuing Annual General Meeting and they cannot continue after the conclusion of the term of their 3 years of appointment. Hence, the appointment of Statutory Auditors stated above is proposed.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Banthia Damani & Associates, Chartered Accountants, Nagpur (FRN:126132W), be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of 29th Annual General Meeting upto the conclusion of the 34th Annual General Meeting to be held for the financial year ending 31st March, 2022 (subject to ratification by the members at every AGM held after this AGM) and to audit financial statements of the Company for the financial years from 2017-18 to 2021-22 in place of retiring Joint Statutory Auditor M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai, (FRN: 101720W) and M/s. Naresh Patadia & Co., Chartered Accountants, Nagpur (FRN: 106936W), who hold office upto the conclusion of 29th Annual General Meeting and the Board of Directors of the Company be and are hereby authorized to fix the remuneration as may be agreed upon between the auditors and the Board of Directors of the Company."

SPECIAL BUSINESS:**4. APPOINTMENT OF MS. ANKITA M. SHAH (DIN: 06772621) AS WHOLE-TIME DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Articles of Association of the Company, Ms. Ankita M. Shah (DIN: 06772621), Director be and is hereby appointed as Whole-Time Director of the Company for a period of 3 years w.e.f. 2nd January, 2017 at a remuneration including all perquisites and allowances which shall not exceed the following limits:

(Amount in ₹)

Particulars	In the Financial Year 2016 -17	From Financial Year 2017 -18 onwards (per annum)
Lumpsum Remuneration	6,00,000/-	24,00,000/-
Reimbursables	75,000/-	3,00,000/-
Total	6,75,000/-	27,00,000/-

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Ms. Ankita M. Shah as Whole-Time Director of the Company, the remuneration as approved by this resolution, shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take necessary actions and do all such acts, deeds, matters and things, as may be required from time to time to give effect to this resolution.”

5. APPOINTMENT OF MR. SUDHIR GUPTA (DIN: 07780511) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Sudhir Gupta (DIN: 07780511), who was appointed as an Additional (Independent) Director of the Company w.e.f. 31st March, 2017 pursuant to the provisions of Section 161 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company, holds office upto the date of ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing along with the requisite deposit from a member as required under Section 160 of the Companies Act, 2013 signifying his intention to propose candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office as such upto 30th March, 2018 who shall not be liable to retire by rotation.”

**By Order of the Board of Directors
For Artefact Projects Limited**

Sd/-

Siddharth P. Shah
Executive Director
DIN: 05304116

Place: Nagpur

Date: 23rd May, 2017

Registered Office :

Block No. 107, 4th Floor,
"Artefact Towers",
54/3, Chhatrapati Square,
Wardha Road, Nagpur - 440 015
Maharashtra



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further, a person can act as proxy on behalf of member or members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special businesses is annexed hereto and forms part of this Notice.
3. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through remote e-voting) or any adjournment thereof.
4. Members/Proxies are requested to bring duly filled Attendance Slip along with their copy of Annual Report at the venue of the Meeting.
5. Pursuant to Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 27th June, 2017 to Friday, 30th June, 2017 (both days inclusive).
6. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be open for inspection by the members during the Annual General Meeting (AGM).
7. Members holding shares in physical form are requested to notify immediately of any change in their address or bank mandates to the Company / Registrar and Share Transfer Agents quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
8. Members desirous of obtaining any information about the accounts and operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company at least seven days in advance of the meeting to enable the Company keep the information readily available at the meeting.
9. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
10. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar and Share Transfer Agents (RTA), M/s. Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN details to their respective Depository Participants with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the RTA of the Company.
12. Non Resident Indian members are requested to inform the Company's RTA immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if not furnished earlier.
13. Pursuant to provisions of Section 124 and 125 of the Companies Act 2013, the Company has transferred the unclaimed or unpaid dividends for the financial year 2008-09 to the Investors Education & Protection Fund established by the Central Government.

Pursuant to the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company for the financial year 2009-10. The balance amount lying in Unpaid Dividend Account for the financial year 2009-10 is due for transfer to the IEPF during the month of September, 2017. Members, who have not encashed their dividend for the financial year 2009-10, are advised to write to the Company immediately claiming dividends declared by the Company.

14. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 as amended by Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 effective from 28th February, 2017. The said Rules provide for manner of transfer of shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years to DEMAT Account of the IEPF Authority.

In compliance with said rules, the Company has sent communication to those shareholders who have not encashed dividend for a period of 7 years and whose shares are liable to be transferred to IEPF and simultaneously published an advertisement in newspaper to enable the shareholders to make a valid claim for encashment of dividend. In absence of any valid claim, the respective shares will be transferred to DEMAT Account of the Authority.

15. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use National Electronic Clearing Service (NECS) facility to deposit dividend into Investor's Bank Account, as per the details available with the Depositories and/or Company. The members who have not updated their bank account details & wish to avail this facility in the future are requested to update their bank account details by submitting the NECS mandate form, available on the website of the Company i.e. <https://www.artefactprojects.com>
16. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members in its records.

Members are thus requested to submit their e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and returning the same by post.

The e-mail ID provided shall be updated subject to successful verification of signatures as per record available with the RTA of the Company.

17. Brief resume of the Directors proposed to be appointed at the ensuing AGM in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by The Company Secretaries of India (ICSI) is annexed to the Notice. The Company is in receipt of relevant disclosures/consent from the Director pertaining to his appointment.
18. The Notice of the 29th Annual General Meeting and instructions for remote e-voting, along with the Attendance slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier.
19. Route Map for the venue of the proposed AGM of the company, is appearing as an Annexure to this Annual Report.
20. **Voting through electronic means**

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Listing Regulations and SS-2 issued by the ICSI, the Company is pleased to offer remote e-voting facility to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 29th Annual General Meeting (AGM) of the Company dated 23rd May, 2017. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.