



IS/ISO 9001:2008 Certified
MITCON™
CONSULTANCY & ENGINEERING
SERVICES LTD.

2015-16





IS/ISO 9001:2008 Certified
MITCON
CONSULTANCY & ENGINEERING
SERVICES LTD.

34th ANNUAL REPORT 2015-2016

of



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MITCON
CONSULTANCY & ENGINEERING
SERVICES LTD.

Registered Office :

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Pune - 411 005. Maharashtra (India)
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CIN : L74140PN1982PLC026933

BOARD OF DIRECTORS

Mr. Anand Kusre	Chairman
Dr. Pradeep Bavadekar	Managing Director
Mr. Ravi Tyagi	Non-Executive Director (From 26.08.2015)
Mr. Chimant Deshmukh	Non-Executive Director
Mr. Aniruddha Joshi	Independent Director
Mrs. Archana Lakhe	Independent Woman Director
Mr. Jagannath Dange	Independent Director
Mr. Ananta Sarma	Non-Executive Director (Up to 26.08.2015)
Mr. S. Thiruvadi	Non-Executive Director (Up to 21.02.2016)

Bankers

Bank of Baroda
Bank of Maharashtra
ICICI Bank Ltd.
HDFC Bank Ltd.
State Bank of India
IDBI Bank
YES Bank
Axis Bank

Auditors

M/s. Joshi & Sahney
Chartered Accountants
1913, Natu Baug, Sadashiv Peth, Pune -411 030.
Tel. : 91-020-24471521, 24471699

Registered Office

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34th ANNUAL REPORT 2015-2016

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DIRECTORS' REPORT

Dear Members,

The Directors take pleasure in presenting the 34th Annual Report of the Company and Audited Accounts for the year ended **31st March, 2016**.

1. COMPANY'S PERFORMANCE :

In the year under review, the Company achieved a gross turnover of Rs. 4855.17 Lakhs (previous year 4739.27 Lakhs) which represents 2.44% increase over the previous year. The increase in business is majorly due to increase in Consultancy income. Profit After Tax is Rs. 460.98 Lakhs (Previous year 535.47 Lakhs).

2. FINANCIAL HIGHLIGHTS :

(Rs. in Lakhs)

Particulars	As on 31.03.2016	As on 31.03.2015
Revenue From Operations	4497.38	4323.87
Other Income	357.79	415.40
Total	4855.17	4739.27
Profit Before Depreciation	1054.23	1260.86
Depreciation	380.12	483.03
Provision for Tax – Current	230.00	285.00
– Deferred	(16.86)	(42.64)
Profit for the Year	460.98	535.47

3. DIVIDEND AND RESERVES :

Dividend

The Directors recommend for your consideration a final dividend of 10% (Rs. 1 per Equity Share) for the year 2015-16. The proposed dividend (including Dividend Distribution Tax) will absorb Rs.145.63 Lakhs. (Previous year Rs. 1 per Equity Share).

Reserves

During the year under review, no amount was transferred to General Reserves.

4. HIGHLIGHTS OF IMPORTANT ASSIGNMENTS :

■ POWER DIVISION :

During the year under review, poor market & economic situation continued (particularly in the power & sugar sectors) which certainly affected performance of this division. However, a lot of accomplishments were observed in all the strategic business units including pre-investment, engineering, sugar, ethanol, and international business, which will boost performance of this division in coming financial year. The highlights are enumerated as below :

- Won the National award for excellence in Green & Waste – 2015 on World CSR Day in July, 2015.
- PAN India presence strengthened (diverse assignments completed in Maharashtra, Karnataka, Tamil Nadu, Gujarat, Madhya Pradesh, Uttar Pradesh, Uttarakhand & Punjab).
- Pre-investment & engineering services established in upcoming distillery / ethanol sector. Pre-investment services including DPR & loan syndication were provided to over 20 clients from Maharashtra, Karnataka, Madhya Pradesh & Uttar Pradesh. End-to-end engineering services were provided to 45 KLPD ethanol plant along with incineration type boiler at Indreshwar Sugar Mills Ltd. in Maharashtra, where commissioning trials have been successfully completed.
- Successful commissioning of cogen power plants at Sahakar Shiromani Vasantrao Kale Sahakari Sakhar Karkhana Ltd. (SSVKSSKL) (18 MW), Shri Vithal Sahakari Sakhar Karkhana Ltd. (20 MW), Sahakar Maharshi Bhausahab Thorat Sahakari Sakhar Karkhana Ltd.(SBTSSKL) (30 MW) & Kisanveer Khandala SSKU (9.5 MW) in Maharashtra. The commissioning trials for TANGEDCO projects at Cheyyar, Vellor & Chengalarayan in Tamil Nadu were also completed (total cumulating to 125.3 MW).
- Successful commissioning of new 7000 TCD capacity sugar factory at Sahakar Maharshi Bhausahab Thorat SSKL and 2500 TCD at Kisanveer Khandala SSKU (completion of erection), as well as sugar plant expansion projects at Sahakar Shiromani Vasantrao Kale SSKL & Shri Vithal SSKL.
- Performance improvement audit for commissioned cogen power plants, a new business line having substantial potential set up with maiden assignment at Bhimashankar SSKL.
- BOOT project interface services to Sindicatum for projects at DY Patil SSKL, Urjankur projects in Maharashtra & Uttarakhand Jal Vidyut Nigam Ltd. (UJVN Ltd.), Dehradun for Bazpur & Nadehi sugar factories in Uttarakhand.
- Repeat assignments for pre-investment & engineering services from Davangere Sugar Co. Ltd. (30 MW, Ph II), Usher Eco Power Ltd. (18 MW, Ph II), Shivshakti Sugars, Gokul Mauli Sugar, Indian Cane Power, MRN Cane Power, IL & FS Tamil Nadu Power Co. Ltd., BLA Power Pvt. Ltd., Satish Sugars Ltd. (for Belgaum Sugars), SSVKSSKL, SBTSSKL, Jaihind Sugars, Agasti SSKL, etc.
- Secured first international engineering services assignment from Sukari Industries Ltd., Kenya for 22 MW bagasse cogen power plant, execution commenced, as well as execution at 18 MW HFO fired power plant at island of Comore is at advanced stage.
- Loan syndication & LIE assignments from King Rudra Sugars, Harsha Sugars, Sai Priya Sugars, Shetkari Sakhar, Angadi Sugars, Vrundavan Sugars, etc.
- Inroads made into industrial captive / cogen power / waste to energy projects with pre-investment assignments at Privi Organics (Mahad) & Sudarshan Chemical Industries Ltd. (Roha), engineering assignment in Continental India Ltd. (Meerut) and cogen plant certification services from Ultra-Tech Cement (Chandrapur & AP), I G Petrochemicals Ltd. (Taloja), HPCL (Mahul), Glaxo (Sonapat), etc.
- Business promotional events were held for ethanol sector at Pune/Belgaum & for equipment / EPC / service providers for Enviropol in Belgaum (bagasse dryers) & Synergi India at Sholapur & Kolhapur (O&M services).
- Conducted 6 weeks Operator Training Programs with Cogen India in Maharashtra & Uttarakhand for bagasse cogen power plant operators, trained over 150 operators of various disciplines.
- Participation in International event 'Namaskar Africa, 2015' at Maputo, Mozambique.

■ ENERGY AND CARBON DIVISION :

During the year under review, Energy and Carbon Services Division continued to work on various important assignments from Government as well as Private Sectors.

Key achievements includes:

- Energy conservation & efficiency studies for high end clients like TATA Power, Reliance, GSK, UNDP, SESA Sterlite Ltd., Sulzer India Pvt. Ltd., Century Enka, Century Rayon, Bombay Dyeing, BILT Graphic Paper Products Ltd., Surya Roshani Ltd., Sangam India Ltd., Panipat Thermal Power Station, Adani Petronet, Mukand Ltd., Electrotherm, Cadila Group, Torrent Group, Amulfed Dairy etc.
- Comprehensive energy audit at M/s SULB Company B.S.C., Hidd, Bahrain for M/s ABB India Ltd.
- Assisted M/s Bhageria Industries Ltd. to win 30 MW solar power project through international competitive bidding arranged by Solar Energy Corporation of India (SECI) in Maharashtra.
- Multiple solar consultancy assignments for high end clients like ESSEL Group, WAREE Group, GMR Group, AZURE Group, Solar Arise, Bhadresh Trading, ATRIA, GIZ GmbH, NALCO etc.
- Project management consultancy services for 6 MW solar power project by Delhi Mumbai Industrial Corridor Development Corporation Ltd. (DMIC) at Rajasthan.
- Lender Independent Engineer (LIE) services to State Bank of India (SBI) for 50 MW solar project by M/s Azure Power Infra Pvt. Ltd. at Andhra Pradesh.
- Lender Independent Engineer (LIE) services to ICICI Bank Ltd. for 20 MW solar project by M/s Neel Metal Products Ltd. (JBM Group) at Haryana.
- Lender Independent Engineer (LIE) services to PFC Green Energy Ltd. for solar power project by M/s Narasimhaswamy Solar Generations Pvt. Ltd. (5 MW) and M/s Kranti Edifice Pvt. Ltd. (10 MW).
- Project management consultancy services for 10 MW solar power project by M/s Neyveli Lignite Corporation Ltd. at Tamilnadu
- Inspection, Verification and Certification of Materials Procured for IndiaOne - 1 MWel Concentrating Solar Thermal Power Project with 16 hours of Energy Storage for Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ) GmbH.
- Assistance in bidding & order finalization for 19.5 MW solar power project in Quang Ngai Province of Vietnam by M/s Thien Tan Group, Vietnam for M/s Ishan International Pvt. Ltd.
- Site survey & feasibility study solar PV park in Vietnam over land area of 1500 hectares in Bac Ai District and Ninh Son District, Ninh Thuan Province, Vietnam for M/s Thien Tan Group, Vietnam for M/s Ishan International Pvt. Ltd.
- Loan syndication services for 25 MW solar power project by M/s Al Ameen Green Energy Pvt. Ltd. at Tamilnadu.
- Ministry of New & Renewable Energy : Third party inspection of solar thermal systems installed under National Solar Mission : 14,441 systems, 85565 sq mtrs., installed across India.
- Madhya Pradesh Urja Vikas Nigam Ltd. : Third party inspection of solar PV systems : 22 systems, installed across Madhya Pradesh.
- Jain Irrigation : Third party inspection at factory level of solar PV systems : 39 systems.

- Lender Independent Engineer (LIE) services to ICICI Bank Ltd. for 30 MW wind power project by M/s PTC Energy Ltd. at Madhya Pradesh.
- Lender Independent Engineer (LIE) services to IFCI Ltd. for 45.25 MW wind power project by M/s Markdata Green Energy Pvt. Ltd. (Shri Baidyanath Group) at Madhya Pradesh.
- Multiple wind consultancy assignments for high end clients like SUZLON Energy Ltd., INOX Wind Ltd., ESSEL Group, GMDC, ADANI Group, THAPER Group, ASHAPURA Group, IDBI Bank Ltd., ICICI Bank Ltd., IFCI Ltd., Ruchi Soya Group, Sun Pharma, Leap Green, Goyal Gas, SITAC RE Pvt. Ltd. etc.

■ ENVIRONMENT MANAGEMENT AND ENGINEERING DIVISION :

Environment Management and Engineering Division provides the services like Environment Impact Assessment (EIA) of developmental projects, Obtaining Consents to Establishment & Operate, Environmental Clearances, Preparation of Environment Management Plan (EMP), Environment Audit, Environmental Risk Assessment. This division has Ministry of Environment and Forests (MoEF) approved laboratory through which testing & analysis of Water, Air & Soil etc. is being carried out.

The division has also accreditation from Quality Council of India (QCI)-NABET to carry out EIAs in 17 sectors.

The laboratory accreditation and QCI accreditation have helped the division to maintain healthy client base of over 100 plus which includes corporates like Mahindra, Bajaj Auto Ltd, Kirloskar Brothers Ltd., Minda Stoneridge, TACO, ITC, Piaggio, Cummins India Ltd, FIAT Automotive Ltd, Panchshil Realty, City Corporation etc. The division continued working on assignments received from CIDCO in Solid Waste Management.

During the year under review, the performance of Environmental Testing Laboratory has improved. The Company is in the process of obtaining accreditation from National Accreditation Board for Testing and Calibration Laboratories (NABL).

■ BANKING & FINANCIAL SOLUTIONS DIVISION :

This division continued providing services to Banks and Financial Institutions as it is empanelled with leading banks. It has carried out assignments like LIE, TEV, Valuations, Debt Syndication across the country. In the year under review, the division has successfully completed assignment of traffic survey.

Some of key assignments includes:

Sr. No.	Name of Assignment	Nature of Assignment	Location
1	Adlabs Entertainment Ltd	LIE	Mumbai
2	Abhijeet MADC Nagpur Ltd.	Valuation	Nagpur
3	Allahabad Bypass Pathways Pvt. Ltd.	LIE	Allahabad
4	Amtex Group	TEV, Valuation	Delhi
5	Badve Autotech Pvt. Ltd	LIE	Ahmedabad
6	Balaji Precision Tubes (India) Pvt. Ltd.	Loan Syndication	Mumbai
7	Bramhacorp Limited	Valuation	Pune
8	CAMERICH PAPERS PVT. LTD.	TEV	Morbi
9	D'Damas Jewellery (India) Ltd,	TEV	Hyderabad
10	Deepak Fertilizers and Petrochemicals Corp. Ltd	LIE	Mumbai
11	Gera Developments Pvt. Ltd.	Valuation	Bangalore
12	Gold Plus Glass Industry Ltd,	TEV	Delhi

13	Indofil Industries Ltd.	LIE	Dahej
14	Isinox Steels Ltd	IM	Mumbai
15	Kesar Multimodal Logistics Ltd	TEV	Mumbai
16	Lucerne Developers Pvt. Ltd.	TEV	Mumbai
17	Mahalaxmi Tmt Pvt. Ltd	TEV	Mumbai
18	MTCIL	LIE	Mumbai
19	Sobha Limited	LIE	Bangalore
20	Sonakoya Steering Systems Limited	LIE	Delhi
21	Sree Ramakrishna Alloys Ltd.	TEV, Valuation	Chennai
22	Sujana Towers Ltd.	TEV	Hyderabad
23	The India Cements Ltd	Valuation	Chennai
24	Union Bank Of India	Traffic Study	Mumbai
25	Vihaan Networks Limited - Lie Report	LIE	Delhi
26	Welspun India Ltd.	LIE	Ahmedabad
27	Youth Force Skills Foundation	TEV	Nagpur

■ INFRASTRUCTURE CONSULTING DIVISION :

During the year under Review, this division has received major order of factory expansion from Pam Glatt Pharma Technologies Pvt. Ltd. and also has worked with Maharashtra Maritime Board.

Some of the key assignments undertaken by this division include:

- Preparation of the Master Plan with Infrastructure detailing like internal road peripheral roads, substations, control room, panel room with the fencing for Vietnam Solar Park spread over area about 5000 acres.
- Preparation of Master Plan for near about 10000 Acres solar park at Andhra Pradesh which includes Detailed Engineering for 2 lane Roads, canal crossing Bridges, Water Supply distribution system, Drainage System, rain water harvesting and electrification etc.
- Completed Master Plan phase wise for 1000 acres which includes preparation of detail estimation, drawings, bill of quantities with designs for Orange Smart City at Pen near Panvel.
- Successfully completed assignment for NIT Institute of Jalandhar, Punjab of the vetting of estimations for buildings, interior works, and mechanical electrical plumbing work.
- Prepared a Techno Economic Feasibility Report for Gujarat Coastal Area for Jetties & Bunds at Madhavad.
- Obtained Town Planning approval with provisional fire fighting NOC and related approval for project of Associated Capsule Group Pharma Technologies Pvt. Ltd. and started the work of selection of various vendors/contractors for Civil work, pre engineering building work, Electrical work, installation of Firefighting work, Construction of Sewage treatment plan, supply & installation of Plant & Machinery for the same project.
- Supervised construction work of Modern Abattoir for Mohali Corporation with capacity of 350 cattles, 75 pigs and poultry for birds.
- Started construction work after detail Architectural, Structural for cold storage and dehydration plant at Kochi for Central Food Research Department Project.

