

METAL COATINGS (INDIA) LIMITED



**24th
Annual Report
2017-2018**



CORPORATE INFORMATION

Board of Directors

Mr. Ramesh Chander Khandelwal
Chairman & Whole-time Director

Mr. Pramod Khandelwal
Managing Director

Mr. Virendra Kumar Hajela
Independent Director
(Resigned w.e.f. 13th August, 2018)

Mr. Satish Kumar Gupta
Independent Director

Ms. Neha Gupta
Independent Director

Chief Financial Officer

Mr. Ram Awtar Sharma

Company Secretary & Compliance Officer

Ms. Preeti Khatore

Statutory Auditors

M/s. Vinod Kumar & Associates
Chartered Accountants
909, Chiranjiv Tower, 43, Nehru Place,
New Delhi-110019

Cost Auditor

Mr. Ramawatar Sunar
Cost Accountant
F-18/37, Ground Floor
Sector – 8, Rohini
New Delhi - 110085

Registrar and Share Transfer Agent

M/s Link Intime India Private Ltd.,
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I
Near PVR Cinema, New Delhi -110 028
Phone No: 011-41410592-93-94
Fax No. 011-41410591
E-mail: delhi@linkintime.co.in

Registered Office

912, Hemkunt Chambers,
89, Nehru Place,
New Delhi -110 019
Phone No.: 011-41808125
E-mail Id: info@mcilindia.net
Website: www.mcil.net
CIN: L74899DL1994PLC063387

Works

- (i) Sector – 45, Meola Maharajpur,
Faridabad – 121 003, Haryana
- (ii) Plot No. -113, HSIIDC Industrial Estate,
Sector – 59, Faridabad – 121 004, Haryana

Bankers

- (i) Canara Bank
- (ii) The Hongkong and Shanghai Banking
Corporation Ltd.,
- (iii) Yes Bank Limited

Website

www.mcil.net

E-mail Id for Investors

preeti@mcilindia.net

24th ANNUAL GENERAL MEETING

Day : Wednesday
Date : 19th September, 2018
Time : 10:30 a.m. (IST)
Venue : Hotel-The Legend INN
E-4, East of Kailash,
New Delhi - 110 065

CONTENTS

Particulars	Page Nos.
Directors' Report	2-13
Management Discussion & Analysis	14-15
Independent Auditors' Report	16-21
Balance Sheet	22
Statement of Profit & Loss	23
Statement of Changes in Equity	24
Cash Flow Statement	25
Significant Accounting Policies	26-30
Notes to Financial Statement	31-39



DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are pleased to present its **24th (Twenty Fourth) Annual Report** together with the Audited Financial Statements of your Company, for the financial year ended 31st March, 2018.

FINANCIAL RESULTS

The summarized Financial Performance of your Company for the financial year ended 31st March, 2018 is summarized as follows:

(Rs. in lacs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Total Turnover (Gross)	11354.63	10911.37
Operating Profit	428.42	496.91
Depreciation	69.68	73.21
Finance Cost	46.01	128.14
Provision for Tax and Adjustment	113.44	100.40
Profit for the year	199.29	195.16

PERFORMANCE REVIEW AND STATE OF AFFAIRS OF THE COMPANY

The revenue from operations of the company for the year ended 31st March, 2018 increased to Rs.11,354.63 lacs as compared to Rs. 10,911.37 lacs in the previous year. The Profit Before Tax stood at Rs. 312.73 lacs as against Rs. 295.56 lacs in the previous year. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [hereinafter referred to as "SEBI (LODR) Regulations, 2015"] revenue for the year ended 31st March, 2017 was reported inclusive of excise duty. Goods and Services Tax ("GST") has been implemented with effect from 1st July, 2017 which replaces Excise Duty and other input taxes. As per Ind AS 18, the revenue for the year ended 31st March, 2018 is reported net of GST. In view of this accounting impact while the reported Revenue from Operation grew by 4% during the year, comparable Revenue from Operation grew by more than 12% during the year. Due to the volatility in the price of raw material, the bottom line was under pressure. However, your Company has registered a moderate growth around 6% in Profit before Tax.

