

DEKSON CASTINGS LIMITED
CIN-L27104MH2005PLC158380

ANNUAL REPORT
2018-2019

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Board of Directors:

Shri Vikram A Dekate
Chairman and Managing Director

Shri Chetan A Dekate
Executive Director

Non-Executive Directors:

Smt Pallavi V Dekate
Executive Director,

Shri Prashant C Shukla
Non Executive Director

Shri Durgadas N Chavan
Non Executive Director

Company Secretary
Mr. Ganesh Palve
Email ID: deksoncastings@gmail.com

Statutory Auditors
M/S Indapurkar & Mundada
Chartered Accountants
Email Id: indmunca@gmail.com
Firm Registration No: 118855W

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2. Operating Results

The operations resulted in Profit of Rs. 66,69,851.99/- after making provision of depreciation & taxes.

3. Operational Review:

The company has done satisfactory performance after considering slump in last quarter of Automobile market, in comparison to last Financial Year. There was slight decrease in net sales by 5.3% over last year's sales. However, all other parameter's have seen better performance of the company i.e. EBITDA increase from 12.73% to 13.19%, decrease in Interest cost both in absolute term (from 2.94 Crore to 2.46 Crore) and percentage term (from 6.26% to 5.53%). Company is doing continuous expansion and hence the depreciation is increased by almost 26%.

4. Prospects:

Your company has been working extensively on costing of the products and is confident of growth in Sales as well as Profit in the coming year. The Company can be compete any competition from other countries, if the same arose. Your Company is in discussion with new customers (domestic as well as international) for current year, which would further help build the larger customer base.

Our performance in the last year shows that our policy of low costs without compromise to quality has worked for us. Your company has increased production capacity, which will help us to meet the customers' requirements faster and with consistent quality.

The Company is also trying to explore the exports market with the new customers acquired internationally, which will ensure optimum utilization of installed capacity and maximization of profits. Your company is also working for the land in SEZ in Shendra, which would help us in supplying castings to international market and earn foreign exchange.

Energy Saving:

Company is voluntarily doing various steps to conserve the energy and make the company clean and Green. We have completed Energy Audit and have taken various steps to conserve energy. We have also taken certification of ISO 50001 and are implementing mandatory steps to help save precious energy.

Company is also implementing Clean Fuel for the heating purpose, which would improve companies green footprint

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5. Expansion:

Company is trying to mitigate the dependency on one customer and is in discussion with Global large manufacturer in similar product line. Also, company few years back has started value addition project by supplying the machined castings to existing customer and has seen great results from the same. Further, company has invested heavily and houses 6 high speed and high precision VMC machines 1 SPM BTA machine. Further, company is planning to purchase more Machines (Vertical Milling Machines) and Special Purpose Machine (SPM) to increase the machining capacity, which in turn will provide greater value addition and can cater to new customer

6. Dividends

The Board of Directors of your company does not recommend any dividend on the equity share of the company for the financial year 2018 - 2019.

7. Deposits

The Company has not invited/ accepted any deposits from the public during the year ended 31stMarch 2019. There were no unclaimed or unpaid deposits as on 31st March 2019.

8. Transfer to reserves

The company is having Profit of Rs. 66,69,851.99/- for the financial year, Rs.66,69,851.99/- amounts is proposed to be transferred to the General Reserve.

9. Material Changes between the date of the Board report and end of financial year

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

10. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

11. Subsidiary Company

As on 31stMarch, 2019 the Company does not have any subsidiary.

Name of Member	Designation	Category
Mr. Prashant Chandresh Shukla	Chairman	Independent Director
Mr. Durgadas Narayan Chavan	Member	Independent Director
Mr. Chetan Ashok Dekate	Member	Director

Nomination and Remuneration committee:

Name of Member	Designation	Category
Mr. Prashant Chandresh Shukla	Chairman	Independent Director
Mr. Durgadas Narayan Chavan	Member	Independent Director
Mr. Chetan Ashok Dekate	Member	Director

14. The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

a) Conservation of energy:

(I)	Steps taken or impact on conservation of energy	In view of the nature of business, there is not much scope for energy conservation measures. However, adequate measures are taken to avoid wastage of electricity.
(ii)	Steps taken by the company for utilizing alternate sources of energy.	The company is exploring option of using solar energy for various day operation
(iii)	Capital investment on energy conservation equipment	No additional investments are proposed for energy conservation

b) Technology absorption:

(i)	the effort made towards technology absorption	NIL
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	N.A.
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	N.A.
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	NIL

c) Foreign Exchange earnings and outgo

Foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of accrual basis

Particulars	(Amount in INR)	
	2018-19	2017-18
Foreign Exchange Earnings in terms of actual inflows	Nil	Nil
Foreign Exchange Outgo in terms of actual outflow	64,379	2,17,75,975

15. Auditors

M/S INDAPURKAR & MUNDADA., Chartered Accountants, Aurangabad were appointed as statutory auditors of the company to hold office for a period of five consecutive years i.e. up to the conclusion of Annual General Meeting of the Company to be held in the financial year 2019-20.

16. Auditors' Report

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

17. Sexual harassment:

The Company has zero tolerance for Sexual Harassment at workplace and has adopted a Policy on prevention of Sexual Harassment in line with the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. There was no complaint on sexual harassment during the year under review.

18. Particulars of Employees

As required by rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information is treated as NIL, as no employee is drawing salary equals to or above the limits mentioned in the said Rules.

19. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3) (C) of Companies Act, 2013, the Board of Directors hereby confirms that,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- ii. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of

the company as at 31st March, 2019 and of the profits of the company for that period.

- iii. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognized while relying on any system of internal control and records.
- iv. It has prepared the annual accounts on a going concern basis.
- v. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Directors

Mr. Vikram Ashok Dekate, Managing Director continue to hold the office and Mr. Chetan Ashok Whole time director, who retires by rotation and being eligible, offers himself for re-appointment.

21. Secretarial audit report and explanation to the qualifications reported in the report:

Provisions relating to Secretarial Audit as per Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company have appointed M/s. AdityaKurundkar and Associates, Company Secretaries to undertake the Secretarial audit of the Company for the year 2018-19. The company will ensure the necessary compliance for the clarifications asked and explanations have been provided, the company has duly complied the qualifications in the ensuring financial year.

22. Changes in Share Capital

The Company has not issued any Equity Shares during the year 2018-2019.

23. Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 as a part of this Annual Report as **ANNEXURE 'B'**.

24. Particulars of loans, guarantees or investments under section 186:

During the year under review, company has complied with provisions of Section 186 in respect of loans and investments

Details of Investments as on 31.03.2019:-

SL No	Date of investment	Details of Investment	Amount	Purpose for which the proceeds from investment is	Date of BR	Date of SR (if reqd)	Expected rate of return
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