■ SECURITISATION AND FINANCIAL RESTRUCTURING DIVISION :

Key achievements includes:

- Empanelled with State Bank of India, State Bank of Hyderabad and Bank of Maharashtra as Resolution Agent.
- Received a portfolio of 94 accounts from Bank of Maharashtra for resolution.
- Completed 25 Valuation assignments for various corporates like S. Kumar Nationwide Ltd., Reid & Taylor, Das Offshore Ltd, OTCEI etc.
- During the year, this division has taken over physical possession of more than 110 properties and also offered support services for sale of assets.

■ AGRO INFRA AND FOOD PROCESSING DIVISION :

Key achievements includes :

- Obtained approval to Grant-in-Aid of about Rs. 9 Crores for Integrated Cold Chain Project in MIDC Talaja for Western Superfresh Stores Pvt. Ltd.
- Completed assignment for World Bank and Ministry of External Affairs in Association with Deloitte.
- Obtained Approval from Ministry of Food Processing Industries with disbursement of first and second tranche of grant-in-aid for Modernization of Abattoir, GMCL, Goa.

■ TEXTILES, CLUSTERS - INFRA CONSULTING & MARKET RESEARCH DIVISION :

This division offers Total Consultancy Solution from Concept to Commissioning for Textiles Projects in Spinning, Weaving, Processing, Garments & Technical Textiles sector.

Key achievements includes Establishing Textiles Business by offering consultancy to following Clients:

Maharashtra

- Innovative Textiles Ltd., Nagpur
- Jalna Sahakari Ginning, Pressing & Oil Mill Society. Dist. Jalna
- Choundeshwari Sahakari Sootgirani Ltd., Shirol, Dist. Kolhapur.
- Siddharth Pooja Spintex Pvt.Ltd., Aurangabad

Gujarat

- Yogiraj Mills Pvt. Ltd., Rajkot

Madhya Pradesh

- Super Hygiene Products Pvt. Ltd., Pithampur.

This Division also provides Consultancy for enhancing productivity, competitiveness as well as capacity building of small enterprises within the Cluster, Development of need based Infrastructure & Common Facility Centre for the Cluster through Cluster & Infrastructure Development Programmes from Govt. of India & State Governments.

Key achievements under cluster development:

- Cluster Development under Maharashtra State Industrial Cluster Development Programme (MSI-CDP) promoted by Dept. of Industries, Govt. of Maharashtra :

Diagnostic Study Reports (DSRs) from Department of Industries, Govt. of Maharashtra for following Clusters :

Sr. No.	Cluster	Location
01	Vengurla Coir Cluster	Dist. Sindhurg
02	Sangmeshwar Agri Implements Cluster	Dist. Ratnagiri
03	Waigaon Turmeric Cluster	Dist. Wardha
04	Mul Saoli Rice Mill Cluster	Dist. Chandrapur
05	Pombhurna Agarbatti Cluster	Dist. Chandrapur
06	Akot Honey Processing Cluster,	Dist. Akola
07	Akola Dal Mill Cluster	Dist. Akola
08	Patur Stone Carving Cluster	Dist. Akola
09	Nanded Gold Jewellery Cluster	Dist. Nanded

- ◆ **Detailed Project Reports (DPRs) for Setting up of Common Facility Center (CFC) from Department of Industries, Govt. of Maharashtra for following Clusters :**

Name of the Cluster	Project Cost (Rs.in Crore)	Grant Sanctioned (Rs.in Crore)
Chamorshi Rice Mills Cluster, Dist. Gadchiroli	07.60	05.00
Sadak Arjuni Rice Mills Cluster, Dist. Gondia	07.26	04.96
Kasa Birsola Jaggery Cluster, Dist. Gondia	05.61	04.26

- ◆ **Cluster Development under Modified Industrial Infrastructure Upgradation Scheme (MIUS) promoted by Ministry of Commerce & Industries, Govt. of India**

Detailed Feasibility Reports (DPRs) for Infrastructure upgradation projects by Ministry of Commerce & Industries, Govt. of India

Name of the Cluster	Implementing Agency	Project Cost (Rs.in Crore)	Grant Sanctioned (Rs.in Crore)
Tarapur Industrial Cluster	Maharashtra Industrial Development Corporation, (MIDC) Mumbai	109.45	12.75 (In-Principal Sanction)
Engineering Cluster, Bilaspur	Chhattisgarh State Industrial Development Corporation Ltd.,(CSIDC) Raipur	44.59	10.24

MARKET RESEARCH :

Under Market Research segment, this division provides a wide spectrum of service in the field of marketing and social research and also assist clients by providing solutions at all phases of planning & development. This division conducted various assignments in social research, industrial research and consumer research.

Key achievement during this financial year includes Base line Survey of over 3000 Nos. of Households near Karanja Port, Dist. Raigad for M/s. Karanja Terminal & Logistics Pvt. Ltd.,

■ ENTREPRENEURSHIP & VOCATIONAL TRAINING DIVISION :

During the year under review, this division conducted training programmes sponsored by Dept. of Science & Technology (DST), Ministry of Food Processing Industry (MoFPI), Dept. of Public Enterprises, National Institute for Micro, Small and Medium Enterprises (NI-MSME) and Dept. of Industries, Govt. of Maharashtra.

This division is also implementing Special project viz; 'Udaan' for students from Jammu & Kashmir which includes training in skill development and placement in Maharashtra. Objective of the said programme is to bring these students in the main national stream. This programme is sponsored by National Skill Development Corporation (NSDC). During the year, this division has trained more than 27,000 participants under different 12 training programmes.

MITCON INCUBATION CENTRE :

During the year under review, MSME awarded ASPIRE project to MITCON TBI for upgradation of TBI, incubation of innovative idea, seed fund and workshop.

Innovative ideas are selected under MSME scheme "Support for Entrepreneurial and Managerial Development of SMEs through incubator"

■ **MITCON CENTRE FOR CSR AND SKILL DEVELOPMENT :**

This division scaled up its operations at new center at Balewadi. The center is having state of the art training facility. It offers varied range of training programs to develop resourceful and skilled manpower through various laboratories like Gemology, Catering, Fashion Technology, Four Wheeler Repairing Lab, Beauty Care etc. This division also provides CSR solutions to the Corporates.

Key achievements includes :

- Sponsorship from TATA Motors Ltd for conducting vocational training in various trades as well as partially sponsoring fees for four wheeler repairing and maintenance course.
- Accreditation from National Skill Development Corporation.
- Organised workshops for the staff of State Reserve Police Force (SRPF).
- Entrepreneurship Development Programmes (EDPs) for Entrepreneurship Development Institute of India, Ahmedabad (EDII).
- Socio Economic Survey for Ishanya Foundation, an organization of Deepak Group.
- Conducted EDP for Idea Foundation.

■ **MITCON e-SCHOOL :**

This division while continuing its activities from the agriculture college campus, Pune also scaled up activities at its Chinchwad and Balewadi centres.

Key achievements of this Division during the financial year under review include :

- Affiliation of Yashwantrao Chavan Maharashtra Open University as Authorised Study Centre for our Balewadi Centre.
- Started Campus to Corporate division catering to training requirements of 'On Campus Students'.
- Partnered with I Source Infosystems Pvt. Ltd. to provide platform for our Computer Hardware Networking students to acquire real time knowledge.
- Established Platform for providing Technical Trainings viz. Printer Repairing, Laptop Repairing, etc, in live maintenance labs. This division ensures support services like Training Infrastructure and Expert Trainers under captioned initiative.

5. DIRECTORS :

Pursuant to Article 171 of the Articles of Association of the Company Mr. Anand Kusre and Mr. Chiman Deshmukh who retire by rotation and being eligible, offer themselves for re-appointment.

During the year under review the Board appointed Mr. Ravi Tyagi as representative of SIDBI as Additional Director on the Board and who in terms of Section 161 of the Companies Act, 2013 read with Articles of Association of the Company hold such office until the conclusion of ensuing Annual General Meeting

and being eligible offer himself for appointment as Director.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

Your Board recommends their appointment/ re-appointment at the ensuing annual general meeting. A brief resume, nature of expertise, details of directorships held in other companies and other information of the directors proposing appointment/re-appointment pursuant to the provision of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges is appended as an annexure to the notice of ensuing annual general meeting.

During the year under review, Mr. Ananta P. Sarma and Mr. S. Thiruvadi resigned as Directors of the Company. The Board places on record its sincere appreciation for their valuable contributions.

6. BOARD EVALUATION :

Pursuant to the provisions of the Companies Act, 2013, the Board Members evaluated the performance of individual directors based on their participation in the Board Meetings and Meeting of the Committees of the Board and also as per criteria laid down in policy for evaluation of performance of Board Members. Independent Directors also evaluated the performance of the Non-Independent Directors in their separate meeting held on 12.03.2016.

7. MEETINGS OF THE BOARD :

During the financial year 2015-16, six Board Meetings were convened on 27.05.2015, 26.06.2015, 26.08.2015, 03.11.2015, 18.02.2016, 28.03.2016.

The attendance of the Board Members at the said meetings are as under:

Sr. No.	Name of the Board Member	Attendance record of the Members					
		27.05.2015	26.06.2015	26.08.2015	03.11.2015	18.02.2016	28.03.2016
1.	Mr. Anand Kusre	No	No	Yes	Yes	Yes	Yes
2.	Dr. Pradeep Bavadekar	Yes	Yes	Yes	Yes	Yes	No
3.	Mr. Chiman Deshmukh	Yes	No	No	Yes	Yes	Yes
4.	Mr. Ravi Tyagi*	N.A.	N.A.	Yes	Yes	Yes	Yes
5.	Mrs. Archana Lakhe	Yes	Yes	Yes	Yes	Yes	Yes
6.	Mr. Aniruddha Joshi	No	Yes	Yes	Yes	Yes	No
7.	Mr. Jagannath Dange	Yes	No	Yes	Yes	Yes	Yes

* Appointed w.e.f. 26.08.2015.

Mr. Vineet Suchanti was a member of the Board till 12.06.2015 and he attended meeting held on 27.05.2015.

Mr. Ananta Sarma was a member of the Board till 26.08.2015 and he did not attended any meeting.

Mr. S. Thiruvadi was a member of the Board till 21.02.2016 and he attended meetings held on 27.05.2015, 26.06.2015 and 26.08.2015.

8. COMMITTEES OF THE BOARD :

i. Audit Committee

As on 31st March 2016, the Committee comprised of the following:

Name of the member	Category
Mr. Anand T. Kusre (Chairman)	Non-Executive Director
Mr. Aniruddha Joshi (Member)	Non-Executive – Independent Director
Mr. Jagannath Dange (Member)	Non-Executive – Independent Director

Mrs. Archana Lakhe (Member)	Non-Executive – Independent Woman Director
Mr. Chiman Deshmukh (Member)	Non-Executive Director

The audit committee meetings are usually attended by the Managing Director, Chief Financial Officer, the representatives of Statutory Auditors and Internal Auditors as and when necessary. The Company Secretary acts as a Secretary of the Committee.

The previous Annual General Meeting of the Company was held on 26th August, 2015 which was attended by Mr. Anand T. Kusre, Chairman of the Audit Committee.

The dates on which the Audit Committee Meetings were held and the attendance of the Members at the said meetings are as under:

Sr. No.	Dates on which Audit Committee Meeting was held	Attendance record of the Members				
		Mr. Anand T. Kusre	Mr. Aniruddha Joshi	Mr. J. P. Dange	Mrs. Archana Lakhe	Mr. Chiman Deshmukh
1.	27/05/2015	No	No	Yes	Yes	Yes
2.	26/08/2015	Yes	Yes	Yes	Yes	No
3.	03/11/2015	Yes	Yes	Yes	Yes	Yes
4.	18/02/2016	Yes	Yes	Yes	Yes	Yes
5.	28/03/2016	Yes	No	Yes	Yes	Yes

ii. Nomination and Remuneration Committee

As on 31st March 2016, the Committee comprised of the following :

Name of the member	Category
Mrs. Archana Lakhe (Chairperson)	Non-Executive - Independent Woman Director
Mr. Aniruddha Joshi (Member)	Non-Executive - Independent Director
Mr. Jagannath Dange (Member)	Non-Executive - Independent Director
Mr. Anand T. Kusre (Member)	Non-Executive Director
Mr. Chiman Deshmukh (Member)	Non-Executive Director

The previous Annual General Meeting of the Company was held on 26th August, 2015 which was attended by Mrs. Archana Lakhe, Chairperson of the Nomination and Remuneration Committee.

The dates on which the Nomination and Remuneration Committee Meetings were held and the attendance of the Members at the said meetings are as under :

Sr. No.	Dates on which Nomination and Remuneration Committee Meeting was held	Attendance record of the Members				
		Mrs. Archana Lakhe	Mr. Aniruddha Joshi	Mr. J. P. Dange	Mr. Anand T. Kusre	Mr. Chiman Deshmukh
1.	27/05/2015	Yes	No	Yes	No	Yes
2.	26/08/2015	Yes	Yes	Yes	Yes	No
3.	28/03/2016	Yes	No	Yes	Yes	Yes

iii. Corporate Social Responsibility (CSR) Committee

As on 31st March 2016, the Committee comprised of the following:

Name of the member	Category
Mr. Aniruddha Joshi (Chairman)	Non-Executive-Independent Director
Dr. Pradeep Bavadekar (Member)	Managing Director
Mr. Ravi Tyagi (Member)*	Non-Executive Director
Mrs. Archana Lakhe (Member)	Non-Executive-Independent Woman Director

*Appointed as member w.e.f. 26th August, 2015.

Sr. No.	Dates on which CSR Committee Meeting was held	Attendance record of the Members			
		Mr. Aniruddha Joshi	Dr. Pradeep Bavadekar	Mr. Ravi Tyagi	Mrs. Archana Lakhe
1.	27/05/2015	No	Yes	N.A.	Yes
2.	18/02/2016	Yes	Yes	Yes	Yes

Mr. Ananta Sarma was a member of the Committee till 26.08.2015 and he did not attended any meeting.

iv. Stakeholders Relationship Committee :

As on 31st March 2016, the Committee comprised of the following :

Name of the member	Category
Mr. Anand Kusre (Chairman)	Non-Executive Director
Dr. Pradeep Bavadekar (Member)	Managing Director
Mr. Chiman Deshmukh	Non-Executive Director
Mr. Ravi Tyagi (Member)*	Non-Executive Director
Mrs. Archana Lakhe (Member)	Non-Executive-Independent Woman Director

*Appointed as member w.e.f. 26th August, 2015.

During the year, the Committee meeting was held on 18th February, 2016 which was attended by all members.

9. KEY MANAGERIAL PERSONNEL (KMP) :

During the year under review, the following persons were Key Managerial Personnel:

Sr. No.	Name of the Person	Designation
1.	Dr. Pradeep Bavadekar	Managing Director
2.	Mr. Ram Mapari	Chief Financial Officer
3.	Mr. Madhav Oak	Company Secretary

During the year there were no changes in the Key Managerial Personnel.

10. NOMINATION AND REMUNERATION POLICY :

The Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy is annexed hereto and forms an integral part of this Report.

11. WHISTLE BLOWER POLICY :

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The whistle blower policy has been posted on the website of the Company (www.mitconindia.com).