ADOPTION OF INDIAN ACCOUNTING STANDARDS

In accordance with the notification issued by the Ministry of Corporate Affairs and as per SEBI Circular your Company has adopted the Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified under the Section 133 of the Companies Act, 2013 (hereinafter referred to as 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 w.e.f. 1st April, 2017 for preparation and presentation of these Financial Statements. Consequently, the Financial Statements of the previous year has been restated to conform to the provisions of Ind AS.

DIVIDEND

The Board of Directors of your company at its meeting held on 30th May, 2018 has recommended a dividend of Re. 1 (Rupee One Only) per Equity share of face value Rs. 10/- (Rupees Ten) each for the year ended 31st March, 2018 to the Members of the Company. The Dividend payment is subject to the approval of the Members at the ensuing 24th Annual General Meeting (hereinafter referred to as "AGM") of the Company scheduled to be held on 19th September, 2018 and will be paid within a period of 30 (Thirty) days from the date of declaration of Dividend, to those Members whose name appears in the Register of Members of the Company as on close of the business hours on 12th September, 2018. The Dividend Payout will be Rs. 88.48 lacs including Dividend Distribution Tax of Rs. 15.21 lacs.

TRANSFER TO RESERVES

No amount has been proposed to be carried to any Reserves. Entire amount of Rs. 172 lacs is proposed to be retained in the Surplus.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

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

**CHANGE IN THE NATURE OF BUSINESS**

During the year, there was no change in the nature of business of the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL***Appointment and/or Re-Appointment***

Your Company's Board is duly constituted which is in compliance with the requirements of the Act, the SEBI (LODR) Regulations, 2015 and provisions of the Articles of Association of the Company.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Ramesh Chander Khandelwal (DIN:00124085), Whole-time Director of the Company being liable to retire by rotation, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

As already reported last year, the Board of Directors of your company at its meeting held on 15th May, 2017, based on the recommendation of Nomination & Remuneration Committee has appointed Ms. Preeti Khatore as Company Secretary & Compliance Officer of the Company in place of Ms. Rupali Aggarwal who resigned from the post of Company Secretary & Compliance Officer from the close of business hours of 15th April, 2017.

The Board of Directors of your company at its meeting held on 13th August, 2018, based on the recommendation of Nomination & Remuneration Committee, has approved the re-appointment of Mr. Ramesh Chander Khandelwal (DIN: 00124085) as Whole-time Director of the Company and Mr. Pramod Khandelwal (DIN: 00124082) as Managing Director of the Company in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule - V of the Act (including any statutory modification or re-enactment thereof) and subject to approval of the members and such other authorities as may be required, for a period of 3 (three) years with effect from 1st October, 2018 to 30th September, 2021 and approved the terms and conditions of his re-appointment and payment of remuneration.

The Board of Directors of your Company at its meeting held on 13th August, 2018, based on the recommendation of Nomination & Remuneration Committee, has approved the re-appointment of Mr. Satish Kumar Gupta (DIN:03558083) and Ms. Neha Gupta (DIN:06948920) as Independent Directors of the Company in accordance with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule - IV of the Act (including any statutory modification or re-enactment thereof) and subject to approval of the members for a second term of 5 (five) consecutive years. The appointment of Mr. Satish Kumar Gupta shall be effective from 1st April, 2019 to 31st March, 2024 and of Ms. Neha Gupta from 13th August, 2019 to 12th August, 2024.

Your Company has received declarations from both the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the SEBI (LODR) Regulations, 2015.

The brief resume and other details as required under the Regulation 36(3) of the SEBI (LODR) Regulations, 2015 of the Directors seeking re-appointment at the ensuing AGM are provided in the Notice of the AGM of the Company which forms a part of the Annual Report.

Cessation

The Board with deep regret noted about the sad demise of Late Mr. Ayodhya Prasad Khandelwal on 14th January, 2018, who has served the Company as a Whole-time Director. The Board expresses their deep condolences and record the valuable guidance and support rendered by Late Mr. Ayodhya Prasad Khandelwal.

