



**Artefact Projects Ltd.**

Excellence in Infrastructure Services

# ANNUAL REPORT 2018-19



**YEARS OF  
SERVICE &  
COMMITMENT**



# 31<sup>st</sup> ANNUAL REPORT 2018-19

## Board of Directors

Mr. Pankaj B. Shah (Resigned w.e.f. 4<sup>th</sup> May, 2019)  
 Mr. Siddharth P. Shah  
 Mrs. Ankita S. Shah (Upto 30<sup>th</sup> June, 2019)  
 (w.e.f. 1<sup>st</sup> July, 2019)  
 Mr. Sandeep M. Batta  
 Mr. Sudhir P. Gupta (Resigned w.e.f. 19<sup>th</sup> June, 2019)  
 Mrs. Meena Gupta (Appointed w.e.f. 24<sup>th</sup> July, 2019)

Non- Executive Director  
 Executive Director  
 Executive Director  
 Non-Executive Director  
 Independent Director  
 Independent Director  
 Independent Director

## Company Secretary & Compliance Officer

Ms. Shilpa A. Bhargava (Resigned w.e.f. closing hours of 30<sup>th</sup> May, 2019)  
 Mrs. Snehal A. Jaiswal (Appointed w.e.f. 31<sup>st</sup> May, 2019)

## Chief Financial Officer

Mr. Ashok Karwa (Appointed w.e.f. 14<sup>th</sup> August, 2018)

## Statutory Auditors

M/s. Banthia Damani & Associates.,  
 Chartered Accountants, Nagpur

## Internal Auditors

M/s. P.T. Chhabria & Co.,  
 Chartered Accountants, Nagpur

## Registered Office

Block No. 106, 3<sup>rd</sup> Floor, “Artefact Towers”,  
 54/3, Chhatrapati Square, Wardha Road,  
 Nagpur - 440 015, Maharashtra, India  
 Tel: +91712-7197100  
 Fax: +91712-7197120  
 Email : artefactnagpur@gmail.com  
 shareholders@artefactprojects.com  
 www.artefactprojects.com

## Registrar & Share Transfer Agents

Link Intime (India) Private Limited  
 C-101, 1st Floor, 247 Park, LBS Road,  
 Vikhroli (West) Mumbai – 400 083  
 Ph: +9122 49186000

## Secretarial Auditor

Mr. Jigar Gorsia  
 Practising Company Secretary  
 Nagpur

## Bankers

Canara Bank



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## 5 YEAR'S PERFORMANCE AT A GLANCE

(₹ In Lacs)

FINANCIAL YEAR	2014-15*	2015-16*	2016-17*#	2017-18*#	2018-19*
<b>REVENUES :</b>					
Net Receipts from operations	1,986.71	1,598.42	2,301.34	2,155.81	2,255.56
Other Income	115.67	134.80	231.72	254.13	132.59
<b>Total Income</b>	<b>2,102.38</b>	<b>1733.22</b>	<b>2,533.06</b>	<b>2,409.94</b>	<b>2,388.15</b>
<b>EXPENDITURE:</b>					
Operating and Administrative Expenses	1,568.92	1,283.09	2,031.27	2,169.18	1859.19
<b>Operating Profit</b>	<b>533.46</b>	<b>450.13</b>	<b>501.79</b>	<b>240.76</b>	<b>528.96</b>
Finance Cost	307.94	323.55	369.27	445.02	363.64
<b>PBDT</b>	<b>225.52</b>	<b>126.58</b>	<b>132.52</b>	<b>(204.26)</b>	<b>165.32</b>
Depreciation	84.89	80.56	80.45	81.62	84.33
<b>PBT</b>	<b>140.62</b>	<b>46.02</b>	<b>52.07</b>	<b>(285.88)</b>	<b>80.99</b>
Tax	50.48	45.05	31.66	24.48	(51.27)
<b>PAT</b>	<b>90.14</b>	<b>0.97</b>	<b>20.42</b>	<b>(310.36)</b>	<b>132.26</b>
Other Comprehensive Income (Net of Tax)	-	-	(0.88)	1.03	0.67
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>19.54</b>	<b>(309.33)</b>	<b>131.59</b>
Dividend per share proposed (Rs.)	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

\*Standalone figures.