12. AUDITORS :

The appointment of the Statutory Auditors of the Company M/s. Joshi & Sahney, Chartered Accountants, Pune shall be required to be ratified at the ensuing annual general meeting for the Financial Year 2016-17.

M/s. Joshi & Sahney, Chartered Accountants, Pune is an independent audit firm and none of your Directors, KMP's are related or interested in it, directly or indirectly.

Auditors Remark

The comments of the Auditors read together with the Notes to Accounts are self-explanatory and do not call for further explanation.

13. SHARE CAPITAL :

During the year under review, there was no change in paid-up share capital of the Company which stood at Rs. 1,210 Lakhs.

14. CORPORATE GOVERNANCE :

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated and applicable under various regulations are complied with.

15. EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed hereto and forms an integral part of this Report.

16. SECRETARIAL AUDIT :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s SVD & Associates, a firm of Company Secretaries in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed hereto and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

In accordance with the provisions of the Companies Act, 2013 and listing agreement requirements, the Management Discussion and Analysis report is annexed hereto and forms an integral part of this report.

Discussion on state of Company's affairs has also been covered as part of the Management Discussion and Analysis.

18. CORPORATE SOCIAL RESPONSIBILITY :

During the year, your Company has contributed Rs. 9,82,200/- towards Corporate Social Responsibility (CSR). For the year 2015-16, the budget for CSR spend is in line with the provisions under the Companies Act, 2013 in this regard. The budget is project driven and approved by the CSR Committee. A detailed report on CSR activities carried out by the Company is annexed hereto and forms an integral part of this report.

19. PARTICULARS REQUIRED TO BE FURNISHED BY COMPANIES :

The provisions relating to disclosure of details regarding Energy Consumption, both total and per unit of production and technology absorption are not applicable as the Company is engaged in the business of providing consultancy services and conducting training programmes.

Your Company carries out its operations in an environmental friendly manner and is on the look-out for different ways & means to reduce the consumption of energy in its operations.

20. FOREIGN EXCHANGE EARNINGS & OUTGO :

An amount of Rs. 104.77 Lakhs (US\$ 1, 46,242, Euro 10832.14) were received during the year on account of Professional fees and reimbursement of expenses. (Previous Year Euro 13,143, GBP 4,725 US\$ 38,172 equivalent to Rs. 61.53 Lakhs)

Expenditure in Foreign Currency during the year was Rs. 4.81 Lakhs (US \$ 6,392.62, Euro 750) (Previous Year US \$ 1,043, Euro 7,145, Thai Bahts 1,450, Swiss Frank 500 equivalent to Rs. 6.55 Lakhs).

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made by the Company. The Company has not given any loans, guarantees during the year, which would be covered by Section 186 of the Companies Act, 2013.

22. PARTICULARS OF EMPLOYEES :

None of the employee of the Company was in receipt of remuneration of more than Rs.60 Lakhs per annum or Rs. 5 Lakhs per month if employed for part of the year except Managing Director. At the end of the year, Company had 228 numbers of Staff.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In this regard, Internal Complaints Committee has been set up to redress complaints. During the year under review, there were no complaints received pursuant to the aforesaid Act.

23. PARTICULARS OF RELATED PARTY TRANSACTIONS :

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties which was not in the ordinary course of business is being provided separately as Form AOC-2 and which is annexed and forms an integral part of this report. The particulars of arrangements entered into by the Company with Related Parties which in the ordinary course of business are provided in Notes to the Financial Statements.

24. RISK MANAGEMENT POLICY :

The Company has a robust risk management framework comprising risk governance structure and defined risk management processes. The Company identifies all strategic, operational and financial risks that the Company faces, by assessing and analysing the latest trends in risk information available internally and externally and uses the same to plan for risk mitigation activities.

25. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY :

There are no adverse material changes or commitments occurring after 31st March, 2016 which may affect the financial position of the Company or may require disclosure.

26. CHANGE IN THE NATURE OF BUSINESS :

During the year under review, there has been no change in the nature of business of the Company.

27. INTERNAL FINANCIAL CONTROL :

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms an integral part of this Report.

28. RESPONSIBILITY STATEMENT :

On behalf of the Board of Directors, Managing Director hereby states that :

- In preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- We had 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 state of affairs of the company at the end of the financial year and of the Profit of the company for that period.
- We had 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.
- We have prepared the Annual Accounts on a going concern basis.
- Internal Financial Controls as laid down were adequate and were operating effectively.
- A proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. ACKNOWLEDGEMENTS :

Your Directors would like to record their appreciation for the support to the company received from:

- **GOVERNMENT OF INDIA**
Ministry of Food Processing Industries
Department of Science & Technology
- **GOVERNMENT OF MAHARASHTRA**
Department of Industries
- The Shareholders, Banks, Institutions, all our esteemed Customers and Employees of the Company.

On behalf of the Board of Directors

Place: Pune
Date: 27th May, 2016

Sd/-
Anand Kusre
Chairman
(DIN 00818477)



FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March 2016

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

- i) **CIN** : L74140PN1982PLC026933
- ii) **Registration Date** : 16/04/1982
- iii) **Name of the Company** : MITCON Consultancy & Engineering Services Limited
- iv) **Category/Sub-Category of the Company** : Company Limited by Shares/Indian Non-Government Company
- v) **Address of the Registered Office of the Company and contact details:**
First Floor, Kubera Chambers, Shivajinagar, Pune-411 005
Phone No.: 020-2553 3309 Fax: 020-2553 3206 Email: cs@mitconindia.com
- vi) **Whether Listed Company** : Yes
- vii) **Name, Address and Contact Details of Registrar and Transfer Agent :**
Link Intime India Private Limited
(Unit: MITCON Consultancy & Engineering Services Limited)
Block No. 202, 2nd Floor,
Akshay Complex, Off Dhole Patil Road,
Pune-411 001
Phone: 020-26160084/1629
Fax: 020-26163503
Email: pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

Sr. No.	Name and Description of the main services	NIC Code	% of the total turnover of the Company
1.	Consultancy	74140	68.40
2.	Training	80904	23.48

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

The Company is not having any holding, subsidiary or associate company.

IV. SHAREHOLDING PATTERN :

i) Category wise - Share Holding :

Category of Shareholder	No. of shares held at the beginning of the year (As on April 1, 2015)			No. of shares held at the end of the year (As on March 31, 2016)			% of change during the year
	Number of shares held in dematerialised form	Physical Shares	Total No. of Shares	Number of shares held in dematerialised form	Physical	Total No. of Shares	
A. Promoters							
(1) Indian							
a) Individuals / Hindu Undivided Family	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-
e) Financial Institutions/ Banks	-	-	-	-	-	-	-
f) Any Other (specify)	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	-	-	-	-	-	-
Foreign	-	-	-	-	-	-	-
a) Individuals (Non-Resident Individuals / foreign Individuals)	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-
c) Banks/Financial Institutions	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	-	-	-	-	-	-	-

Clearing Member	2,000	-	2,000	0.02	28,000	-	28,000	0.24	0.22
HUF	10,000	-	10,000	0.08	56,000	-	56,000	0.49	0.41
Sub-Total (B)(2)	50,18,000	1,60,000	51,78,000	42.79	51,94,000	1,60,000	53,54,000	44.25	1.46
Total Public shareholding (B)=(B) (1)+(B)(2)	1,03,20,000	17,80,000	1,21,00,000	100.00	1,03,20,000	17,80,000	1,21,00,000	100.00	
TOTAL (A)+(B)	1,03,20,000	17,80,000	1,21,00,000	100.00	1,03,20,000	17,80,000	1,21,00,000	100.00	-
Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	1,03,20,000	17,80,000	1,21,00,000	100.00	1,03,20,000	17,80,000	1,21,00,000	100.00	-

ii) Shareholding of promoters: The Company is a professionally managed Company and does not have identifiable promoters in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

iii) Change in Promoters Shareholding: Not Applicable



iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's) :

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year		Cummulative Shareholding during the year	
		Number of shares held	% of the total shares of the Company	Number of shares held	% of the total shares of the Company
1.	SIDBI TRUSTEE COMPANY LIMITED A/C INDIA OPPORTUNITIES FUND	16,38,000	13.54	16,38,000	13.54
2.	ICICI BANK LTD	15,20,000	12.56	15,20,000	12.56
3.	SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	10,00,000	8.26	10,00,000	8.26
4.	SICOM LIMITED	8,00,000	6.61	8,00,000	6.61
5.	MUKUL MAHAVIR PRASAD AGARWAL	3,00,000	2.48	7,52,000	6.21
6.	EMERGING INDIA GROWTH FUND CVCF V	8,20,000	6.78	4,28,000	3.54
7.	PRABHUDAS LILLADHER FINANCIAL SERVICES PRIVATE LIMITED	4,08,000	3.37	3,36,000	2.77
8.	CANARA BANK	3,26,000	2.70	3,26,000	2.70
9.	EDC LIMITED	3,20,000	2.64	3,20,000	2.64
10.	BANK OF BARODA	3,20,000	2.64	3,20,000	2.64

Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Name of the Key Managerial Personal	Shareholding at the beginning of the year		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Dr. Pradeep Bavadekar (Managing Director and KMP)				
	At the beginning of the year	5,60,000	4.63	5,60,000	4.63
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the Year	5,60,000	4.63	5,60,000	4.63
2.	Mr. Ram Mapari (KMP)				
	At the beginning of the year	40,000	0.33	40,000	0.33
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	40,000	0.33	40,000	0.33



3.	Mr. Madhav Oak (KMP)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	Nil	Nil	Nil	Nil

Note: The other Directors does not hold any shares of the Company.

V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the Financial Year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director :

Sr. No.	Particulars of Remuneration	Amt. Rs.
1.	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	64,20,000
	b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-
	c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as percentage of profit	-
	- others	-
5.	Others	-
	Total (A)	64,20,000
	Ceiling as per the Act	42,68,716

Note: The aforesaid remuneration was paid to the Managing Director in compliance with the Provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

B. Remuneration to other Directors

Sr. No.	Name of the Director	Particulars of Remuneration			Amt. Rs.
		Fees for attending board/ committee meetings	Commission	Others	
1.	Independent Directors:				
	Mr. J. P. Dange	1,40,000	-	-	1,40,000
	Mr. Aniruddha Joshi	1,00,000	-	-	1,00,000
	Mrs. Archana Lakhe	1,80,000	-	-	1,80,000
	Total (1)	4,20,000	-	-	4,20,000
2.	Other Non-Executive Directors				
	Mr. Anand T. Kusre	1,10,000	-	-	1,10,000
	Mr. S. Thiruvadi* (Director upto 22.02.2016)	30,000	-	-	30,000
	Mr. Vineet Suchanti (Director upto 24.06.2015)	10,000	-	-	10,000
	Mr. Chiman Deshmukh***	1,10,000	-	-	1,10,000



	Mr. Ravi Tyagi**	60,000	-	-	60,000
	Total (2)	3,20,000	-	-	3,20,000
	Total (B)=(1+2)	7,40,000	-	-	7,40,000
		Ceiling as per the Act			-

* Paid to Canbank Venture Capital Fund Limited

** Paid to SIDBI

*** Paid to SICOM Limited.

C. Remuneration to Key Managerial Personnel other than Managing Director / Manager /Whole Time Director :

Sr. No.	Particulars of Remuneration	Chief Financial Officer	Company Secretary	Total Amt. Rs.
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1)of the Income-tax Act, 1961	11,22,768	9,09,543	20,32,311
	b) Value of perquisites under Section 17(2)of the Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under Section 17(3)of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as percentage of profit - others	- -	- -	- -
5.	Others	-	-	-
	Total	-	-	20,32,311

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

NIL

INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year	Refer Annexure I									
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Refer Annexure II									
3.	The percentage increase in the median remuneration of employees in the financial year.	2.45%									
4.	The number of permanent employees on the rolls of Company	228									
5.	The explanation on the relationship between average increase in remuneration and Company performance.	The increase in remuneration is not solely based on Company performance but also includes various other factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects etc. The Board believes that it is in line with industry.									
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The increase in remuneration is not solely based on Company performance but also includes various other factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects etc. The Board believes that it is in line with industry.									
7.	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies	<table border="1"> <thead> <tr> <th></th> <th>31st March, 2016</th> <th>31st March, 2015</th> </tr> </thead> <tbody> <tr> <td>Market Capitalisation</td> <td>Rs. 84.70 Crores</td> <td>Rs. 61.11 Crores</td> </tr> <tr> <td>PE Ratio</td> <td>18.38</td> <td>11.40</td> </tr> </tbody> </table> <p>Percentage increase in market quotations over last IPO price: Public issue of equity shares was done in October, 2013 at a price of Rs. 61 per share. In comparison, the market price was higher by 14.75% as at 31st March 2016.</p>		31 st March, 2016	31 st March, 2015	Market Capitalisation	Rs. 84.70 Crores	Rs. 61.11 Crores	PE Ratio	18.38	11.40
	31 st March, 2016	31 st March, 2015									
Market Capitalisation	Rs. 84.70 Crores	Rs. 61.11 Crores									
PE Ratio	18.38	11.40									
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>a) Percentage increase in salaries of managerial personnel at 50th percentile is : 67%</p> <p>b) Percentage increase in salaries of non managerial personnel at 50th percentile is : 9.16%</p> <p>The increase in remuneration is not solely based on Company performance but also includes various other factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects etc. The Board believes that the increase is in line with industry.</p>									



9.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.	The individual remuneration of the Key Managerial Personnel is not directly comparable against the performance of the Company. As stated in 8 above, the salary increases are a function of various factors like individual performance vis-à-vis industry trends, economic situation, future growth prospects etc. besides Company performance. There are no exceptional circumstances for increase in the key managerial remuneration.
10.	The key parameters for any variable component of remuneration availed by the directors	Not Applicable
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable
12.	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration to employees of the Company is as per the remuneration policy of the Company
13.	Statement showing the name of every employee of the company, who - (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month; (iii) if employed throughout the financial year or part there of, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	Please Refer Annexure III

* The percentage increase in the median remuneration of employees has been calculated after excluding Managing Director's remuneration.

Annexure I :

Sr. No.	Name of Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1.	Mr. Anand T. Kusre	0.32
2.	Dr. Pradeep Bavadekar	22.81
3.	Mr. Ravi Tyagi	0.17
4.	Mr. Chimam Deshmukh	0.32
5.	Mr. Jagannath Dange	0.41
6.	Mr. Aniruddha Joshi	0.29
7.	Mrs. Archana Lakhe	0.52

Annexure II :

Sr. No.	Name of Director/KMP	Designation	% Increase/(Decrease) in the Remuneration (Including sitting fees paid to the Directors)
1.	Mr. Anand T. Kusre	Director	-21.43%
2.	Dr. Pradeep Bavadekar	Managing Director & KMP	3.88%
3.	Mr. Chimam Deshmukh	Director	1000%
4.	Mr. Jagannath Dange	Director	366.67%
5.	Mr. Aniruddha Joshi	Director	66.67%
6.	Mrs. Archana Lakhe	Director	350%
7.	Mr. Ravi Tyagi (refer note below)	Director	Not Applicable
8.	Mr. Ram Mapari	KMP	1.95%
9.	Mr. Madhav Oak	KMP	-3.13%

Note: He was appointed during the year ended 31st March, 2016.



