

15th

Annual Report

2016-2017



MONNET PROJECT DEVELOPERS LIMITED

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BOARD OF DIRECTORS

Non-Executive Directors

Sandeep Jajodia
Jagdamba Prasad Lath
Rajiv Poddar
Amitabh Sharma Mudgal
Babika Goel

Executive Directors

B.D. Bhardwaj

Chief Financial Officer

Mohd. Arshad

Company Secretary

Tanya

AUDITORS

O.P. Bagla & Co.

Chartered Accountants, New Delhi

REGISTERED OFFICE

Plot No. 216, Sector-C, Urla Industiral Complex,
Raipur-493 221 (Chhatisgarh)

INVESTOR SERVICES CENTRE

Monnet House, 11 Masjid Moth,
Greater Kailash-II, New Delhi-110 048
Phone: 011-29218542/ 43/ 44/ 45/ 46
Fax: 011-29218541
E-mail: isc_mpd@monnetgroup.com

BOARD COMMITTEES

Audit Committee

Rajiv Poddar	Chairman
J.P. Lath	Member
Amitabh S. Mudgal	Member

Nomination and Remuneration Committee

Amitabh S. Mudgal	Chairman
Sandeep Jajodia	Member
Rajiv Poddar	Member

Stakeholders Relationship Committee

Rajiv Poddar	Chairman
J.P. Lath	Member
Amitabh S. Mudgal	Member

CORPORATE OFFICE

Monnet House, 11 Masjid Moth,
Greater Kailash-II,
New Delhi-110 048, India

CORPORATE WEBSITE

www.monnetgroup.com

DIRECTOR'S REPORT

To The Members,

Your Directors are pleased to present the 15th (Fifteenth) Annual Report on the business and operation of Monnet Project Developers Limited ("the Company") together with the Audited Financial Statements for the year ended 31st March, 2017.

1. FINANCIAL SUMMARY

Particulars	Amount (Rs in lakhs)			
	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Gross Revenue	313.25	281.09	1608.32	891.63
Profit before tax (after Exceptional Item)	98.85	121.90	181.01	144.33
Tax Expenses (Including Deferred Tax)	19.00	25.33	40.32	17.89
Minority Interest and Share in Profit of Associates	-	-	-	-
Profit after Tax	79.85	97.54	140.69	126.44

2. FINANCIAL AND OPERATIONAL PERFORMANCE

Standalone Financials

During the year under review, your Company's revenue from operations was Rs. 313.25 Lakhs. Further, in the Financial Year ended 31st March, 2017, the profit before tax (PBT) stands at Rs. 98.85 Lakhs as against Rs. 121.90 Lakhs in the previous year and profit after tax (PAT) was Rs. 79.85 Lakhs against Rs. 97.54 Lakhs in the previous financial year.

Consolidated Financials

During the year under review, your Company's revenue from operations was Rs. 1608.32 Lakhs. Further, in the Financial Year ended 31st March, 2017, the profit before tax (PBT) stands at Rs. 181.01 lakhs as against Rs. 144.33 Lakhs in the previous year and profit after tax (PAT) was Rs. 140.69 Lakhs against Rs. 126.44 Lakhs in the previous financial year.

Further, there has been no change in the nature of business during the year under review.

3. DIVIDEND AND RESERVES

In view of the financial performance and inadequate profits during the year under review, your Directors have not recommended any dividend and have not transferred any amount to reserve for the financial year 2016-17.

4. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have taken place between the end of financial year of the Company to which

balance sheet relates and date of report, which affects the financial position of the Company.

5. PUBLIC DEPOSITS

Your Company has neither accepted nor renewed any deposits falling within the purview of section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year

There is no unclaimed or unpaid deposit lying with the Company.

6. SHARE CAPITAL

There was no change in the Company's share capital during year under review.

The authorized share capital of the Company as at 31st March, 2017 was Rs. 225,000,000/- (Rupees Twenty Two Crores Fifty Lakhs). The Company's Issued, Subscribed and Paid-up share capital as on 31st March, 2017 was Rs. 74,125,240/- (Rupees Seven Crores Forty One Lakhs Twenty Five Thousand Two Hundred and Forty Only), divided into 7,412,524 (Seventy Four Lakhs Twelve Thousand Five Hundred and Twenty Four) equity shares of Rs. 10/- (Rupees Ten Only) each.

7. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2017, your Company has one associate Company. The consolidated financial statements presented by the Company include financial information of its associate company and prepared in compliance with applicable Accounting Standards. A gist of financial performance of these companies is contained in form AOC-1 and forms the part of the financial statements of the Company and attached as **Annexure 1**.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future. However, members' attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors Seeking Appointment/ Re-appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the

Articles of Association of the Company, Mr. Sandeep Jajodia (DIN: 00082869), Director, retires by rotation and being eligible has offered himself for re-appointment.