Mr. Virendra Kumar Hajela, Independent Director of the Company resigned from the directorship of the Company w.e.f. 13th August, 2018. The Board placed on record the valuable guidance and support received from him during his tenure.

Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel (hereinafter referred to as 'KMP') of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with the Rules framed there under.

1. Mr. Ramesh Chander Khandelwal, Chairman & Whole-time Director;
2. Mr. Pramod Khandelwal, Managing Director;
3. Mr. Ram Awtar Sharma, Chief Financial Officer; and
4. Ms. Preeti Khatore, Company Secretary & Compliance Officer

**Statement of Declaration given by Independent Directors**

The Company has received necessary declaration of independence from all Independent Directors of the Company, under Section 149(7) of the Act, that he/she meets the criteria of Independent Directors envisaged in Section 149(6) of the Act and rules made thereunder and SEBI (LODR) Regulations, 2015 and are not disqualified from continuing as Independent Directors.

BOARD EVALUATION

The evaluation process focused on various aspects of Board and its Committees such as composition and structure, functioning, effectiveness of Board processes, information and functioning, etc.

The evaluation of all the Directors and the Board as a whole was conducted by the Board and found to be satisfactory. The flow of information between the Company management and the Board is adequate, qualitative and timely. As required under the provisions of the Act, a meeting of all Independent Directors was convened and held during the year.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting including the performance of the Board, its Committees and individual directors.

DETAILS OF MEETINGS OF BOARD OF DIRECTORS HELD DURING THE YEAR

The notices of Board / Committee meetings are given well in advance to all the Directors. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

6 (Six) Meetings of the Board were held during the financial year 2017-18, viz. 15th May, 2017; 30th May, 2017; 17th August, 2017; 13th September, 2017; 14th December, 2017 and 14th February, 2018. The Company has held at least one meeting in every three months and the maximum time gap between two meetings was not more than four months and the necessary quorum were present at all the meetings.

The attendance of each Director at the meetings of Board of Directors held during the financial year 2017 - 18 are as follows:

Sl. No.	Name of Directors	Designation	No. of Meetings attended
1.	Mr. Ramesh Chander Khandelwal	Chairman & Whole-Time Director	6
2.	Mr. Pramod Khandelwal	Managing Director	6
3.	Mr. Ayodhya Prasad Khandelwal*	Whole-time Director	3
4.	Mr. Virendra Kumar Hajela #	Independent Director	4
5.	Mr. Satish Kumar Gupta	Independent Director	6
6.	Ms. Neha Gupta	Independent Director	2

*Demise on 14th January, 2018

Resigned w.e.f. 13th August, 2018

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) & 134(5) of the Act, your Board of Directors' to the best of their knowledge and ability hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;



- (d) we have prepared the annual accounts on a going concern basis;
- (e) we have laid down internal financial controls for the Company and these internal financial controls were adequate and operating effectively;
- (f) we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public and as such no amount of principal or interest remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or guarantee and has not made any investment covered under the provisions of Section 186 of the Act in the securities of any other Bodies Corporate during the financial year ended 31st March, 2018.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and / or banks during the period under review.

RELATED PARTY TRANSACTIONS

As required under the SEBI (LODR) Regulations, 2015 and the Act, prior omnibus approval was obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at Arm's Length basis, in the meetings of Audit Committee.

During the year there were no material significant related party transactions made by the Company with Promoters, Directors or KMP which may have potential conflict with the interest of the Company at large. All transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee of the Company for its approval. The details of the related party transactions are set out in Note 37 to the Financial Statements of the Company. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website viz., www.mcil.net.