Annexure III :

Sr. No.	General Information	
1.	Name of the employee	Dr. Pradeep Bavadekar
2.	Designation	Managing Director
3.	Remuneration received	Rs. 78,83,564/-
4.	Nature of employment	Regular Employee
5.	Qualification and Experience of the employee	He holds a Masters of Business Administration in Marketing Management and a Ph. D. in Business Administration from University of Pune. He has over 31 years of work experience in the field of manufacturing, sales & marketing, management and technical consultancy.
6.	Date of commencement of employment	02.04.1995
7.	Age	60 years
8.	Last employment	Mega Fibre Private Limited as Managing Director
9.	Percentage of equity shares held by the employee	4.63%
10.	Whether any such employee is relative of any Director and if so name of such Director	-

FORM NO. AOC -2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not in the ordinary course of business.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	MITCON Foundation MITCON Foundation is a charitable trust promoted by the Company and shareholders of the Company as on 31.03.2013 are the members of the trust.
2.	Nature of contracts / arrangements / transaction	Leave License Agreement for taking 28 Classrooms on Rent at the Balwadi Premises of MITCON Foundation to run MITCON Center for CSR and Skill Development.
3.	Duration of the contracts / arrangements / transaction	11 months and to be renewed from time to time.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Monthly Rent: Rs. 5,60,000/- plus Service Tax as may be applicable from time to time. Monthly rent payment date : The Rent shall be payable on or before the Seventh day of every succeeding month. Monthly maintenance charges : Payable by the Company at actuals and also the charges for water consumption and electricity housekeeping, security at actual etc. Property Taxes: The property taxes are borne by MITCON Foundation During the Financial Year 2015-16, the Company made payment of Rs. 83,74,033 towards rent and expenses for housekeeping, electricity, security etc.



5.	Justification for entering into such contracts or arrangements or transactions.	<p>The Company is conducting Skill Based Training Programmes in rented premises at Agriculture College Campus. In view of the increasing demand for skill based training and non-availability of required space in our office at agriculture college campus, the management of the Company had been looking for some good office premises for longterm use. Management also decided to go for long term lease/license rather than purchasing the premises.</p> <p>Considering the requirements of the Company, the management thought fit to take the classrooms on rent from MITCON Foundation available at its Balewadi premises since, the infrastructure at Balewadi Premises is as per the requirements of educational institutions.</p>
6.	Date of approval by the Board	30 th December, 2013
7.	Amount paid as advances, if any	Not Applicable
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	11 th August, 2014

CSR POLICY OF THE COMPANY

1. Preamble

At MITCON Consultancy & Engineering Services Limited (MITCON), we are committed for empowerment of society through our Social initiatives. MITCON always give thrust on developing young entrepreneurs and women empowerment.

2. Purpose

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our goals
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated

3. Policy Statement

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with MITCON's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact.

4. Scope of CSR activities in MITCON

As a practice, we classify only those projects that are over and above our normal course of business as CSR. This policy will apply to all our CSR activities/projects and it will be further reviewed and updated.

Normal Course of Business

MITCON provides corporate solutions in power generation, energy efficiency, renewable agency, environmental management, banking and finance, infrastructure etc. We also conduct vocational and IT trainings. As a company, we are committed to providing quality services to our customers, creating economic value for all our shareholders, and we assign high priority to ensuring that we fulfill all regulatory requirements.

MITCON's CSR Focus in line with Schedule VII of the Companies Act, 2013:

MITCON will undertake its CSR activities in the following broad areas:

- 1) Promoting education including special education
- 2) Promoting preventive health care and sanitation and making available safe drinking water
- 3) Eradicating hunger, poverty and malnutrition
- 4) Promoting education, gender equality and empowering women
- 5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- 6) Measures for the benefit of armed forces veterans, war widows and their dependents
- 7) Rural Development Projects

Appointment of outside agency:

MITCON can implements its CSR activity in any of the above mentioned areas through independently registered non-profit organisations.

5. CSR Budget & Schedule of implementation

The total budget for the CSR projects will be decided by the CSR Committee. The CSR committee will be responsible for preparing a detailed plan on CSR activities, including the expenditure, the type of activities, roles and responsibilities of various stakeholders and a monitoring mechanism for such activities. The same will be recommended to the Board.

In terms of the provisions of the Companies Act, 2013, the Company may spend upto five percent of the total CSR expenditure on the salaries to be paid to the staff of the Company who are involved in implementation of the CSR activities of the Company or on any other administrative overheads related to implementation of the CSR activities.

Any unutilized portion of CSR budget shall be reported annually as per the provisions of the Companies Act, 2013.

6. Governance Structure

We have constituted a robust and transparent governance structure to oversee the implementation of our CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013.

Board-level CSR Committee

At MITCON, our CSR governance structure will be headed by the Board Level CSR committee that will be ultimately responsible for the CSR projects undertaken. The committee will report to our Board of Directors.

Members as on 31st March, 2016

- Mr. Aniruddha Joshi
- Dr. Pradeep Bavadekar
- Mr. Ravi Tyagi
- Mrs. Archana Lakhe

Responsibilities of the CSR Committee

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time.
- (d) To prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company.

Reporting to CSR Committee

The Chief Financial Officer and Company Secretary will report the CSR activities undertaken to the CSR Committee from time to time.

7. Treatment of Surplus

Any surplus generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus. These funds will be further used in development of the CSR projects and will not be added to the normal business profits.

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society. Through this policy, we align our CSR strategy with MITCON's vision and goals. We adopt an approach that integrates the solutions to these problems into the strategies of the company to benefit the communities at large and create social and environmental impact. The Policy is disseminated on the website of the Company viz; www.mitconindia.com.

The Company undertakes its CSR activities in the following broad areas

- 1) Promoting education including special education
- 2) Promoting preventive health care and sanitation and making available safe drinking water
- 3) Eradicating hunger, poverty and malnutrition
- 4) Promoting education, gender equality and empowering women
- 5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- 6) Measures for the benefit of armed forces veterans, war widows and their dependents
- 7) Rural Development Projects

2. The Composition of the CSR Committee.

As on 31st March 2016, the Committee comprised of the following:

Name of the member	Category
Mr. Aniruddha Joshi (Chairman)	Non-Executive-Independent Director
Dr. Pradeep Bavadekar (Member)	Managing Director
Mr. Ravi Tyagi (Member)*	Non-Executive Director
Mrs. Archana Lakhe (Member)	Non-Executive-Independent Woman Director

*Appointed as member w.e.f. 26th August, 2015.

Mr. Ananta Sarma was Member of the Committee till 26th August, 2015.

The terms of reference of the CSR Committee is as follows:

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time.
 - (d) To prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company.
3. Average net profit of the company for last three financial years.
Rs. 10,67,10,143/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)
Rs. 21,34,203/-
5. Details of CSR spent during the financial year.
- a) Total amount to be spent for the financial year : Rs. 21,34,203/-
 - b) Amount unspent, if any: 11,52,003/-

c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project Or Activity identified.	Sector in which the Project is covered	Projects Or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or program. (2) Overheads :	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency
1.	Donation of Books to various schools, college, hostels enhancing livelihood and skill development	Promoting educated including Special Education	Institutions from Local Area of Pune, Nagar, Satara districts of Maharashtra State	Rs. 9,82,200/-	Rs. 9,82,200/- (Direct)	Rs. 9,82,200/-	Direct
	Total					Rs. 9,82,200/-	

6. The reasons for not spending the two percent of the average net profit of the last three financial years or any part thereof,

The Company have taken various measures to identify the project to undertake the CSR activities in accordance with the objects of the CSR policy. However, the Company could not identify such project. However, in the month of April, 2016, the CSR Committee approved the project of deepening and Desilting of a water stream (Rivulet / Odha) situated at Grampanchayat Bavada, Taluka Khandala, Dist. Satara. The Company will spend approx Rs. 30 Lakhs on the said project under which the utilised amount of Rs. 11,52,003 will be spent in the year 2016-17. This will increase the storage capacity of such water stream by approx. 3 Crore Ltr. Of water.

7. This is to confirm that during the Financial Year 2015-16, the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-
Dr. Pradeep Bavadekar
Managing Director
(DIN 00879747)

Sd/-
Aniruddha Joshi
Chairman of CSR Committee
(DIN 00122117)

Place: Pune
Date: 29th April, 2016

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 52 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and Other Employees has been formulated by the Nomination and Remuneration Committee (Hereinafter referred to as NRC or the Committee) and has been approved by the Board of Directors.

The Nomination and Remuneration Policy of MITCON Consultancy & Engineering Services Limited (the “Company”) is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company’s objectives for good corporate governance as well as sustained long term value creation for shareholders.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961 and other statutory benefits;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“Senior Managerial Personnel” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all functional heads or Head of the Divisions.

Applicability

This Policy applies to directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

Guiding Principle

The guiding principle is that the nomination, terms of employment and remuneration should effectively help in attracting and retaining committed and competent personnel.

While designing remuneration packages, industry practices and cost of living are also taken into consideration.

Nomination :

A) Directors

The appointment of the Non-Executive and Independent Directors are subject to the recommendation of NRC and approval of the Board of Directors and Shareholders. The Company shall comply provisions of the Companies Act, 2013 and rules framed thereunder for appointment of the Managing Director, Executive Director and Independent Directors.

B) KMP

Appointment and removal of KMP are subject to the approval of the NRC and the Board of Directors.

C) Senior Management

The Managing Director is authorised to make appointment and removal of senior management personnel. The same will be reported to the Board in the next Board Meeting.

D) Other employees:

Other employees will be appointed by the Managing Director from time to time.

Remuneration:

The NRC while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The NRC while considering a remuneration package must ensure a balance between fixed and performance linked variable pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The NRC considers that a successful Remuneration Policy must ensure that some part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

Reward principles and objectives

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

A) Non-Executive Directors

As per the Policy followed by the Company since inception the non-executive directors are paid remuneration in the form of sitting fees for attending Board and Committee meetings as fixed by the Board of Directors from time to time subject to statutory provisions. Presently sitting fee is Rs. 10,000/- per meeting of the Board or any Committee thereof.

B) Managing Director

Remuneration of Managing Director reflects the overall remuneration philosophy and guiding principle of the Company. When considering the appointment and remuneration of Managing Director, the NRC considers pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company. The term of office and remuneration of Managing Director are subject to the approval of the Board of Directors, shareholders and the limits laid down under the Companies Act from time to time.

The Managing Director's remuneration comprises of salary, perquisites and performance based commission/ reward apart from retirement benefits like P.F., Superannuation, Gratuity etc. as per Rules of the Company.

The Managing Director is also entitled to customary non-monetary benefits such as company car, health care benefits, leave travel, communication facilities, etc.

C) Employees

Remuneration of other employees is decided by the Managing Director, where applicable, broadly based on the Remuneration Policy of the Company. Total remuneration comprises of:

1. **A fixed base salary** : set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites** : in the form of dearness allowance, house rent allowance, conveyance allowance, medical allowance, leave travel allowance, reimbursement of telephone expenses incurred for business of the Company and other benefits as per the Company's policy.
3. **Retirement benefits** : Contribution to PF and gratuity as per Company Rules.
4. **Motivation / Reward** : A performance appraisal is carried out annually and promotions/ increments/ rewards are decided by the Managing Director based on the appraisal and recommendation of the concerned Head of Department, Chief Financial Officer and Human Resources Head, where applicable.
5. **Severance payments** : in accordance with terms of employment, and applicable statutory requirements, if any.

Evaluation

The Committee shall carry out evaluation of performance of Directors and KMP yearly or at such intervals as may be considered necessary. Managing Directors shall carry out evaluation of performance of the Senior Management Personnel as per the Company's policy and report to the Committee.

Disclosure of information

Information on the total remuneration of members of the Company's Board of Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

Application of the Remuneration Policy

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

NRC MEETINGS

The meetings of NRC will be governed by the provisions of the Companies Act, 2013, Rules made thereunder and Listing Agreement as may be applicable from time to time.

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Dissemination

This Policy shall be published on website of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

INDUSTRY STRUCTURE AND DEVELOPMENT :

Consultancy is a process which involves consultants, whether self-employed or employed, individually or collectively using their knowledge, experience and analytical and/or problem-solving skills to add value to organisations for improvement in their existing operational, financial or marketing efficiency and/or for their expansion plans.

Types of Consultancies :

Consultancy industry cover a very broad gamut of services which range from being financial, technical to management consultancy and thus can be categorized on basis of various factors such as services provided, sectors catered to, management approaches etc.

Consultancy can be broadly divided into two major categories:

(i) Management Consultancy & (ii) Engineering Consultancy.

(i) Management Consultancy :

Management consultancy includes providing advice and assistance relating to strategy, structure, management and operations of an organisation in pursuit of its long-term purposes and objectives. Such assistance may include the identification of options with recommendations; the provision of an additional resource and/or the implementation of solutions.

Effective management consulting has following roles :

- Providing solutions to specific problems
- Giving an in-depth, accurate diagnosis
- Presenting a program of recommended corrective actions
- Implementing changes; building consensus and commitment
- Facilitating client learning
- Enhancing organizational effectiveness

(ii) Engineering Consultancy :

Engineering consultancy majorly involves project related technical assistance to organisations for existing or upcoming projects. These services range from project evaluation and feasibility study, design engineering to project management up to commissioning.

Consultants –Scope of work

Consultancy projects have varied completion periods and can last a few hours, months or even several years depending on the nature of the advice and the demands of the client. They can involve the consultant in just providing advice or they can involve the consultant in completing the implementation.

Consultant service providers could be any of the following

- Free lancers or individual Consultants
- Consulting Firms including bodies corporates
- Academic / R&D Institutions
- Professional Bodies

Consultancy – Global Scenario

The origin of consultancy services may be traced back to mid 18th century, a phase which was marked with unprecedented commercial growth, in countries like America coupled with unprecedented business risk. This had emerged necessity for help from external organizations to improve their performance, primarily through the analysis of existing organizational problems and development of plans for improvement as well as expansion.

As a business service, consulting remains highly cyclical and linked to overall economic conditions. Global management consulting sector has grown quickly, with growth rates of the industry exceeding 20% in the 1980s and 1990s. (Source: CARE research)

Consultancy services in Indian Scenario

Over the years, as the Indian industry started maturing, the Indian consulting industry also started expanding, not only in terms of size, but also in terms of the service offerings. Over the period, specialist consulting advice was being sought by clients in India and this opened the opportunity for a number of specialist organizations to draw on their specialist knowledge base and resources to meet the demand for specialist consulting services.

Indian consultancy story marked its existence more than two decades ago. Economic reforms, increased global integration leading to rapid growth of the companies which resulted in higher complexity and stiff competition from multinational players. This fuelled the need for specialised consultancy firms to provide services to cater to the complex business needs in the form of corporate advisory, human resource management, feasibility studies, IT advisory, organizational restructuring etc.

Major strengths of Indian consultancy organizations include professional competence, low cost structure, diverse capabilities, high adaptability and quick learning capability. Their weaknesses include low quality assurance, little presence overseas and lack of global market intelligence. Capabilities of Indian consultants are strong in several areas which include civil engineering and construction, telecommunication, power, metallurgy, chemical, petrochemicals and IT.

OPPORTUNITIES AND THREATS :

Your Company believes that going forward the demand for specialized services catering towards sectors such as renewable energy, food processing, training in skill development training and infrastructure segment will prominently have better prospects. India, being one of the highly regulated and under-penetrated market, offers a lot of opportunities for the consulting players once the economic cycle revives. However, major part of growth in consultancy industry is expected to come from the next financial year.

The major threat to Indian Consulting Organisation is from International firms since they are larger in size and operate across countries which give them market access to tap the market for consulting business. However Indian consulting organisations are growing with great pace to compete with international organisations.