# Figures in FY 2016 - 17 and 2017-18 have been restated because of requirement of IND AS.

## BALANCE SHEET

(₹ In Lacs)

FINANCIAL YEAR	2014-15*	2015-16*	2016-17*#	2017-18*#	2018-19*
<b>ASSETS</b>					
Net Block- Fixed Asset-Own	2,377.19	2,287.35	2,227.60	2,185.28	2119.17
Goodwill on Consolidation					
Investments ( Incl. JVs)	636.63	490.00	1,090.00	1,290.00	1,290.00
Long Term Loans and Advances	538.87	747.30	-----	-----	-----
Other Non Current Assets	-----	-----	528.54	589.58	768.10
Net Current Assets	1,703.13	2,083.60	1,623.69	1138.16	1085.03
Miscellaneous Expenditure (to the extent not w/off)	-----	-----	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>5,255.82</b>	<b>5,608.25</b>	<b>5,469.83</b>	<b>5,203.02</b>	<b>5,262.30</b>
<b>LIABILITIES</b>					
Equity Share Capital	552.50	552.50	552.50	552.50	552.50
Reserves & Surplus	2,972.45	2,973.42	2,992.95	2,683.62	2815.22
Application Money Pending Allotment	-----	-----	-----	-----	-----
Convertible Share Warrants	-----	-----	-----	-----	-----
Minority Interest	-----	-----	-----	-----	-----
Secured Loans	1,516.46	1,851.29	1671.34	1688.02	1598.13
Unsecured Loans	-----	-----	-----	-----	42.25
Deferred tax liability	208.68	222.89	241.96	265.10	235.05
Other Long Term Liabilities	-----	-----	-----	-----	-----
Long Term Provisions	5.73	8.15	11.08	13.77	19.15
<b>TOTAL NET WORTH</b>	<b>3,524.95</b>	<b>3,525.92</b>	<b>3,545.17</b>	<b>3,236.12</b>	<b>3367.72</b>
<b>TOTAL LIABILITY</b>	<b>5,255.82</b>	<b>5,608.25</b>	<b>5469.83</b>	<b>5,203.02</b>	<b>5,262.30</b>