Key Managerial Personnel

Pursuant to the provisions of Section 2(51) & 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company is:-

1. Mr. B.D. Bhardwaj- Whole Time Director
2. Mr. Mohd Arshad – Chief Financial Officer
3. Ms. Tanya – Company Secretary

Mr. Gaurav Gupta, Company Secretary resigned from the Company w.e.f. 26th June, 2017. Further, Ms. Tanya (Membership no.: ACS 45472) was appointed as Company Secretary of the Company w.e.f. 04th July, 2017.

During the period under review, with the approval of the shareholders of the Company Ms. Babika Goel and Mr. Amitabh Sharma Mudgal were appointed as Independent Directors w.e.f. 30th September, 2016 for a period of Five years.

Further, the directors of the Company are not related to each other in accordance with section 2(77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.

10. STATEMENT ON INDEPENDENCE OF DIRECTORS

All independent directors have given declarations that they meet the eligible criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

As required under Regulation 26 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 the required details of directors appointed/ reappointed in the ensuing Annual General Meeting (AGM) of the Company is annexed with the Notice of said AGM.

11. RELATED PARTY TRANSACTIONS

All related party transactions entered during the financial year ended March 31, 2017 under review were on arm's length basis and in the ordinary course of business and, therefore, do not attract the provisions of Section 188 of the Companies Act, 2013. Further, there were no materially significant transactions between the Company and related parties during the year under review and suitable disclosures as required by the Accounting Standard has been made in the notes to the accompanying Financial Statements. In this regard, disclosure in Form AOC-2 in

terms of Section 134(3)(h) of the Companies Act, 2013 is attached herewith as **Annexure - 2** and form part of the report.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz: http://www.monnetgroup.com/pdfs/others/mpdl/Policy_on_Related_Party_Transactions.pdf

12. AUDITORS

i) Statutory Auditor

At the Annual General Meeting held on September 27, 2014, M/s. O.P. Bagla & Co., Chartered Accountants (Firm Registration No. 000018N) were appointed as the Statutory Auditors of the Company to hold the office till the conclusion of Annual General Meeting to be held in the calendar year 2017, subject to the ratification of shareholders at every Annual General Meeting.

In terms of Section 139, no listed company shall appoint or reappoint an audit firm in the same company for more than two terms of five consecutive years. Every company, which was falling under the provisions of this Act was required to comply the same within three years of commencement of the Companies Act, 2013. Therefore, the existing statutory auditor of the Company, M/s O.P. Bagla & Company, Statutory Auditors can only be appointed for maximum tenure of three years. As such they are not eligible for being reappointed as Statutory Auditor of the Company.

Therefore, pursuant to recommendation of the Audit Committee of the Board of Directors, M/s APAS & Co., Chartered Accountants (Registration No.000340C), be and hereby proposed to be appointed as Auditors of the Company, to hold such office from conclusion of ensuing Annual General Meeting until conclusion of 20th Annual General Meeting, (subject to ratification of the appointment by the members at every AGM held after this AGM) to conduct audit.

The Auditors report is without any qualifications and notes to the accounts as referred in the Auditors Report are self-explanatory and therefore, do not call for any further comments or explanations.

ii) Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed M/s Sanjay

Grover & Associates, Practicing Company Secretaries as its Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for FY 2016-2017. The Report of Secretarial Auditor (Form MR-3) for the FY 2016-2017 is annexed to the report as **Annexure 3**.

The Secretarial Audit Report for the financial year ended March 31, 2017 does not contain any adverse remark and it is self-explanatory

iii) Internal Auditor

Pursuant to section 138 of Companies Act, 2013, the Company had appointed M/s Krishan Rakesh & Co. (Firm registration No 009088N) as Internal Auditors of the Company in its Board Meeting held on 08th August 2016 for the financial year 2016-17.

13. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the Directors 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 as at the end of the Financial Year 2016-17 and of the profit and loss of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and such internal Financial control are adequate and were operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

14. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s Krishan Rakesh & Co., Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal Control systems and suggests improvements to strengthen the same. The Company has a robust Management information System which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

15. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, the Board has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors

Schedule IV to the Companies Act, 2013 also provides for the performance evaluation of Independent Directors by the entire Board of Directors, excluding the Directors being evaluated.

After performance evaluation of the Independent Directors, the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The manner in which the evaluation of the Board, its Committees and individual Directors has been carried out is explained in the Corporate Governance Report which forms part of this Annual Report.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 4(four) Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report which forms part of this Annual Report.

17. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Executive Committee

The details of the Committees along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report. Further, during the year review, the board has accepted all the recommendations of the Audit Committee.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company, at present, does not fall in any of the criteria(s) as provided under section 135 of the Companies Act, 2013 and Rules made there under. Hence the provisions of Corporate Social Responsibility are not applicable on the Company.