SEGMENT WISE PERFORMANCE :

The Company's Primary Segments are

1. Consultancy and Training
2. Wind Power Generation

Segment wise performance is as follows:

(Amt. in Rs.)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Segment Revenue		
Consultancy and Training	44,61,11,956	42,83,17,124
Wind Power Generation	36,26,198	40,70,528
Revenue from Operations	44,97,38,154	43,23,87,652
Segment Results :		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	3,06,55,176	3,45,78,899
Wind Power Generation	14,82,152	21,33,976
Total Segment result	3,21,37,328	3,67,12,875

OUTLOOK :

Domestic consultancy sector is estimated to have grown in higher single digits over last few years. This growth was mainly driven by engineering consultancy which is comparatively more developed and dominated by domestic players as against management consultancy which is still in its nascent phase. However, in recent years due to rising presence of international consultancy players in India, the domestic players are facing stiff competition on various grounds such as quality, technology, economies of scale, brand value etc. As a result of this, recently the proposal conversion rate (i.e. the actual materialization rate) in the consulting space has fallen steeply from about an average of 50 per cent to 30-35 per cent, on account of slowdown in investments in India and increased competition.

Your Company believes that consultancy services is emerging as one of the fastest growing service segments in India in line with the growth in GDP. Also, Indian consultancy companies will have more overseas opportunities in emerging markets like South Asia and Africa.

The development of consultancy capabilities and business is directly proportionate to growth in economic and industrial development. Due to the nature of the industry, getting accurate estimates of its size is difficult. It is estimated that the consultancy business in India engages about 100,000 persons in about 5000 consulting firms. According to estimates, the current size of the consulting industry in India is about Rs. 10,000 crores including exports and is expected to grow at a CAGR of approximate 25% in the next few years. (Source: Report of Ministry of Commerce and Industry, Government of India on Export Promotion of Consultancy and Management Services from India)

RISK AND CONCERNS :

The following section discusses the various aspects of enterprise-wide risk management. Readers are cautioned that the risk related information outlined here is not exhaustive and is for information purpose only.

MITCON believes that risk management and internal control are fundamental to effective corporate governance and the development of a sustainable business. MITCON has a robust process to identify key risks across its operations and prioritize relevant action plans that can mitigate these risks. The Company has formulated and adopted Risk Management Policy to mitigate the possible risks. Key risks that may impact the Company's business include:

i) Economic growth in India

We are affected by general global and Indian economic conditions. India's GDP and economic conditions of the states in which we operate or intend to operate have been and will continue to be of importance in determining our operating results and future growth. The slowdown in the Indian economy has led to widespread reduction of business activity generally, which has affected the demand for consultancy services from manufacturing and infrastructure sectors.

ii) Government policies and budgetary allocations

Our business and revenues are dependent on projects awarded by government authorities, including central, state and local authorities and agencies and public sector undertakings (Government-owned companies). We are also dependent on the investment by the private sector in infrastructure and other sectors which are in turn linked to government policies relating to private sector participation and sharing of risks and returns. Any adverse changes in government policies and budgetary allocation could materially and adversely affect our revenues, growth or operations.

iii) Competition

Our business is subject to intense price competition. We compete against various multi-national, national and regional companies. Our competition varies depending on the size, nature and complexity of the assignment and on the geographical region in which the assignment is to be executed. Clients generally

award assignments to consultancy companies with experience, technical ability, past performance, reputation for quality, safety record and the size of previous assignments executed. Additionally, while these are important considerations, price is a major factor in sourcing most of the assignments.

iv) Ability to attract, recruit and retain skilled personnel

Our results of operations depend largely on our ability to retain the continued service of our skilled personnel who have specific sector knowledge, understand the services we offer and can execute complex assignments. We also need to recruit and train sufficient number of suitably skilled personnel, particularly in view of our continuous efforts to grow our business and maintain client relationships. There is significant competition for management and other skilled personnel in our industry. The loss of any of the members of our senior management or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations.

v) Client Relationships

Our results of operations depend largely on the number of our client relationships, our ability to maintain the relationships and grow our share of clients' business by providing consultancy services, innovative business solutions and timely execution. We believe successfully developing new client relationships and maintaining existing client relationships, are critical for growing our business and consequently our results of operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

Internal control systems play a crucial role in the health of a Company in every industry. An effective system of internal control is the backbone, necessary for building, maintaining and improving shareholders confidence and value as well as helps to enhance the overall quality of the business and the enterprise.

The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations.

The Company has also formed an Audit Committee. Audit Committee reviews with the management adequacy and effectiveness of the internal control system and internal audit functions. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures. The internal and Statutory Auditors also oversees the system for Internal Financial Control during their Audits.

FINANCIAL RESULTS AND RESULTS OF OPERATIONS :

In the year under review, the Company achieved a gross turnover of Rs. 4855.17 Lakhs (previous year 4739.27 Lakhs) which represents 2.44% increase over the previous year. The increase in business is majorly due to increase in Consultancy income. Profit After Tax is Rs. 460.98 Lakhs (Previous year 535.47 Lakhs).

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies

Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except the following:

In the case of Wind Turbine Generator which is depreciated over 20 years as per technical evaluation by manufacturer.

HUMAN RESOURCES & INDUSTRIAL RELATIONS :

Your Company believes that Human Resources of the Company is its core strength. The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels.

With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels, motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

In order to keep the employees skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial relations scenario remained harmonious throughout the year. As on March 31st 2016, the Company had 228 full time employees.

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MITCON Consultancy & Engineering Services Limited
Kubera Chamabers,
Shivaji Nagar,
Pune - 411005
CIN : L74140PN1982PLC026933

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MITCON Consultancy & Engineering Services Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder so far as they are made applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**not applicable to the Company during audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**not applicable to the Company during audit period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the Company during audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the Company during audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)

- Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the Company during audit period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the Company during audit period**);

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India' effective from 1st July, 2015;
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited for listing of its equity shares on SME Platform (Emerge) of the said stock exchange till 30th November, 2015; and the provision of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable from 2nd September, 2015; and
- (iii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) Trade Mark Act 1999 and the Rules made thereunder.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has the following specific events or actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above:

1. The Company has passed a special resolution for insertion of new clauses to the main object clause of the Memorandum of Association of the Company by way of postal ballot on 7th September, 2015.

Place: Pune

Date: 27th May, 2016

For SVD & Associates

Sd/-

Sridhar Mudaliar

Partner

FCS No. 6156

C P No. 2664

Note : This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
MITCON Consultancy & Engineering Services Limited
KuberaChamabers,
Shivaji Nagar,
Pune - 411005
CIN-L74140PN1982PLC026933

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates

Sd/-

Sridhar G. Mudaliar

Partner

FCS 6156, C. P. 2664

Date: 27th May, 2016

Place: Pune

M/S. JOSHI & SAHNEY

Chartered Accountants

1913, SADASHIV PETH, NATU BAUG, PUNE -411030.

PHONES: 2447 1521, 2447 1699, 2447 1199 FAX: (020) 24478015 Email: josney72@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

Report on the Financial Statements :

We have audited the accompanying financial statements of MITCON Consultancy & Engineering Services Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial statements :

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those

risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter :

We draw attention to the following matter in the Notes to the financial statements:

Note No. 37A(i) to the financial statements relating to show cause-cum-demand notice dated 26.2.2014 received from the Commissioner of Central Excise, Pune - III, for recovery of an amount of INR 89,48,928 being Service Tax earlier refunded to the company.

Note no.37A(ii) to the financial statements relating to show cause-cum-demand notices dated 16.4.2013 and 29.4.2014 calling upon the company to show cause as to why an amount of INR 1,46,40,244/- should not be charged/ demanded and recovered from it for the period from 1.7.2011 to 31.3.2012 and a further amount of INR 86,01,654/- should not be charged/ demanded and recovered from it for the period 1.4.2012 to 30.6.2012 (being periods for which company did not pay service tax).

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act (hereinafter referred to as the 'Order') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR JOSHI & SAHNEY
CHARTERED ACCOUNTANTS
Firm's Registration No.: 104359W

Sd/-

H.M.JOSHI
PARTNER

Membership No. 031689

Place: Pune
Date: 27th May, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of MITCON Consultancy & Engineering Services Ltd. on the financial statements for the year ended 31st March, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ('The Act').

1. We have audited the internal financial controls over financial reporting of MITCON Consultancy & Engineering Services Ltd. ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Pune
Date: 27th May, 2016

FOR JOSHI & SAHNEY
CHARTERED ACCOUNTANTS
Firm's Registration No.: 104359W

Sd/-
H.M.JOSHI
PARTNER
Membership No. 031689

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of the company on the financial statements as of and for the year ended 31st March, 2016)

1. In respect of its fixed assets:
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
 - c) The title deeds of immovable properties, as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the company.
2. As informed to us, the management has conducted physical verification of inventory being in the nature of course material at reasonable intervals during the year. As explained to us, discrepancies noticed on physical verification of inventories as compared to the book records, though not material, have been properly dealt with in the books of account.
3. The Company has not granted any loans, secured or unsecured, to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company.
4. The company has not given any loan, given guarantees or provided security which are covered under provisions of Section 185 and Section 186 of the Act. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of sec. 186 of the Act in respect of investments made by it as applicable.
5. The company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. The Central Government has specified maintenance of cost records under Sec.148 (1) of the Act, applicable in respect of wind power generation activity of the company and we are of the opinion that prima facie such accounts and records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they were accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Value added Tax, Service Tax, Cess and other material statutory dues have been regularly deposited with the appropriate authorities. As explained to us, the company did not have any dues on account of Sales Tax, duty of Customs and duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Value added Tax, Sales Tax, Service Tax, Cess and other material statutory dues were in arrears as at 3^{1st} March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company, examined by us there are no dues of Sales Tax, Service Tax, duty of Custom, duty of Excise, Value added Tax and Cess as at 31st March 2016, which have not been deposited on account of any dispute. The particulars of dues of income tax outstanding as at 31st March 2016 which have not been deposited on account of dispute are as follows (Also see Note No. 37B)

Name of the Statute	Nature of dues	Period for which amount relates	Amount in INR	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax and interest (Disallowance of certain expenses* and short credit for prepaid taxes)	FY 2009-10	17,22,200*	Jurisdictional Assessing Officer
Income Tax Act, 1961	Tax on Fringe Benefit	FY 2008-09	1,59,580	Commissioner of Income Tax (Appeals) - 7, Pune
Income Tax Act, 1961	Tax deducted at Source	FY 2013-14	3,00,000	Deputy Commissioner of Income Tax - I (TDS) Pune

*Out of the demand of Rs. 17,22,200/-, Income Tax Appellate Tribunal has allowed Company's appeal in respect of disallowance of expenses. However appeal effect relating to reduction of tax demand has not yet been received from the Jurisdictional Assessing Officer.

8. The company has not availed of any loans or borrowings from financial institutions, bank or government. There are no debenture holders. Accordingly the provisions of Clause 3(viii) of the Order are not applicable to the company.
9. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provisions of clause 3(ix) of the Order are not applicable to the company.

10. Based upon the audit procedures performed and information and explanations given to us by the Management, we have neither come across any instance of fraud on or by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
12. As the Company is not a Nidhi company and the Nidhi rules 2014 are not applicable to it, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the provisions of clause 3(xiv) of the Order are not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly the provisions of clause 3(xv) of the order are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India act, 1934. Accordingly the provisions of clause 3(xvi) of the Order are not applicable to the company.

FOR JOSHI & SAHNEY
CHARTERED ACCOUNTANTS
Firm's Registration No.: 104359W

Sd/-

H.M.JOSHI
PARTNER

Membership No. 031689

Place : Pune
Date : 27th May, 2016



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars		Note No.	As at 31 st March, 2016 INR	As at 31 st March, 2015 INR
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	12,10,00,000.00	12,10,00,000.00
	(b) Reserves and Surplus	3	77,21,67,778.00	73,91,28,769.00
			89,31,67,778.00	86,01,28,769.00
(2)	Non-Current Liabilities			
	(a) Deferred Tax Liabilities (Net)	4	1,65,31,652.00	1,82,17,810.00
	(b) Other Long Term Liabilities	5	18,54,103.00	18,37,260.00
	(c) Long Term Provisions	6	56,08,510.00	53,38,895.00
			2,39,94,265.00	2,53,93,965.00
(3)	Current Liabilities			
	(a) Trade Payables	7		
	(i) Dues to Micro Enterprises and Small enterprises		--	--
	(ii) Other dues		4,73,55,109.00	4,27,55,954.00
	(b) Other Current Liabilities	8	1,56,03,247.00	94,55,676.00
	(c) Short-Term Provisions	9	1,73,09,777.00	1,75,04,762.00
			8,02,68,133.00	6,97,16,392.00
	Total		99,74,30,176.00	95,52,39,126.00
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10 & 10A	25,23,10,267.00	27,52,44,589.00
	(ii) Intangible Assets	11	1,12,63,147.00	1,27,20,655.00
			26,35,73,414.00	28,79,65,244.00
	(b) Non-Current Investments	12	75,000.00	75,000.00
	(c) Long Term Loans and Advances	13	3,09,94,969.00	3,68,83,992.00
	(d) Other Non-Current Assets	14	23,22,18,974.00	2,12,73,260.00
			26,32,88,943.00	5,82,32,252.00
(2)	Current Assets			
	(a) Current Investments	15	8,54,31,443.00	1,60,45,212.00
	(b) Inventories	16	5,12,232.00	19,92,747.00
	(c) Trade Receivables	17	17,39,08,299.00	15,73,19,164.00
	(d) Cash and Bank Balances	18	14,23,84,541.00	37,92,25,414.00
	(e) Short-Term Loans and Advances	19	6,83,18,807.00	5,44,46,336.00
	(f) Other Current Assets	20	12,497.00	12,757.00
			47,05,67,819.00	60,90,41,630.00
	Total		99,74,30,176.00	95,52,39,126.00

See Accompanying Notes (1 To 42) Forming Integral Part of The Financial Statements

In terms of our report attached

For Joshi and Sahney
 Chartered Accountants
 Firm Reg. No. 104359W

Sd/-
H. M. Joshi
 Partner
 Mem. No. 031689

Date : 27/05/2016
 Place: Pune

For and on behalf of the Board

Sd/-
A T Kusre
 Chairman
 (DIN 00818477)

Sd/-
Ram Mapari
 Chief Financial Officer
 Date : 27/05/2016
 Place : Pune

Sd/-
Dr. Pradeep Bavadekar
 Managing Director
 (DIN 00879747)

Sd/-
Madhav Oak
 Company Secretary

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars		Note No.	For the year ended 31 st March, 2016 INR	For the year ended 31 st March, 2015 INR
I	Revenue from Operations	21	44,97,38,154.00	43,23,87,652.00
II	Other Income	22	3,57,79,271.00	4,15,39,973.00
III	Total Revenue (I + II)		48,55,17,425.00	47,39,27,625.00
IV	Expenses:			
	Operating Costs	23	12,48,26,926.00	10,95,20,689.00
	Employee Benefit Expense	24	14,47,31,095.00	12,98,24,269.00
	Finance Costs	25	5,05,246.00	5,69,488.00
	Depreciation Expense - Tangible Assets	10 & 10A	3,13,06,873.00	3,52,26,801.00
	Amortization Expense - Intangible Assets	11	67,05,126.00	1,30,75,846.00
	Other Expenses	26	11,00,30,806.00	10,79,27,467.00
	Total Expenses		41,81,06,072.00	39,61,44,560.00
V	Profit Before Tax		6,74,11,353.00	7,77,83,065.00
VI	Tax Expense:			
	(1) Current Tax		2,30,00,000.00	2,85,00,000.00
	(2) Deferred Tax Liability / (Asset) (Net)		(16,86,158.00)	(42,63,983.00)
			2,13,13,842.00	2,42,36,017.00
VII	Profit for the Year		4,60,97,511.00	5,35,47,048.00
VIII	Earning per equity share (Face Value INR. 10/-)	35		
	Basic		3.81	4.43
	Diluted		3.81	4.43

See Accompanying Notes (1 To 42) Forming Integral Part of The Financial Statements

In terms of our report attached
For Joshi and Sahney
Chartered Accountants
Firm Reg. No. 104359W