\* Standalone figures

# Figures in FY 2016-17 and 2017-18 have been restated because of requirement of IND AS.

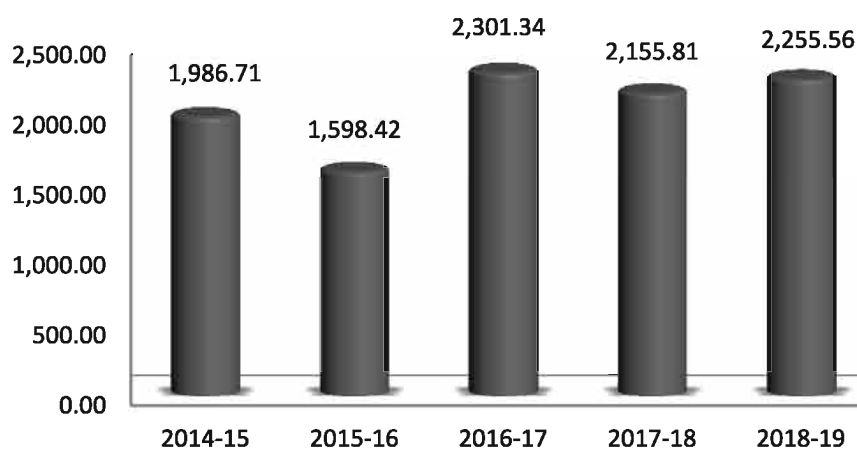
## FINANCIAL RATIOS

	2015	2016	2017	2018	2019
Operating Ratio	26.85%	28.16%	21.76%	11.17%	23.45%
PBIDT Ratio	25.37%	25.97%	19.77%	-9.47%	22.66%
PBT Ratio	7.08%	2.88%	2.22%	-13.26%	3.59%
PAT Ratio	4.53%	0.06%	0.83%	-14.39%	5.86%
Net Worth	3,524.95	3,525.92	3,545.17	3,236.12	3367.72
Return on Equity (PBT/Equity)	3.99%	1.30%	1.44%	-8.83%	2.40%
Interest Coverage Ratio	1.73	1.40	1.35	0.54	1.24
Debt Equity Ratio (Secured Loan/Equity)	0.43	0.52	0.47	0.52	0.47
EPS (Basic)*	1.63	0.02	0.35	(5.60)	2.38
EPS (Diluted)*	1.63	0.02	0.35	(5.60)	2.38

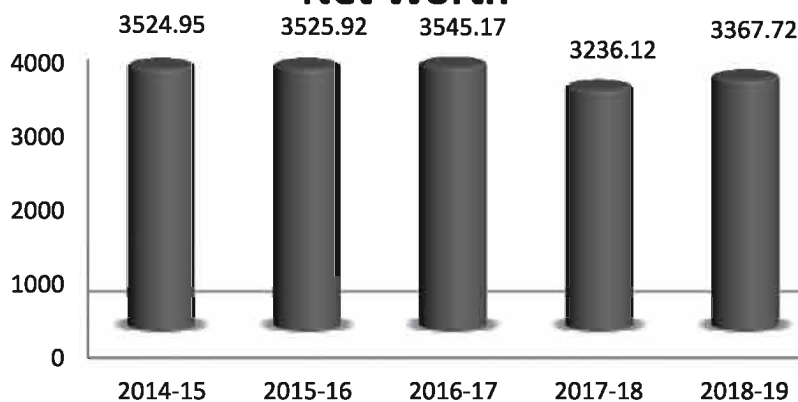
Previous year's figures have been regrouped/ rearranged/ reclassified wherever required.

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

### Net Receipts from Operations



### Net Worth



## NOTICE

Notice is hereby given that the 31<sup>st</sup> (Thirty First) Annual General Meeting (AGM) of the members of the Company will be held on Monday, 30<sup>th</sup> September, 2019 at the registered office of the Company at 11.00 A.M. at Block No. 106, 3<sup>rd</sup> 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 31<sup>st</sup> March, 2019 together with the Boards' Report and Auditors' Report thereon;
2. To appoint a Director in place of Mrs. Ankita Shah (DIN: 06772621), Director who retires by rotation and being eligible, offers herself for re-appointment;

### SPECIAL BUSINESS:

#### **3. APPROVAL OF RELATED PARTY TRANSACTIONS:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and are hereby accorded to enter into transactions with the following related parties for a period of 3 years w.e.f. 1<sup>st</sup> October, 2019 for the values as follows:

Name of the Related Parties	Nature of transactions	Approximate Value of Transaction during the years :- (₹ in Lacs )		
		01.10.2019 to 31.03.2020	2020-21	2021-22
<b>Artefact Infrastructure Limited</b>	Rendering of services under Project Management Consultancy Contract	<b>Upto 300</b>	<b>Upto 400</b>	<b>Upto 400</b>
<b>Zaidun Leeng Sdn. Bhd. – Artefact Projects JV , Joint Venture</b>	Loans and Advances	<b>300</b>	<b>300</b>	<b>300</b>
	Accepting of Loans	<b>300</b>	<b>300</b>	<b>300</b>
	Rendering of services under Project Management Consultancy Contract to JV	<b>350</b>	<b>250</b>	<b>250</b>
	Availment of Design Services from JV by Company	<b>600</b>	<b>400</b>	<b>400</b>



**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to the above resolution from time to time.”

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

**Sd/-  
Snehal A. Jaiswal  
Company Secretary & Compliance Officer  
M. No.: ACS 26960**

**Place: Nagpur  
Date: 13<sup>th</sup> August, 2019**

**Registered Office:**  
Block No. 106, 3<sup>rd</sup> 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 shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto and forms part of this Notice.
3. Corporate members are requested to send their duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 ("the Act") authorizing their representative to attend and vote at the Annual General Meeting (including through 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 time of the Meeting.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 24<sup>th</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive).