None of the Directors or the KMP have any pecuniary relationships or transactions vis-à-vis the company. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. Vinod Kumar & Associates, Chartered Accountants, (Firm registration No. 002304N) were appointed as the Statutory Auditors at the 22nd (Twenty Second) AGM of your Company for a second term of 5 (five) consecutive years which is valid till 27th (Twenty Seventh) AGM of the Company. They have confirmed their eligibility for the Financial Year 2018-19 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. The report of the Statutory Auditors on Financial Statements for the year under review forms part of the Annual Report and there are no auditors' qualifications in the audit report for the financial year ended 31st March, 2018.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every AGM has been removed. Accordingly, ratification of appointment of Auditors is not required.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board of Directors of your Company has as per the requirement under Section 204 of the Act and rules made there under, re-appointed M/s. CPA & Co., Company Secretaries (Firm Registration No. P2013HR039800), to conduct the Secretarial Audit of the Company for the financial year 2018-19.

The Secretarial Audit Report for the financial year 2017-18 forms integral part of this Report as 'Annexure – A'. There is no secretarial audit qualification for the year under review.

**COST AUDITORS & COST RECORDS**

The Board of Directors of your Company has, on the basis of provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time and as per the recommendations provided by the Audit Committee, re-appointed Mr. Ramawatar Sunar, Cost Accountant (Firm registration No. 100691) as Cost Auditor of your Company for conducting the Audit of Cost records of the Company for the financial year 2018-19. Your Company has received written consent from Mr. Ramawatar Sunar, Cost Accountant to the effect that his appointment, if made, will be in accordance with the applicable provisions of the Act and rules framed there under.

As per Section 148(3) of the Act, the remuneration payable to the Cost Auditors requires ratification by Shareholders. An appropriate Resolution, to this effect, is being proposed at the ensuing AGM.

As per Section 148(1) of the Act, the cost records as specified by the Central Government are being made and maintained by your Company. Your Company has filed the Cost Audit Report for the financial year 2016-17 with the Registrar of Companies, Ministry of Corporate Affairs in the XBRL mode during the year under review.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

BOARD COMMITTEES

As on 31st March, 2018, the Board has 3(Three) committees as per the provisions of the Act read with rules, made thereunder, with proper composition of its members. The Board periodically evaluates the performance of all the Committees as a whole. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

(a) Audit Committee

The Board of Directors of your company has duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the SEBI (LODR), Regulations, 2015. The Audit Committee comprises of Mr. Satish Kumar Gupta (Non-Executive Independent Director), the Chairman of the Committee, Mr. Virendra Kumar Hajela (Non-Executive Independent Director) and Ms. Neha Gupta (Non-Executive Independent Director) as Members of the Committee as on 31st March, 2018.

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (LODR), Regulations, 2015 and Section 177 of the Act and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Board has accepted all recommendations made by the Audit Committee during the year.

5 (Five) Audit Committee Meetings were held during the financial year 2017-18. The dates on which the meetings were held are 30th May, 2017; 17th August, 2017; 13th September, 2017; 14th December, 2017 and 14th February, 2018.

The attendance of each Member at the Audit Committee Meetings held during the financial year 2017-18 is as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Satish Kumar Gupta	Chairman	5
2.	Mr. Virendra Kumar Hajela #	Member	4
3.	Ms. Neha Gupta	Member	2

Resigned w.e.f. 13th August, 2018

(b) Nomination and Remuneration Committee

The Committee comprises of Mr. Virendra Kumar Hajela (Non-Executive Independent Director), Chairman of the Committee, Mr. Satish Kumar Gupta (Non-Executive Independent Director), and Ms. Neha Gupta (Non-Executive Independent Director), as members of the Committee as on 31st March, 2018.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Act, besides other terms as may be referred by the Board of Directors. The Board has accepted all recommendations made by the Nomination and Remuneration Committee during the year.



2 (Two) meetings of Nomination and Remuneration Committee were held during the year 2017-18. The dates on which the meetings were held are 15th May, 2017 and 14th February, 2018. The attendance of each Member at the Nomination and Remuneration Committee Meetings held during the financial year 2017-18 are as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Virendra Kumar Hajela #	Chairman	1
2.	Mr. Satish Kumar Gupta	Member	2
3.	Ms. Neha Gupta	Member	1

Resigned w.e.f. 13th August, 2018

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Satish Kumar Gupta, Chairman, Mr. Pramod Khandelwal and Mr. Ramesh Chander Khandelwal as members of the Committee. The Committee, inter-alia, reviews issue of duplicate certificates and oversees and reviews all matters connected with the Company's transfers of securities. It looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and such other functions as may be specifically delegated to the Committee by the Board from time to time. There being no investor grievances complaint pending, the committee reviewed the existing procedures for attending to complaints as and when they arise.

