

24TH ANNUAL REPORT

FOR THE YEAR ENDED
31ST March, 2018



mfl
FASTENING REDEFINED

MOHINDRA FASTENERS LIMITED

A Reliable Partner for High Tensile Fasteners



MOHINDRA FASTENERS LIMITED

Reg. Office: 304 GUPTA ARCADE, INDER ENCLAVE,
DELHI-ROHTAK ROAD, DELHI- 110087

CIN: L74899DL1995PLC064215

Website: www.mohindra.asia E-mail: cs@mohindra.asia

24TH (TWENTY FOURTH) ANNUAL GENERAL MEETING

DATE & DAY OF AGM

28TH DAY OF SEPTEMBER, 2018 (FRIDAY)

TIME OF MEETING

11:30 A.M.

VENUE OF MEETING

Apsara Grand Banquet Halls, A- 1/20B, Paschim Vihar, Rohtak Road, Near
Paschim Vihar West Metro Station, Pillar No. 255, New Delhi -110063

BOOK CLOSURE DATES

Saturday 22nd September, 2018 to Friday 28th September, 2018

INSTRUCTIONS TO THE MEMBER

Members are requested to bring their copy of Annual Report at the meeting as the copies of the same will not be circulated at the AGM as a measure of economy and green initiative.

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BOARD OF DIRECTORS	
Designation	Name of Directors
Chairman Cum Managing Director & CEO	Mr. Deepak Arneja
Managing Director	Mr. Ravinder Mohan Juneja
Non – Executive Director	Mr. Gagandeep Singh Narang
Non – Executive & Independent Director	Mr. Vinod Kumar
Non – Executive & Independent Director	Mr. Ved Prakash Chaudhary
Non – Executive & Independent Director	Mrs. Anjali Malik

Chief Financial Officer	Mr. Sunil Mishra
Company Secretary & Compliance Officer	Ms. Nidhi Pathak

CORPORATE INFORMATION

Director – Operations	Mr. Sudhir Arneja
Director – Operations	Mr. Anurag Arneja
General Manager – SCM	Mr. Dheeraj Juneja
General Manager – Sales & Marketing	Mr. Prateek Arneja
Statutory Auditor	M/s B. L. Khandelwal & Co (Practicing Chartered Accountant) 1, Doctor Lane, Gole Market, New Delhi -110001
Cost Auditor	M/s Sanjay Kumar Garg & Associates (Practicing Cost Accountant) Shop No. 2, First Floor, Pocket – H – 34, Plot No. 35, Sector – 3, Rohini, New Delhi – 110085
Secretarial Auditor	M/s Anand Nimesh & Associates (Practicing Company Secretary) 183B, Second Floor, Gurudwara Road, West Guru Angad Nagar, Laxmi Nagar, New Delhi – 110092
Registrar & Share Transfer Agent	Skyline Financial Services Private Limited D – 153 / A, 1 st Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020, Tel:- 011-40450193, Email Id:- admin@skylinerta.com
Company's Banker	The Karnataka Bank Limited 11/14, West Patel Nagar, New Delhi – 110 008

WORK PLACE

Registered Office	304, Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, New Delhi -110087 Tel.: 011-46200400, Email Id: cs@mohindra.asia
Marketing Office	303 – 304, Vardhman Plaza, Inder Enclave, Paschim Vihar, Delhi – Rohtak Road, New Delhi – 110 087 Tel.: 011-46200400, Email Id: cs@mohindra.asia
Manufacturing Units	<p>Plant I - 60th K. M. Stone, Delhi – Rohtak Road, N. H. No. 10, V & P.O. Kharawar, District Rohtak, Haryana -124001.</p> <p>Plant II - 60th K. M. Stone, Delhi – Rohtak Road, N. H. No. 10, V & P.O. Gandhra, District Rohtak, Haryana - 124001.</p> <p>Plant IV - 70th K. M. Stone, Delhi – Rohtak Road, N. H. No. 10, V & P.O. Kharawar, District Rohtak, Haryana-124001</p>

CHAIRMAN'S MESSAGE



Mr. Deepak Arneja

(Chairman cum
Managing Director & CEO)

Dear Shareholders,

It gives me great a pleasure to share the performance of your Company for the financial year 2017-18. It was a transformative year with the introduction of the Goods and Services Tax (GST), an important development that has created a One Nation, One Tax & One Market and will benefit both consumers as well as the industry including the automotive sector. While there were implementation issues of GST and the first half marked with uncertainties, they have since established and there is a gradual improvement in overall demand.