In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018 read with SEBI press release PR No.: 51/2018 dated 3<sup>rd</sup> December, 2018, effective from 1<sup>st</sup> April, 2019, Company's shares can be transferred in dematerialized form only. Hence members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire.

6. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be open for inspection for the members during the Annual General Meeting.
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 Agent (RTA) 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 (DP).
8. Members desirous of seeking any information about the financials and operations of the Company are requested to address their queries to the Company Secretary & Compliance Officer at the Registered Office of the Company at least 7 (seven) days in advance of the AGM to enable the Company to provide the information required at the meeting.
9. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID for easier identification of attendance at the meeting. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
10. Members holding shares in identical order of names in one or more folio are requested to write to the Company's RTA, viz. M/s. Link Intime India Private Limited, enclosing their share certificate(s) to enable the Company to consolidate their holding into one folio for better services.



11. 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 respective 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- M/s. Link Intime India Private Limited.
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, IFSC and MICR Code, as applicable if such details were not furnished earlier.
13. Pursuant to the provision of Sections 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend declared for the financial year 2010-11 to the Investor Education and Protection Fund (IEPF) 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 of dividend lying with the Company for the financial year 2011-12. The balance amount lying in Unpaid Dividend Account for the financial year 2011-12 is due for transfer to the IEPF during the month of November, 2019. Members, who have not encashed their dividend for the aforesaid financial year and subsequent financial years, are advised to write to the Company immediately claiming dividends declared by the Company.

14. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has to transfer all shares in respect of which dividend has remained unpaid or unclaimed for 7 (seven) consecutive years or more to IEPF Authority.

The Company has transferred 3,937 shares in respect of which dividend declared for the financial year 2010-11 or earlier financial years remain unpaid or unclaimed by the members for 7 (seven) consecutive years or more to the IEPF via corporate action through Central Depository Services (India) Limited.

Members desirous to claim back his/her shares from IEPF Authority can do so by following procedure as prescribed under the said rules. The said details are available on the Company's website viz. [www.artefactprojects.com](http://www.artefactprojects.com) and have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: <http://www.mca.gov.in/> and on the website of IEPF viz. <http://www.iepf.gov.in/>.

Further, the Company has initiated necessary action for transfer of all shares in respect of which dividend declared from the financial year 2011-12 has remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more.

15. SEBI has made it mandatory for all the companies to use National Electronic Clearing Service (NECS) facility to deposit the dividend into investors' bank account wherever NECS and bank details are available with the depositories and/or Company. The members who have not updated their bank account details and wish to avail this facility in 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 therefore 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/email/by submitting the same at the time of AGM.

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 Director proposed to be re-appointed at the ensuing AGM in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) is annexed to the Notice. The Company is in receipt of relevant disclosures/consent from the Director pertaining to her re-appointment.
18. The Notice of the 31<sup>st</sup> AGM and instructions for e-voting, along with the Attendance slip and Proxy Form, are being sent by electronic mode to all members whose e-mail 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 the permitted mode.
19. Route Map for the venue of the proposed 31<sup>st</sup> AGM of the Company is annexed at the end of this Annual Report and is also uploaded on the website of the Company i.e. [www.artefactprojects.com](http://www.artefactprojects.com)

#### 20. **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of Listing Regulations and SS-2 issued by the ICSI, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice of the 31<sup>st</sup> AGM of the Company dated 13<sup>th</sup> August, 2019. The Company has engaged services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The facility for voting through polling paper shall also be made available at the venue of the 31<sup>st</sup> AGM. The members attending the meeting, who have not already cast their vote through e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the scrutinizer for conducting the process of e-voting and voting through poll papers at the AGM in a fair and transparent manner.