Sd/-
H. M. Joshi
Partner
Mem. No. 031689

For and on behalf of the Board

Sd/-
A T Kusre
Chairman
(DIN 00818477)

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Dr. Pradeep Bavadekar
Managing Director
(DIN 00879747)

Sd/-
Madhav Oak
Company Secretary

Date : 27/05/2016
Place : Pune

Date : 27/05/2016
Place : Pune



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended 31 st March, 2016		Year ended 31 st March, 2015	
	INR	INR	INR	INR
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax:		6,74,11,353.00		7,77,83,065.00
Adjustments for:				
Depreciation & Amortisation	3,80,11,999.00		4,83,02,647.00	
Provision for Doubtful debts	--		29,99,795.00	
Finance Costs	5,05,246.00		5,69,488.00	
Loss on sale of fixed assets	75,159.00		5,87,672.00	
Interest income	(2,83,32,338.00)		(2,07,24,992.00)	
Dividend Income	(19,17,324.00)	83,42,742.00	(75,27,914.00)	2,42,06,696.00
Operating profit before Working Capital changes		7,57,54,095.00		10,19,89,761.00
Adjustments for changes in Working capital:				
Long term Loans and advances	58,89,023.00		(1,17,01,683.00)	
Other non-current assets	(21,09,45,714.00)		13,78,857.00	
Inventories	14,80,515.00		16,58,342.00	
Trade Receivables	(1,65,89,135.00)		12,55,805.00	
Short term Loans and advances	(52,52,496.00)		56,78,865.00	
Other current assets	260.00		1,20,196.00	
Other long term liabilities	16,843.00		72,592.00	
Long term Provisions	2,69,615.00		(8,26,626.00)	
Trade Payables	45,99,155.00		(5,41,384.00)	
Other current liabilities	61,47,571.00		(1,15,67,540.00)	
Short term Provisions	(1,94,985.00)	(21,45,79,348.00)	26,54,629.00	(1,18,17,947.00)
Cash generated from operations		(13,88,25,253.00)		9,01,71,814.00
Income taxes paid		3,16,19,975.00		4,26,38,254.00
Net Cash flow from Operating Activities		(17,04,45,228.00)		4,75,33,560.00
B CASH FLOW FROM INVESTING ACTIVITIES				
Fixed Assets:				
Purchase of Fixed Assets	(1,39,62,305.00)		(11,08,82,825.00)	
Sale proceeds of Fixed Assets	88,117.00		1,80,590.00	
Investments:				
Purchase of Investment	(13,51,24,556.00)		(28,98,01,810.00)	
Sale proceeds	6,57,38,324.00		52,04,79,611.00	
Interest income	2,83,32,338.00		2,07,24,992.00	
Dividend Income	19,17,324.00		75,27,914.00	
Net Cash from / (used) in investing activities		(5,30,10,758.00)		14,82,28,472.00



C	CASH FLOW FROM FINANCING ACTIVITIES			
	Receipt of Grant and interest thereon	16,83,634.00		2,83,407.00
	Finance Costs	(5,05,246.00)		(5,69,488.00)
	Dividend & tax on Dividend paid	(1,45,63,275.00)		(1,41,56,395.00)
	Net Cash flow from/(used) in financing activities		(1,33,84,887.00)	(1,44,42,476.00)
D	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(23,68,40,873.00)	18,13,19,556.00
	Cash and Cash Equivalents (Opening balance)		37,92,25,414.00	19,79,05,858.00
	Cash and Cash Equivalents (Closing balance)		14,23,84,541.00	37,92,25,414.00

Notes :

1. Figures in brackets represent outflows of cash and cash equivalents.
2. Cash and cash equivalents comprise of :

	As at 31 st Mar, 2016 INR	As at 31 st Mar, 2015 INR
Cash and cash equivalents		
Cash on hand	4,24,846.00	2,26,380.00
Cheques, drafts on hand	23,66,980.00	91,60,248.00
Balance with Bank		
Balances with banks (including deposits with less than 3 months maturity)	8,32,95,868.00	14,32,33,979.00
Other bank balances		
- Deposits with maturity of more than three months but less than 12 months	2,35,30,602.00	19,64,30,695.00
- Margin Money for Bank Guarantees	3,07,23,432.00	2,82,76,791.00
- Earmarked balances	20,42,813.00	18,97,321.00
Total	14,23,84,541.00	37,92,25,414.00

In terms of our report attached
For Joshi and Sahney
 Chartered Accountants
 Firm Reg. No. 104359W

Sd/-
H. M. Joshi
 Partner
Mem. No. 031689

For and on behalf of the Board

Sd/-
A T Kusre
 Chairman
 (DIN 00818477)

Sd/-
Dr. Pradeep Bavadekar
 Managing Director
 (DIN 00879747)

Sd/-
Ram Mapari
 Chief Financial Officer

Sd/-
Madhav Oak
 Company Secretary

Date : 27/05/2016
Place: Pune

Date : 27/05/2016
Place: Pune

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES :

1.1 Basis of preparation of financial statements :

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for certain tangible assets being carried at revalued amounts. Company follows mercantile system of accounting and recognises income and expenditure on accrual basis except for those items with significant uncertainty.

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013

1.2 Revenue Recognition :

- a) Revenue from Consultancy / Incubation / Environment Laboratory Services is recognised as per the terms of the specific contracts / work orders.
- b) Revenue from training programs is accounted as follows :
 - i) Fees from the participants are accounted at commencement of company's in house courses as per scheduled fee structure.
 - ii) Revenue from Government sponsored training programs is recognized on accrual basis.
 - iii) Revenue from training activities conducted on behalf of Maharashtra Knowledge Corporation Limited (MKCL), being not reasonably determinable, is recognised on receipt basis (See note 38).
- c) Revenue from Wind energy generation is recognised based on units generated. (Net of rebate)
- d) Interest income is recognised on a time proportion basis.
- e) Dividend income is recognised only when the company's right to receive the payment is established.

1.3 Use of Estimates :

Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date. Any revision to accounting estimates is recognised prospectively in current and future period.

1.4 Fixed Assets :

- a) Fixed assets are stated at cost of acquisition less accumulated depreciation and those which were revalued as on 01.09.1999 are stated at the values determined by the valuer less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- b) Intangible assets are stated at the consideration paid for acquisition and customisation thereof less accumulated amortisation.

1.5 Depreciation / Amortisation :

- a) Depreciation on tangible fixed assets has been provided on straight line method over the estimated

useful life of the asset in the manner prescribed in Schedule II of the Companies Act, 2013, except in the case of Wind Turbine Generator which is depreciated over 20 years as per technical evaluation by manufacturer.

- b) Intangible asset being cost of Software capitalised is amortised over a period of three years.

1.6 Impairment of Assets :

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

1.7 Government Grants :

Government grants in the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds. Utilisation thereof is as per covenants of grants received.

Such grants are reduced to the extent of depreciation charged and loss on sale or discard of fixed assets purchased there from. Further interest from investment of unutilised grant / interest on loan disbursed to incubatee are added to respective grants.

Balance remaining in the grant after completion of intended purpose, is transferred to General Reserve.

1.8 Operating Lease :

Operating lease payments are recognised as an expense in the Statement of Profit and Loss.

1.9 Investments :

- a) Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.
- b) Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

1.10 Retirement Benefits :

- a) Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

- b) Employment Benefits:

- i) Defined Contribution Plans:

The company has Defined Contribution Plans for post employment benefit in the form of Provident Fund / Pension Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund / Pension Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

- ii) Defined Benefit Plans:
 - a) Funded Plan:

The company has defined benefit plan for post employment benefit in the form of gratuity for the employees which are administered through Life Insurance Corporation of India. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.
 - b) Non Funded Plan:

The company has defined benefit plan for the employment benefit in the form of leave encashment for the employees. Liability for above defined benefit plan is provided on the basis of the valuation as at the Balance Sheet date carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.
- iii) The actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss for the year without resorting to any amortization.

1.11 Income Tax :

- a) Current Taxation:

Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.
- b) Deferred Tax :

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date.

1.12 Earnings Per Share :

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

1.13 Foreign Currency Transaction :

- a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Exchange Differences:

Exchange differences arising on the settlement of foreign currency transactions are recognised as income or as expense in the year in which they arise.

1.14 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in case of

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations;
- b) a present obligation arising from past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

1.15 Inventories :

Inventory in the nature of printed course material are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

1.16 Segment Reporting :

The company identifies primary segments based on the dominant source, nature of risks, returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating Profit/Loss amounts are evaluated regularly by the Management in deciding how to allocate resource and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

1.17 Cash Flow Statement :

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 2 - SHARE CAPITAL

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Authorised: 1,50,00,000 Equity Shares of INR 10/- each.	15,00,00,000.00	15,00,00,000.00
Issued, Subscribed and Paid up: 1,21,00,000 Equity Shares of INR 10/- each.	12,10,00,000.00	12,10,00,000.00
Total	12,10,00,000.00	12,10,00,000.00



Notes:

a) Reconciliation of the no. of shares :

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	No of shares	Amount	No of shares	Amount
No of Equity shares outstanding at the beginning of the year (Face Value of INR 10/-)	1,21,00,000	12,10,00,000	1,21,00,000	12,10,00,000
No of Equity shares outstanding at the end of the year (Face value of INR10/-)	1,21,00,000	12,10,00,000	1,21,00,000	12,10,00,000

b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of INR 10/- per share. Each equity holder is entitled to one vote per share and have a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares allotted as fully paid-up by way of bonus shares (during immediately preceding 5 years):

Particulars	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Equity Shares allotted as fully paid-up bonus shares by capitalisation of accumulated profits	--	--	75,00,000	--	--



d) Number of Equity shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	Number of shares as at 31st March, 2016 of INR10/- each	% of shares held	Number of shares as at 31st March, 2015 of INR 10/- each	% of shares held
1) SIDBI Trustee Company Limited A/c India Opportunities Ltd	16,38,000	13.54%	16,38,000	13.54%
2) ICICI Bank Ltd.	15,20,000	12.56%	15,20,000	12.56%
3) Small Industries Development Bank of India	10,00,000	8.26%	10,00,000	8.26%
4) SICOM Ltd.	8,00,000	6.61%	8,00,000	6.61%
5) Mukul Mahavir Prasad Agarwal.	7,52,000	6.21%	- -	- -



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 3 - RESERVES AND SURPLUS

Particulars	INR.	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Capital Grants :			
Capital Grant Received from :			
1) Department of Science & Technology, Govt. of India for Export Facilitation Centre	--		1,02,254.00
Less: Adjustment due to change in useful life of assets	--		66,053.00
Less :- Transfer to General reserve	--		36,201.00
Closing Balance		--	--
2) Dept. of Science & Technology, Govt. of India for Setting up Bio -Technology Laboratory	--		39,45,287.00
Less: Adjustment due to change in useful life of assets	--		21,02,701.00
Less :- Depreciation for the Year	--		4,95,479.00
Less :- Transfer to General reserve	--		13,47,107.00
Closing Balance		--	--
3) Asian Pacific Centre for Technology Transfer (Contributed by way of providing Bio-Technology Laboratory Equipments)	--		2,88,868.00
Less :- Transfer to General reserve	--		2,88,868.00
Closing Balance		--	--
4) Ministry of Food Processing Industry, Govt. of India For setting up Food Processing Training Centre	2,48,094.00		4,85,225.00
Less :- Depreciation for the Year	1,78,053.00		2,37,133.00
Closing Balance		70,041.00	2,48,092.00
5) Technology Development Board, Govt. of India Opening Balance	50,12,341.00		47,28,934.00
Add : Interest Received (Net of Taxes)	2,11,216.00		2,83,407.00
Closing Balance (Amount of loan outstanding INR 27,75,530/-, PY INR 22,83,606/-)		52,23,557.00	50,12,341.00

Continued...



Continued...

6) Grant received from MSME under ASPIRE scheme	15,00,000.00		--
For Upgradation of Technical Business Incubator			
Less : Utilised towards consumable purchase	27,582.00		--
Less : Depreciation for the Year	807.00		--
Closing Balance		14,71,611.00	--
Revaluation Reserve:			
As per last Balance Sheet	1,78,90,378.00		1,82,92,409.00
Less: Utilised for set off against depreciation	--		--
Less: Transferred to General Reserve	4,01,947.00		4,02,031.00
Closing Balance		1,74,88,431.00	1,78,90,378.00
Securities Premium Reserve :			
As per last Balance Sheet		17,35,57,818.00	17,35,57,818.00
General Reserve:			
As per last Balance Sheet	9,08,74,315.00		8,88,00,108.00
Add: Transfer from Grants	--		16,72,176.00
Add: Transfer from Revaluation Reserve	4,01,947.00		4,02,031.00
Closing Balance		9,12,76,262.00	9,08,74,315.00
Surplus in Statement of Profit & Loss			
As per last Balance Sheet	45,15,45,822.00		41,98,14,144.00
Less: Additional depreciation (net of Deferred Tax CY Nil, PY INR 38,20,669/-) pursuant to enactment to Schedule II of the Companies Act, 2013	--		72,52,092.00
Add: Profit for the Year	4,60,97,511.00		5,35,47,048.00
		49,76,43,333.00	46,61,09,100.00
Less: Appropriations			
Proposed Dividend #	1,21,00,000.00		1,21,00,000.00
Tax on Proposed Dividend	24,63,275.00		24,63,275.00
		1,45,63,275.00	
Closing Balance		48,30,80,058.00	45,15,45,825.00
Total		77,21,67,778.00	73,91,28,769.00

- Dividend proposed to be distributed to Equity Shareholders is INR 1/- (P.Y. INR 1/-) per Equity Share



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 4 - DEFERRED TAX

(i) Break up of Deferred Tax Liability as at year end:

Nature of timing difference	As at 31st March 2016 INR	As at 31st March 2015 INR
Provision for Depreciation	1,77,91,714.00	1,94,53,197.00
Total	1,77,91,714.00	1,94,53,197.00

(ii) Break up of Deferred Tax Asset as at year end:

Nature of timing difference	As at 31st March 2016 INR	As at 31st March 2015 INR
Provision for Leave encashment	12,60,062.00	12,35,387.00
Total	12,60,062.00	12,35,387.00

(iii) Deferred Tax Liability (net) (i-ii)	1,65,31,652.00	1,82,17,810.00
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MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 5 - OTHER LONG TERM LIABILITIES

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Security Deposits	18,54,103.00	18,37,260.00
Total	18,54,103.00	18,37,260.00

NOTE 6 - LONG TERM PROVISIONS

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Provision for Leave Encashment	56,08,510.00	53,38,895.00
Total	56,08,510.00	53,38,895.00

NOTE 7 - TRADE PAYABLES

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Trade Payables		
i) Dues to Micro Enterprises and Small enterprises	--	--
ii) Other dues (See Note No. 31)	4,73,55,109.00	4,27,55,954.00
Total	4,73,55,109.00	4,27,55,954.00



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 8 - OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Other Payables		
Advance from Customers	61,07,306.00	16,92,170.00
Provident Fund Contribution Employee & Employer	17,39,145.00	18,97,241.00
ESIC Payable	45,597.00	48,820.00
TDS / VAT Payable	47,98,206.00	36,20,026.00
Security Deposits	10,88,759.00	14,34,607.00
Payables for Capital Purchases	18,24,234.00	7,62,812.00
Total	1,56,03,247.00	94,55,676.00

NOTE 9 - SHORT-TERM PROVISIONS

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Proposed Dividend	1,21,00,000.00	1,21,00,000.00
Tax on Proposed Dividend	24,63,275.00	24,63,275.00
Provision for Leave Encashment	27,46,502.00	29,41,487.00
Total	1,73,09,777.00	1,75,04,762.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 10 - FIXED ASSETS