As the pace of change accelerates, we are creating a stronger, simpler and more agile business. However volatile and uncertain the world becomes, we believe managing for the long-term is the best way for us to grow. We are well placed to deliver long-term value through our strategy.

In this challenging business environment, your Company delivered a balancing performance. The Company has earned a Profit (PBT) of **Rs. 910.48 Lakhs** on a total Revenue from operations of **Rs. 11394.20 Lakhs**. Both have grown up by **over 16%** and **over 7%** as compared to last financial year 2016-17. This was only due to a well diversified customers and product portfolio that we work with and that diversification has always helped the Company.

Your Company has prepared its financial statements which comply with Ind AS applicable for period ending 31st March, 2018, together with the comparative period data as at and for the year ended 31st March, 2017. The notes explain the principal adjustments made by the Company in restating its IGAAP statement of financial position as at 1st April, 2016 and its previously published IGAAP financial statements as at and for the year ended 31st March 2017.

I place on record my appreciation to our Board of Directors, as always, who have been very supportive and have provided the requisite guidance in operating your company throughout the year. Your Company is privileged to have in its team, more than 65 members who have spent over 10 years of service in this organization. It also boasts, of about 15 members who have been since incorporation of the company and have spent a little over 20 years. The Company places its appreciation on record to all the above members, who have been partners with the company since inception.

Backed by our strong product portfolio and improved efficiencies and with the industry expected to grow over the medium term, we are confident of strong growth in the coming years.

In keeping with our tradition of directing surplus cash to shareholders, the Board has recommended a final dividend of Rs. 2.50 per share of Rs. 10/- each fully paid up, for the financial year 2017-18. The same shall be paid subject to the approval of shareholders at the ensuing Annual General Meeting.

The Company is being rated by ICRA Limited for its long term & short term borrowings. This reflects the Company's financial discipline and prudence. ICRA has upgraded the Credit Ratings of Long Term Bank facilities to [ICRA] BBB (pronounced as ICRA triple B) and the Short Term Bank facilities to [ICRA]A3+ (pronounced as ICRA A three plus) i.e. these ratings are considered to have moderate degree of safety regarding timely servicing of financial obligations.

I am delighted to inform that your company shall take adequate steps to get the shares traded on Metropolitan Stock Exchange of India Limited ("the Stock Exchange") at the earliest as the company got the necessary approvals from the Stock Exchange regarding the same.

Your company has lower debt outgo and the running loans are at competitive interest rates. This is reflected in lower finance costs. The Energy costs remained more or less at the similar levels.

Overall, it was another year of sustained high performance with considerable achievements across our business. None of this would have been possible without the dedication and determination of our people.

Acknowledgement

With the leadership team and huge opportunities ahead, I am very excited about the future and sincerely believe that MFL's best days are yet to come.

On behalf of the entire Board of Directors of Mohindra Fasteners Limited, I would like to thank you – our valued stakeholders – for the continuing confidence you have placed in the organization.