4 (Four) Stakeholders' Relationship Committee Meetings were held during the financial year 2017-18. The dates on which the meetings were held are 30th May, 2017; 17th August, 2017; 14th December, 2017 and 14th February, 2018.

The attendance of each Member at the Stakeholders' Relationship Committee Meetings held during the financial year 2017-18 is as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Satish Kumar Gupta	Chairman	4
2.	Mr. Pramod Khandelwal	Member	4
3.	Mr. Ramesh Chander Khandelwal	Member	4

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed as 'Annexure -B' and forms an integral part of this report.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Act are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

According to the provisions of Section 134(3) and 92(3) of the Act, read with Rule 12 of Companies (Management and Administration) Rules 2014 as amended upto date, the Extract of Annual Return of the Company as on the financial year ended 31st March, 2018 in Form MGT-9 may be accessed on the website of the Company viz., www.mcil.net.

BOARD POLICIES

(a) Policy of Appointment & Re-appointment

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board. The Nomination and Remuneration Policy of the Company includes the terms and conditions for appointment and payment of remuneration to the Directors and KMP and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Section 178 and Schedule IV of the Act. There have been no changes in the said policy during the year. The said policy may be accessed on the website of the Company viz., www.mcil.net.

(b) Vigil Mechanism/Whistle Blower Policy

The Company has formulated a Whistle Blower Policy relating to Vigil Mechanism in terms of Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations, 2015, for Employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of your Company viz., www.mcil.net.

**(c) Risk Management Policy**

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy may be accessed on the website of the Company viz., www.mcil.net.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) of the Act read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors are furnished hereunder:

Sl. No.	Name	Designation	% Increase/Decrease of remuneration in 2017-18 as compared to 2016-17 #	Ratio of Remuneration to MRE#
1	Mr. Pramod Khandelwal	Managing Director	23.68	81.72
2	Mr. Ramesh Chander Khandelwal	Chairman and Whole-time director	24.50	81.72
3	Mr. Ayodhya Prasad Khandelwal \$	Whole-time director	44.17	18.15
4	Mr. Ram Awtar Sharma	Chief Financial Officer	3.52	8.19
5	Ms. Rupali Aggarwal *	Company Secretary	---	3.43
6	Ms. Preeti Khatore *	Company Secretary	---	2.78

MRE : Median Remuneration of Employees

: Based on annualised Salary

\$: Mr. A. P. Khandelwal, whole-time director of the Company demise on 14th January, 2018. His remuneration includes retirement benefits.

*: Ms. Rupali Aggarwal resigned from the post of Company Secretary w.e.f. 15th April, 2017 and Ms. Preeti Khatore was appointed as Company Secretary w.e.f. 15th May, 2017.

- The percentage increase in Median remuneration of employees for the year 2017-18 is 8.58%.
- The number of permanent employee on the rolls of the Company as of 31st March, 2018 is 84.
- The average percentage increase in salary of the Company's employees excluding the KMP was 5.32% and including KMP was 23.46%. This was based on the recommendation of Nomination and Remuneration Committee to revise the remuneration as per the Remuneration Policy of the Company.
- Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on your Company's website viz. www.mcil.net
- It is affirmed that the remuneration is as per the remuneration policy of the company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company calibrates its business processes and operations framework to continuously improve efficiencies. These include automated internal business workflow and controls. Your Company's Internal Control System is robust and commensurate with the nature of its business and the size and complexity of its operations and ensure that all assets are safeguarded and protected against unauthorized use and that all transactions are authorized, recorded and correctly reported. The internal risks are identified which in turn are allocated to respective designated owners to manage and control the risks. Assets are adequately insured to mitigate risks against unforeseen events.