Types of Assets	Cost			Depreciation				Net Block			
	As at 1 st April, 2015 INR	Additions during the Year INR	Deductions during the Year INR	As at 31 st March, 2016 INR	Up to 31 st March, 2015 INR	Adjusted to Retained earning INR	For the Year INR	On Deductions INR	Up to 31 st March, 2016 INR	As at 31 st March, 2016 INR	As at 31 st March, 2015 INR
TANGIBLE ASSETS											
Land	2,00,000.00	--	--	2,00,000.00	--	--	--	--	--	2,00,000.00	2,00,000.00
Improvements to Leasehold Premises	1,20,84,654.00	--	--	1,20,84,654.00	37,49,607.00	--	8,34,713.00	--	45,84,320.00	75,00,334.00	83,35,047.00
Buildings- Office Premises - see note below	19,61,10,632.00	6,95,344.00	--	19,68,05,976.00	1,41,82,818.00	--	33,03,305.00	--	1,74,86,123.00	17,93,19,853.00	18,19,27,814.00
Energy Audit Equipment	1,18,65,390.00	13,26,155.00	--	1,31,91,545.00	67,92,721.00	--	30,49,315.00	--	98,42,036.00	33,49,509.00	50,72,669.00
Furniture & Fixtures	3,55,37,032.00	11,13,809.00	3,12,030.00	3,63,38,811.00	1,12,45,466.00	--	41,92,136.00	1,85,237.00	1,52,52,365.00	2,10,86,446.00	2,42,91,566.00
Vehicles	64,32,904.00	--	--	64,32,904.00	27,77,786.00	--	8,03,205.00	--	35,80,991.00	28,51,913.00	36,55,118.00
Office Equipment	3,27,50,136.00	11,39,673.00	29,55,518.00	3,09,34,291.00	2,80,19,607.00	--	55,13,847.00	29,19,035.00	3,06,14,419.00	3,19,872.00	47,30,529.00
Environment / B.T.Lab equipments	96,29,413.00	16,07,982.00	31,500.00	1,12,05,895.00	55,95,111.00	--	12,36,857.00	31,500.00	68,00,468.00	44,05,427.00	40,34,302.00
Computers & Printers	4,08,84,146.00	10,99,570.00	36,73,883.00	3,83,09,833.00	2,17,97,190.00	--	93,67,361.00	36,73,883.00	2,74,90,668.00	1,08,19,165.00	1,90,86,956.00
Electrical Installations	1,28,96,282.00	2,55,375.00	--	1,31,51,657.00	41,76,215.00	--	18,57,723.00	--	60,33,938.00	71,17,719.00	87,20,067.00
Wind Turbine Generator	4,19,82,900.00	--	--	4,19,82,900.00	2,70,53,556.00	--	11,48,411.00	--	2,82,01,967.00	1,37,80,933.00	1,49,29,344.00
Total (A)	40,03,73,489.00	72,37,908.00	69,72,931.00	40,06,38,466.00	12,53,90,077.00	--	3,13,06,873.00	68,09,655.00	14,98,87,295.00	25,07,51,171.00	27,49,83,412.00
Previous Year	29,63,26,978.00	10,55,78,247.00	15,31,736.00	40,03,73,489.00	8,09,95,601.00	99,30,949.00	3,52,26,801.00	7,63,474.00	12,53,90,077.00	27,49,83,412.00	21,53,31,177.00

Note
 Cost of Building at Kubera Chambers includes INR 2,39,53,918/- (Previous Year INR 2,39,53,918/-) added on revaluation by the Valuer on 1st September 1999.

NOTE 10 A - FIXED ASSETS (Purchased out of Grants received)

Types of Assets	Cost			Depreciation #					Net Block		
	As at 1 st April, 2015 INR	Additions during the Year INR	Deductions during the Year INR	As at 31 st March, 2016 INR	Up to 31 st March, 2015 INR	Adjusted to Retained earning INR	For the Year INR	On Deductions INR	Upto 31 st March, 2016 INR	As at 31 st March, 2016 INR	As at 31 st March, 2015 INR
Assets purchased under grants received from Ministry of Food processing Industry and Ministry of Micro, Small and Medium Enterprises, GOI											
Computer and Printers	4,32,000.00	--	--	4,32,000.00	4,31,999.00	--	--	--	4,31,999.00	1.00	1.00
Office equipments	51,44,765.00	14,76,779.00	4,51,643.00	61,69,901.00	49,18,373.00	--	1,72,858.00	4,51,643.00	46,39,588.00	15,30,313.00	2,26,393.00
Furniture and Fixture	10,21,551.00	--	--	10,21,551.00	10,01,091.00	--	3,512.00	--	10,04,603.00	16,948.00	20,460.00
Electrical Installation	8,67,660.00	--	--	8,67,660.00	8,53,336.00	--	2,490.00	--	8,55,826.00	11,834.00	14,324.00
Total (B)	74,65,976.00	14,76,779.00	4,51,643.00	84,91,112.00	72,04,799.00	--	1,78,860.00	4,51,643.00	69,32,016.00	15,59,096.00	2,61,178.00
Previous Year	74,65,976.00	--	--	74,65,976.00	43,03,436.00	21,68,754.00	7,32,612.00	--	72,04,802.00	26,11,77.00	35,17,235.00
Total Tangible Assets (A+B)	40,78,39,465.00	87,14,687.00	74,24,574.00	40,91,29,578.00	13,25,94,876.00	--	3,14,85,733.00	72,61,298.00	15,68,19,311.00	25,23,10,267.00	27,52,44,590.00
Total Tangible Assets (A+B) Previous Year	30,37,92,954.00	10,55,78,247.00	15,31,736.00	40,78,39,465.00	8,52,99,237.00	1,20,99,703.00	3,59,59,413.00	7,63,474.00	13,25,94,879.00	27,52,44,589.00	21,88,48,412.00

- Depreciation on the assets has been deducted from respective Capital Grants received

NOTE 11 - FIXED ASSETS - INTANGIBLE ASSETS

Types of Assets	Cost			Amortization					Net Block		
	As at 1 st April, 2015 INR	Additions / Adjust during the Year INR	Deductions during the Year INR	As at 31 st March, 2016 INR	Up to 31 st March, 2015 INR	Adjusted to Retained earning INR	For the Year INR	On Deductions INR	Upto 31 st March, 2016 INR	As at 31 st March, 2016 INR	As at 31 st March, 2015 INR
INTANGIBLE ASSETS											
Computer Software	3,95,02,285.00	52,47,618.00	--	4,47,49,903.00	2,67,81,630.00	--	67,05,126.00	--	3,34,86,756.00	1,12,63,147.00	1,27,20,655.00
Total	3,95,02,285.00	52,47,618.00	--	4,47,49,903.00	2,67,81,630.00	--	67,05,126.00	--	3,34,86,756.00	1,12,63,147.00	1,27,20,655.00
Previous year	3,23,97,473.00	71,04,812.00	--	3,95,02,285.00	1,25,63,972.00	11,41,812.00	1,30,75,646.00	--	2,67,81,630.00	1,27,20,655.00	1,98,33,501.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 12 - NON CURRENT INVESTMENTS

Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Investments (At Cost)		
Non-trade, Unquoted		
Other Investments:		
In Government Securities -		
National Savings Certificates	75,000.00	75,000.00
Total	75,000.00	75,000.00

Aggregate amount of unquoted investments INR 75,000/- (Previous Year INR Nil)

NOTE 13 - LONG TERM LOANS AND ADVANCES

Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Unsecured, Considered Good		
Capital Advances #	26,69,650.00	29,70,146.00
Security Deposits	2,35,93,582.00	2,77,25,624.00
Prepaid Expenses / Gratuity Contribution	27,09,226.00	43,72,842.00
Loan to Incubatee	20,22,511.00	18,15,380.00
Total	3,09,94,969.00	3,68,83,992.00

- Capital advances Rs. 26.69 lakhs (PY Rs. 22.00 lakhs) pertain to full payment as per demand letter ref no C30642/2015 dated 31st July, 2015 received from MIDC, Nanded. for lease of office at Udyog Bhavan, Nanded The company has taken possession and occupied this office during the year. Capitalisation of the leasehold rights and amortisation thereof is pending for execution and registration of formal lease deed with MIDC



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 14 - OTHER NON CURRENT ASSETS

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Unsecured, Considered Good		
i) Long Term Receivables from related party-	--	2,12,73,260.00
ii) Other Bank Balances		
- Deposits with more than 12 months maturity	22,12,02,430.00	--
- Interest accrued on deposit with bank	1,10,16,544.00	--
Total	23,22,18,974.00	2,12,73,260.00

NOTE 15 - CURRENT INVESTMENTS

Particulars	As at 31st March 2016 INR	As at 31st March 2015 INR
Quoted at Cost		
Investments in Mutual funds	--	40,00,000.00
Unquoted at Cost		
Investments in Mutual funds	8,54,31,443.00	1,20,45,212.00
Total	8,54,31,443.00	1,60,45,212.00



Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Aggregate value of Quoted investment	--	40,00,000.00
Market value of Quoted investment	--	43,26,880.00
Aggregate value of Unquoted investment	8,62,60,107.28	1,20,58,700.52

PARTICULARS OF INVESTMENTS	Face Value Per Unit	As at 31 st March 2016		As at 31 st March 2015	
	INR	Nos.	INR	Nos.	INR
Quoted					
IDBI FMP Series IV Regular plan Growth	--	--	--	4,00,000.000	40,00,000.00
Total - A			--		40,00,000.00
Unquoted					
Reliance Short Term Fund growth plan growth option	25.00	2,32,580.680	60,00,000.00	--	--
Reliance Liquid Fund cash plan	1,000.00	4,518.088	50,33,825.00	5,425.850	60,45,212.00
Reliance Banking & PSU Debt fund. Direct weekly dividend plan.	10.00	73,61,177.324	7,43,97,618.00	2,32,580.680	60,00,000.00
Total (B)			8,54,31,443.00		1,20,45,212.00
TOTAL (A + B)			8,54,31,443.00		1,60,45,212.00

NOTE 16 - INVENTORIES (AT COST)

Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Inventory of Printed Course Material	5,12,232.00	19,92,747.00
Total	5,12,232.00	19,92,747.00



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 17 - TRADE RECEIVABLES

Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured considered good	6,35,29,878.00	5,69,96,107.00
Unsecured considered doubtful	--	29,99,795.00
Less: Provision for Doubtful Debts	--	(29,99,795.00)
	6,35,29,878.00	5,69,96,107.00
Others - Unsecured considered good	11,03,78,421.00	10,03,23,057.00
Total	17,39,08,299.00	15,73,19,164.00

NOTE 18 - CASH AND BANK BALANCES

Particulars	As at 31 st March 2016 INR	As at 31 st March 2015 INR
Cash and Cash Equivalents		
Cash on Hand	4,24,846.00	2,26,380.00
Cheques, Drafts on Hand	23,66,980.00	91,60,248.00
Balance with Bank		
Balances with banks (including deposits with less than 3 months maturity)	8,32,95,868.00	14,32,33,979.00
Other Bank Balances		
- Deposits with maturity of more than three months but less than 12 months	2,35,30,602.00	19,64,30,695.00
- Margin Money for Bank Guarantees	3,07,23,432.00	2,82,76,791.00
- Earmarked Balances	20,42,813.00	18,97,321.00
Total	14,23,84,541.00	37,92,25,414.00



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 19 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 st March 2016	As at 31 st March 2015
	INR	INR
Unsecured, Considered Good		
Prepaid Expenses	55,04,374.00	48,44,091.00
Advance to Others	14,15,943.00	13,78,145.00
Security Deposits	1,12,29,925.00	63,46,100.00
Travel Advances to Staff	2,88,658.00	3,61,065.00
Income Tax paid less Provisions	4,55,36,917.00	3,69,16,942.00
Service Tax paid in advance / input CENVAT credit	35,89,971.00	41,31,767.00
Loan to Incubatee (refer note no. 27)	7,53,019.00	4,68,226.00
Total	6,83,18,807.00	5,44,46,336.00

NOTE 20 - OTHER CURRENT ASSETS

Particulars	As at 31 st March 2016	As at 31 st March 2015
	INR	INR
Interest Accrued	12,497.00	12,757.00
Total	12,497.00	12,757.00



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 21- REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Sale of Services	44,61,11,956.00	42,83,17,124.00
Other Operating Revenues	36,26,198.00	40,70,528.00
Total	44,97,38,154.00	43,23,87,652.00

Details of Sale of Services :	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Consultancy Fees	31,17,86,268.00	30,65,72,734.00
Income from Vocational Training	9,03,24,203.00	7,90,80,280.00
Income from IT Courses	2,36,78,116.00	2,84,43,784.00
Income from Laboratories	2,03,23,369.00	1,42,20,326.00
Total	44,61,11,956.00	42,83,17,124.00
Details of Other Operating Revenue :		
Income from Wind Power Generation (Net of rebate)	36,26,198.00	40,70,528.00
Total	36,26,198.00	40,70,528.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 22 - OTHER INCOME

Particulars	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Interest Income from Bank Deposits	2,83,32,338.00	2,07,24,992.00
Dividend Income from Current Investments	19,17,324.00	75,27,914.00
Sundry Provisions and Credit Balances no longer required, written back	40,97,106.00	65,57,416.00
Recovery of Bad Debts	1,26,951.00	1,41,110.00
Other non-Operating Income	13,05,552.00	65,88,541.00
Total	3,57,79,271.00	4,15,39,973.00

NOTE 23 - OPERATING COSTS

Particulars	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Expenses on IT, VTP Training Activities	5,60,94,505.00	4,67,05,738.00
Changes in Inventory of printed course material		
Opening Stock	19,92,747.00	36,51,089.00
Less: Donated under CSR	9,82,200.00	5,57,984.00
Less: Closing Stock	5,12,232.00	19,92,747.00
Decrease / (Increase) in Inventory of printed course material	4,98,315.00	11,00,358.00
Professional fees to Associates	6,81,88,163.00	6,17,14,593.00
Engineering, Procurement & Construction(EPC) Expenses	45,943.00	--
Total	12,48,26,926.00	10,95,20,689.00



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 24 - EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Salaries and Wages	12,57,55,173.00	11,33,20,984.00
Contribution to Provident and Other Funds	1,44,20,058.00	1,19,27,566.00
Staff Welfare Expenses	45,55,864.00	45,75,719.00
Total	14,47,31,095.00	12,98,24,269.00

NOTE 25 - FINANCE COSTS

Particulars	For the year ended 31st March, 2016 INR	For the year ended 31st March, 2015 INR
Interest Expense	43,235.00	8,316.00
Bank charges and Commission	4,62,011.00	5,61,172.00
Total	5,05,246.00	5,69,488.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 26 - OTHER EXPENSES

Particulars	For the year ended 31 st March, 2016 INR	For the year ended 31 st March, 2015 INR
Power and Fuel	83,16,598.00	79,60,839.00
Office Rent	1,43,61,970.00	1,46,33,590.00
Repairs and Maintenance -		
- Buildings	17,99,993.00	21,20,290.00
- Office & Other Equipment	42,93,294.00	31,52,233.00
- Others	15,53,752.00	25,75,077.00
Insurance	9,54,765.00	7,24,316.00
Rates & Taxes	4,13,836.00	3,95,038.00
Auditor's Remuneration		
- Statutory Audit	5,80,700.00	5,61,800.00
- Certification	--	13,000.00
Administrative and General Expenses		
Travelling Expenses	2,54,59,183.00	2,56,30,190.00
Printing, Stationery and computer consumable	1,00,13,900.00	1,24,41,499.00
Advertisement	69,78,174.00	1,02,60,457.00
Security Expenses	57,09,865.00	48,96,386.00
Telephone, Mobile Expenses	41,89,420.00	34,98,846.00
Business Promotion Expenses	23,55,403.00	19,44,837.00
Registration and Legal Fees	11,15,973.00	11,58,938.00
Postage , Fax and Courier	13,96,033.00	14,59,411.00
Books & Periodicals Subscriptions and Membership Fees	12,50,138.00	11,32,857.00
Housekeeping	17,74,494.00	17,43,517.00
Laboratory Consumables	8,54,677.00	4,18,471.00
Directors Sitting Fees	7,40,000.00	6,00,000.00
Expenditure towards Corporate Social Responsibility (CSR) activities	9,82,200.00	27,19,844.00
Bad Debts written off	1,20,15,147.00	15,30,288.00
Provision for Doubtful debts	--	29,99,795.00
Donations	14,800.00	1,70,500.00
Loss on Disposal / discard of Assets	75,159.00	5,87,672.00
General Expenses	28,31,332.00	25,97,776.00
Total	11,00,30,806.00	10,79,27,467.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

27 Utilisation of Incubatee Grant

- A.** Technology Development Board (TDB), Govt. of India has approved scheme 'Seed Support System for Start-ups in Incubators' for providing financial assistance as seed support for start-ups in the MITCON incubator as growth oriented initiative between the TDB and MITCON. The scheme is to make available early stage financial assistance as seed support for start-up units located at the MITCON incubator for further development and pre-commercialisation of technologies. Accordingly MITCON has received grant of INR 40,00,000/- from TDB till 31st March, 2016. Financial assistance by way of Term Loan to two incubatees aggregating to INR 27,75,530/- is outstanding as on 31st March, 2016. Disbursement against this grant has not been deducted from Grant received, but separately disclosed under Loans and Advances.
- B.** Interest received on deployment of unutilised grant amount and interest received on loans disbursed to incubatee, is credited to grant (net of taxes).