Warm Regards,

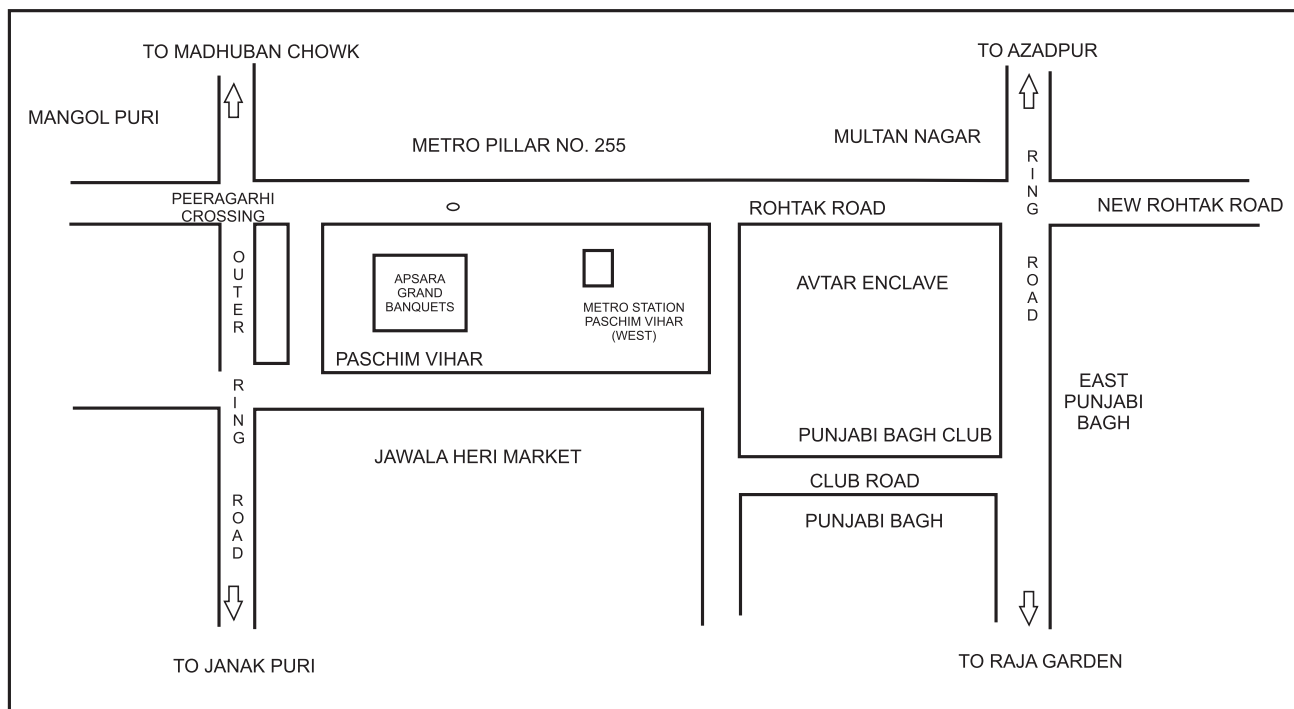
Deepak Arneja

Chairman

ROUTE MAP TO THE VENUE OF THE AGM

VENUE:

Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-110063, India



NOTICE

NOTICE is hereby given that the **24th (Twenty Fourth) Annual General Meeting** of the Members of **MOHINDRA FASTENERS LIMITED** will be held on **Friday, the 28th September, 2018** at 11.30 A.M. at Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-110063 to transact the following businesses:

ORDINARY BUSINESS

1. To review, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, the Reports of the Auditors and Board of Directors thereon.

“RESOLVED THAT the Audited Financial Statements for the year ended March 31, 2018 together with the Auditors Report thereon and the Report of the Board of Directors for the financial year ended on that date be and are hereby approved and adopted.”

2. To declare the dividend on Equity Shares for the financial year ended on 31st March, 2018.

“RESOLVED THAT a final dividend of Rs. 2.50 per Equity Share as recommended by the Board of Directors for the year ended as on 31st Day of March, 2018 be and are hereby approved and declared.”

3. To appoint a Director in place of Mr. Ravinder Mohan Juneja (DIN: 00006496) who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Ravinder Mohan Juneja (DIN: 00006496) who retires by rotation and being eligible for re-appointment is hereby re-appointed as a Director of the Company, whose office is liable to retire by rotation.”

4. To confirm the appointment of Statutory Auditors and to authorize the Board of Directors to fix their remuneration. Consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to provisions of Sections 139 of the Companies Act, 2013 (“the Act”) as amended by Companies (Amendment) Act, 2017, Section 142 and other applicable provisions of the Act, read with the provisions of the Companies (Audit and Auditors) Rules, 2014 (for time being in force), appointment of M/s. B. L. Khandelwal & Co., Chartered Accountants, Delhi (Firm Registration No. 000998N) who has been appointed as Statutory Auditors of the Company for the term of five years at the 23rd Annual General Meeting of the Company with the condition of ratification of appointment at every annual general meeting, be and is hereby confirmed for the rest of their tenure, i.e. up to conclusion of 28th Annual General Meeting without any ratification in subsequent Annual General Meetings and Board of Directors of the Company be and is hereby authorised to fix their remuneration from time to time in consultation with them.”