19. LISTING OF SHARES

The Company's Equity Shares are presently listed at BSE Ltd, Mumbai. The Listing Fees for the financial year 2017-18 has been paid to BSE Limited.

BSE Ltd.

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001
Website : www.bseindia.com

Further, the details in relation to listing of shares are given in the Corporate Governance Report attached with the Board Report.

20. MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which forms part of this Annual Report as **Annexure 4**.

21. RISK MANAGEMENT POLICY

Your Company's Risk Management Policy is backed by strong internal control systems. The risk management framework consists of policies and procedures framed at management level and strictly adhered to and monitored at all levels. The framework also defines the risk management approach across the enterprise at various levels. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risk and future action plans.

The internal audit team periodically visits the divisions and carries out audit. The findings are periodically reviewed by the Board and Audit Committee with emphasis on maintaining its effectiveness in dynamic business environment.

22. DISCLOSURES-

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Secretarial Auditors, or Internal Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

STOCK OPTIONS SCHEME

The Company does not have any Scheme of Stock Option for its employees, Directors etc.

DISCLOSURE UNDER SECTION 43(A)(III) AND SECTION 54(1)(D) OF THE COMPANIES ACT, 2013

During the year under review, the Company has not issued any shares with differential voting rights and sweat equity shares and hence, no information as required under Section 43(a)(iii) & Section 54(1)(d) of the Companies Act, 2013 read with applicable rules is required to be disclosed.

EXTRACT OF ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013, the extract of the annual return in Form No. MGT – 9 is annexed as **Annexure 5** here to and forms a part of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In accordance with the provisions of Section 134(3)(g) of the Companies Act, 2013, details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 for the year are given in the notes to the financial statements.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial personnel and their remuneration as well as policy on other employees remuneration. The Brief terms of policy is stated on the website: http://www.monnetgroup.com/pdfs/others/mpdl/Nomination_and_Remuneration_Policy.pdf

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report. The same has also been displayed on the website of the Company and the link for the same is http://www.monnetgroup.com/pdfs/others/mpdl/Policy_Vigil_Mechanism.pdf

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has laid down Sexual Harassment policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, apprenticeship) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year under review-

- No. of complaints received: Nil
- No. of complaints disposed off : NA

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1)/(2)/(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure-6**.

CORPORATE GOVERNANCE REPORT

Your Company has complied with requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on the Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms part of this report as **Annexure-7**.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information under Section 134(3)(m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014 is given below:

A. Conservation of Energy-The Company has taken a number of steps to improve the conservation of energy by increasing the efficiency of raw material inputs in ferro alloys generation and by reducing/eliminating consumption wastages. Conservation of energy and improving the efficiency of existing resources are continuing processes and form an integral part of responsibilities of departmental heads and the Company had not made any major capital investment on energy conservation equipments.

B. Technology Absorption-

i. Efforts in brief made towards technology absorption

As technologies change rapidly, your Company recognizes the need to invest in new emerging technologies to leverage them for improving productivity, quality and reach to new customers. It is essential to have a technology infrastructure that is at par with the best in the world. Your Company thus follows a practice of upgrading computing equipment on an ongoing basis.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution: NIL

iii. In case of imported technology (imported during the last three financial year reckoned from the beginning of the financial year)

(a) Technology Imported: NIL

(b) Year of Import: NIL

(c) Whether the technology has fully been absorbed: NIL

(d) If not fully absorbed, area where absorption has not taken place and reason thereof: NIL

iv. Expenditure incurred on Research and Development: NIL

**C. Foreign Exchange Earnings And Outgo- Not
Applicable**

24. CAUTIONARY NOTE

Certain Statements in the 'Management Discussion and Analysis' section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which would be different from what the Directors envisage in terms of the future performance and outlook. Investors are cautioned that this discussion contains forward looking Statement that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors discussed. The discussion and analysis should be read in conjunction with the Company's Financial Statements and notes on accounts.

25. ACKNOWLEDGMENT

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board
Monnet Project Developers Limited**

(J.P. Lath) (Braham Dutt Bhardwaj)

Place: New Delhi Director Whole Time Director
Date: 09.08.2017 DIN: 00380076 DIN: 01779434

FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

[Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures]

Part "A": Subsidiaries

(Information in Respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	1
Name of subsidiary	NOT APPLICABLE
Reporting period for the subsidiary concerned	
Reporting Currency and exchange rate as on last date of the financial year in case of foreign subsidiaries	
Share capital	
Reserves and surplus	
Total asset	
Total liabilities	
Investments	
Turnover	
Profit before taxation	
Provision for taxation	
Profit after taxation	
Proposed Dividend	
% of shareholding	

Additional Disclosure	Name of the Subsidiaries
Subsidiaries which are yet to commence operations	NIL
Subsidiaries sold or Liquidated during the year	NIL