28 Contingent liability not provided for

Particulars	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
a) Guarantees given by bankers to customer on behalf of the Company	1,29,57,638.00	1,73,02,347.00
b) Service Tax Demand (see Note No. 37(A))	3,21,90,826.00	3,21,90,826.00
c) Claims against the company not acknowledged as debt - Arbitration petition in respect of money claim is pending before Arbitration Tribunal. The company has made counter claims against the claimant before the said Tribunal. Pending completion of Arbitration proceedings, the liability (if any) is not ascertainable.	--	--
d) An ex-employee has filed a claim before First Labour Court, Pune. The company has filed written statement for dismissal of the claim.	1,64,000.00	1,64,000.00

29 Payments to Auditors - (Net of service tax)

	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
For Audit	5,00,000.00	5,00,000.00
For Certification	--	13,000.00
Total	5,00,000.00	5,13,000.00



30 Expenditure and earnings in foreign currencies

Expenditure in foreign currency	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Travelling expenses	4,21,095.00	67,841.00
License Fees	- -	4,46,688.00
Subscription & Membership Fees	60,173.00	1,40,758.00
Total	4,81,268.00	6,55,287.00

Earning in foreign currency	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Professional fees	1,03,70,145.00	61,39,468.00
Reimbursement of Expenses	1,06,618.00	13,427.00
Total	1,04,76,763.00	61,52,895.00

31 Based on the available documents / information, the Company has no suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

32 Disclosure pursuant to Accounting Standard (AS 15) - Revised 2005 “Employee Benefits”

a) Defined contribution plans:

The company has recognised the following amounts in the Statement of Profit & Loss for the year :

- i) Contribution to employees provident fund INR 72,38,391/- (P.Y. INR 73,38,903/-)
- ii) Contribution to employees family pension Fund INR. 29,05,142/- (P.Y. INR 24,97,470/-)

b) Defined benefit plans - Gratuity

The company makes annual contribution to the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part there of in excess of 6 month. Vesting occurs only upon completion of 5 years of service except in case of death or permanent disability. The present value of defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at the balance sheet date.

i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:	Year ended	
	31 st March, 2016 INR	31 st March, 2015 INR
Present Value of defined benefit obligation at the beginning of the year	1,72,64,058.00	1,46,87,782.00
Interest cost	12,84,738.00	13,11,953.00
Current service cost	34,41,633.00	33,12,448.00
Actuarial losses / (gains)	(10,00,041.00)	(15,06,692.00)
Benefits paid	(15,86,127.00)	(5,41,433.00)
Present value of defined benefit obligation at the close of the year	1,94,04,261.00	1,72,64,058.00

ii) Changes in the fair value of Plan Assets and the reconciliation thereof:	Year ended	
	31 st March, 2016 INR	31 st March, 2015 INR
Fair value of plan assets at the beginning of the year	2,15,68,920.00	1,97,15,543.00
Add :expected return on plan assets	18,92,327.00	17,85,363.00
Add / (less) : actuarial (losses) / gains	(2,94,575.00)	(1,75,623.00)
Add : contributions by employer	5,00,000.00	7,85,070.00
Less: benefits paid	(15,86,127.00)	(5,41,433.00)
Fair value of plan assets at the close of the year	2,20,80,545.00	2,15,68,920.00
Actual Return on Plan Assets	15,97,752.00	16,09,740.00

iii) Amount recognized in the Balance Sheet:	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Present Value of Obligation as at the end of year	1,94,04,261.00	1,72,64,058.00
Fair Value of Plan Assets as at the end of year	2,20,80,545.00	2,15,68,920.00
Funded Status	26,76,284.00	43,04,862.00
Current Liability	--	--
Non - Current Liability	1,94,04,261.00	1,72,64,058.00
Unrecognised Actuarial (gains) / losses	--	--
Net Asset / (Liability)	26,76,284.00	43,04,862.00

Fair value of plan assets , in excess of present value of obligations, being adjustable against future contributions is recognised in the books of account.

iv) Amounts recognised in the Statement of Profit and Loss are as follows:	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Current Service Cost	34,41,633.00	33,12,448.00
Past Service Cost	--	--
Interest Cost	12,84,738.00	13,11,953.00
Expected return on plan assets	(18,92,327.00)	(17,85,363.00)
Curtailment Cost / (Credit)	--	--
Settlement Cost / (Credit)	--	--
Net Actuarial (Gain) / Loss recognised in the period / year	(7,05,466.00)	(13,31,069.00)
Expenses Recognised in the Statement of Profit & Loss at the end of period / year	21,28,578.00	15,07,969.00

v) Amount for the current period :	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Present value of obligation	1,94,04,261.00	1,72,64,058.00
Plan assets	2,20,80,545.00	2,15,68,920.00
Surplus / (Deficit)	26,76,284.00	43,04,862.00

vi) Broad categories of Plan Assets as a percentage of total assets as at	Year ended	
	31 st March, 2016	31 st March, 2015
Insurer managed funds	100.00%	100.00%
Total	100.00%	100.00%

vii) Actuarial Assumptions :	Year ended	
	31 st March, 2016	31 st March, 2015
Discount rate	7.80%	7.80%
Rate of increase in Compensation levels	9.50%	9.50%
Rate of return on plan assets	8.00%	9.00%
Expected Average remaining working lives of employees (years)	8.31	8.21

- c) The company provides for accumulation of compensated absences by its employees. The employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods to receive cash in lieu thereof as per company policy. The company records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The total liability recorded by the company towards this benefit as at 31st March, 2016 is INR 83,55,012/- (Previous Year INR 82,80,382/-).

- 33 The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either of the parties and also contain a clause for renewal of the lease agreement. Lease payments on cancellable operating lease arrangements debited to Statement of Profit and Loss are as under.

Particulars	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Lease payments debited to the Statement of Profit and Loss		
Cancellable leases		
Lease rent for office	1,43,61,970.00	1,46,33,590.00

34 Related parties, as defined under Clause 3 of Accounting Standard (AS 18) “Related Party Disclosures”, have been identified on the basis of representation made by the Management and taken on record by the Board of Directors and relied upon by the auditors. Disclosures of transactions with Related Parties are as under:

a) **Name of the related party and nature of relationship where control exists :**

Name of Related Party	Nature of Relationship
MITCON Foundation	Charitable Trust promoted by the Company

b) **Key Management personnel (KMP) :**

Sr. No.	
1	Dr. Pradeep Bavadekar, Managing Director

c) **Transactions with related party :**

Sr. No.	Nature of transactions / relationship / Name of Related Party	2015-16 INR	2014-15 INR
1	Salary */ perquisites / dividend Key Management Personnel (KMP) Dr. Pradeep Bavadekar A) Remuneration Salary Contribution to Provident Fund Superannuation Fund and others Total	 64,20,000.00 6,48,252.00 8,15,312.00 78,83,564.00	 61,80,000.00 6,24,015.00 7,87,237.00 75,91,252.00
	B) Dividend	5,60,000.00	5,60,000.00
2	MITCON Foundation - Rent paid / Expenses reimbursed (net of Service Tax) - Transaction / Expenses incurred - Training fees received (net of Service Tax) Total	 83,74,033.00 9,91,290.00 29,86,271.00 1,23,51,594.00	 1,15,16,323.00 12,81,450.00 60,27,800.00 1,88,25,573.00
3	Accounts Receivable Outstanding as on 31 st March, 2016 MITCON Foundation Against Sale of Land Total	 -- --	 2,12,73,260.00 2,12,73,260.00
4	Accounts Payable / (receivable) as on 31 st March, 2016 Dr. Pradeep Bavadekar Remuneration Payable MITCON Foundation Total	 3,26,252.00 (52,951.00) 2,73,301.00	 3,34,346.00 30,225.00 3,64,571.00

* As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the KMP are not included above.

35 Earnings Per Share (Basic and Diluted)	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Profit for the year After Taxation	4,60,97,511.00	5,35,47,048.00
Total weighted average number of equity shares during the year	1,21,00,000	1,21,00,000
Basic and Diluted earning per share	3.81	4.43

36 Balances of trade receivables and trade payables are subject to reconciliation and confirmation by respective parties.

37 A) Service Tax

- i) The company has received Service Tax refund aggregating to INR 89,48,928/- against Service Tax paid by the company for the period 1st August, 2010 to 30th June, 2011 in terms of Order passed in favour of the company by Commissioner (Appeals III) Central Excise Pune. However the Service Tax Department is in further appeal with Customs, Central Excise and Service Tax Appellate Tribunal against the said Order. Pending disposal of Appeal with Customs, Central Excise and Service Tax Appellate Tribunal, the Commissioner Central Excise Pune III. has issued on 26th February, 2014 show cause cum demand notice for recovery of service tax amount refunded. The company has refuted demand of recovery of Service Tax amount refunded.
- ii) The Company has received show cause cum demand notices dated 16th April 2013 and 29th April, 2014 from the Commissioner of Central Excise Pune - III, calling upon the Company to Show cause as to why an amount of INR 1,46,40,244/- should not be charged / demanded and recovered from it for the period from 01st July 2011 to 31st March 2012 and a further amount of INR 86,01,654/- should not be charged / demanded and recovered from it for the period 1st April, 2012 to 30th June 2012 (being periods for which Company did not pay service tax). This claim is disputed and being contested by the Company by filing written submission before The Commissioner, Central Excise & Service Tax, Pune III Authorities.

Status of the issues enumerated (i) & (ii) above remained unchanged during the year.

B) Income Tax

Tax for A.Y.2009-10 amounting to INR 22,560/-, for A.Y.2011-12 amounting to INR 2,77,58,980/- are shown by the Department as outstanding are without taking due cognizance of prepaid taxes. In fact, the Company is entitled to receive refund of income tax as per return of income filed for these years. Rectification proceedings for these years are pending before the Assessing Officer.

38 Tuition fees received from MKCL

MITCON is a Training provider to Maharashtra Knowledge Corporation Limited (MKCL) for their MS-CIT and other courses. Fees of these training courses are directly collected by MKCL. On completion of these training programmes Tuition fees are shared by MKCL with the Company as per the Terms of

Agreement. However as the Company's share of fees is not independently determinable by the Company prior to actual receipt thereof, these are accounted for on receipt basis.

39 Commitments:

	Year ended	
	31 st March, 2016	31 st March, 2015
	INR	INR
Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advance) in respect of purchase of :		
Tangible Fixed assets	--	6,65,764.00
Intangible Fixed assets	--	10,41,544.00

40 Segment Reporting

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company's Primary Segments are :

1. Consultancy and Training
2. Wind Power Generation

The above business segments have been identified considering :

- a. The nature of the products/ operation
- b. The related risks and returns
- c. The internal financial reporting systems of the organisation.

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.



Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	INR	INR
Segment Revenue		
Consultancy and Training	44,61,11,956	42,83,17,124
Wind Power Generation	36,26,198	40,70,528
Revenue from Operations	44,97,38,154	43,23,87,652
Segment Results		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	3,06,55,176	3,45,78,899
Wind Power Generation	14,82,152	21,33,976
Total Segment result	3,21,37,328	3,67,12,875
Unallocable income net of unallocable expenditure	74,46,933	2,09,14,687
Interest Income	2,83,32,338	2,07,24,992
Total	6,79,16,599	7,83,52,554
Less: Finance Cost	5,05,246	5,69,488
Total Profit before Tax	6,74,11,353	7,77,83,066
Less Provision for Tax		
Current Tax	2,30,00,000	2,85,00,000
Deferred Tax	(16,86,158)	(42,63,983)
Profit After Tax	4,60,97,511	5,35,47,049
Total carrying amount of segment assets		
Consultancy and Training	98,36,49,243	94,03,09,782
Wind Power Generation	1,37,80,933	1,49,29,344
Total Segment assets	99,74,30,176	95,52,39,126
Total carrying amount of segment liabilities		
Consultancy and Training	10,42,62,398	9,51,10,357
Wind Power Generation	--	--
Total Segment liabilities	10,42,62,398	9,51,10,357
Depreciation & Amortisation		
Consultancy and Training	3,68,63,588	4,73,07,176
Wind Power Generation	11,48,411	9,95,471
Total Depreciation & Amortisation	3,80,11,999	4,83,02,647

41 Utilisation of money raised through Initial Public Offer

During the year ending 31st March, 2014 the company has made a public offer of 41,00,000 shares, which were fully subscribed.

Pursuant to the provisions of clause 43 of the listing agreement with the exchange, the disclosure is as follows:

The utilisation of the issue proceeds as on 31st March 2016 is as under:

Particulars	Utilisation planned as per prospectus	Utilisation of IPO proceeds as on 31 st March 2016	balance amount to be utilised as on 31 st March 2016 *
	INR	INR	INR
Acquisition of property for setting up new offices in Bangalore, Hyderabad, Chennai, New Delhi and Ahmedabad and environment testing laboratory in Bangalore and Ahmedabad	16,13,80,000	9,72,34,305	6,41,45,695
Purchase of office equipments for new offices	57,70,000	33,86,740	23,83,260
Purchase of furniture and fixtures and carrying out interior designing for the new offices and the environment testing laboratory	2,91,19,000	1,82,21,012	1,08,97,988
Purchase of equipment for environment testing laboratory at Ahmedabad and Bangalore	1,01,50,000	--	1,01,50,000
General Corporate purposes	81,33,000	81,04,742	28,258
Issue expenses	3,55,48,000	3,55,42,182	5,818
Total	25,01,00,000	16,24,88,981	8,76,11,019

* The above unutilised proceeds from the Issue have been deployed in the Fixed Deposits with NBFC

42 Previous years figures have been re-grouped , reclassified wherever necessary to make them comparable with current year's figures.

Signatures to the Notes 1 to 42, forming part of the Financial Statements.

For and on behalf of the Board

Sd/-
A T Kusre
 Chairman
 (DIN 00818477)

Sd/-
Dr. Pradeep Bavadekar
 Managing Director
 (DIN 00879747)

Sd/-
Ram Mapari
 Chief Financial Officer

Sd/-
Madhav Oak
 Company Secretary

Date : 27/05/2016
Place : Pune



Offices :

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