SPECIAL BUSINESS

5. To approve the remuneration of Cost Auditor for the financial year ending 31st March, 2019. Consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactments thereof, for the time being in force, the Cost Auditors, M/s. Sanjay Kumar Garg & Associates, Cost Accountants (Firm Registration No. 100292), appointed by the Board of Directors of the Company, to conduct the audit of Cost records of the Company for financial year ending 31st March, 2019, be paid the remuneration as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To approve the appointment of Ms. Shamoli Thakur (DIN: 08189763) as an Independent Women Director of the Company. Consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the “Act”) as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable Regulation(s) of SEBI (Listing Obligations and

Disclosure Requirements), Regulations 2015, the appointment by the Board of Directors of Ms. Shamoli Thakur (DIN:08189763), who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation and in respect of whom the company has received a notice in writing from a member under Section 160 (1) of the Act proposing her candidature for the office of Independent Director of the company be and is hereby appointed as an independent director of the company for a term of five years commencing from August 3, 2018 to August 2, 2023.”

7. To approve the Reclassification of the Shareholders from the Promoters’ Group Category. Consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION:

“RESOLVED THAT in accordance with Regulation 31A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the Shareholders of the Company be and are hereby accorded to reclassify the following persons as detailed in the explanatory statement annexed to this notice from the Promoter Group category i.e. remove their names from the Promoter Group shareholders.

RESOLVED FURTHER THAT on approval of the Stock Exchange upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions, if any.

RESOLVED FURTHER THAT Ms. Nidhi Pathak, Company Secretary and one of the Executive Directors of the company and/or such other person as authorized by the Board, be and is hereby authorized either jointly or severally to submit application for reclassification to the Stock Exchange(s), wherein the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable in order to give effect to this Resolution including filing of necessary forms/ returns with the Ministry of Corporate Affairs/Stock Exchanges/other authorities concerned.”

By Order of the Board

Place: New Delhi

Dated: 3rd August, 2018

Deepak Arneja

DIN: 00006112

Chairman Cum

Managing Director & CEO

NOTES:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), setting out the material facts concerning the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto. The additional and relevant details of the Director seeking re-appointment or appointment under Ordinary & Special Business, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) are annexed hereto after the notes to the Notice of AGM.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY IN FORM NO. MGT 11 TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBER(S) NOT EXCEEDING FIFTY(50) MEMEBERS AND HOLDING IN THE AGREEGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.
3. A blank proxy form is enclosed herewith. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. M/s Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 is the Registrar and Share Transfer Agent for physical shares of the Company. M/s Skyline Financial Services Private Limited is also the depository interface of the Company with both NSDL and CDSL.
8. Members are requested to bring their copies of the Annual Report at the time of attending the AGM as no copy of Annual Report shall be made available at the AGM venue.
9. For the convenience of the members, attendance slips is enclosed with the Annual Report. Members/Proxies/ Authorised Representatives should bring and handover the duly signed attendance slips at the entrance of the AGM venue to record their attendance. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
10. In terms of section 72 of the companies act, 2013, the shareholders of the company may nominate a person on whom the shares held by him/them shall vest in the event of his/her death, shareholders desirous of availing this facility may submit their nomination in prescribed form no. SH 13 duly filled in to the registered office at 304, Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, Delhi-110087. The Prescribed form (SH-13) can be obtained from the website of the company i.e. www.mohindra.asia and its RTA M/s. Skyline Financial Services Private Limited, Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
11. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive)** for the purpose of payment of final dividend for the financial year ended on 31st March, 2018 and for this Annual General Meeting (AGM).
12. Members, who are holding shares in the identical order of names in more than one folio, are requested to write to the Company to enable it to consolidate their holding in one folio.
13. Members are requested to quote their folio number, DP ID/Client ID and the Company's name in all correspondence with M/s Skyline Financial Services Private Limited, who is acting as our Registrar and Share Transfer Agent.