

33rd
ANNUAL REPORT
2014-2015

of



IS/ISO 9001:2008 Certified

MITCON

**CONSULTANCY & ENGINEERING
SERVICES LTD.**

Registered Office :

Kubera Chambers, Shivajinagar,
Pune - 411 005. Maharashtra (India)
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CIN : L74140PN1982PLC026933

BOARD OF DIRECTORS

Mr. A. T. Kusre	Chairman
Dr. Pradeep Bavadekar	Managing Director
Mr. Ananta P. Sarma	
Mr. S. Thiruvadi	
Mr. Vineet Suchanti	(Up to 26.06.2015)
Mr. Aniruddha Joshi	(From 05.02.2015)
Mrs. Archana Lakhe	(From 05.02.2015)
Mr. J. P. Dange	(From 26.03.2015)
Mr. Chimam Deshmukh	(From 26.03.2015)
Mr. A. D. Mahajan	(Up to 05.02.2015)
Mr. H. K. Mittal	(Up to 26.03.2015)
Mr. Prasoon	(From 30.05.2014 up to 05.02.2015)
Mr. O. V. Bundellu	(Up to 08.11.2014)
Mr. Gautam Meour	(Up to 30.05.2014)
Mr. Suneet Shukla	(From 05.02.2015 up to 26.03.2015)

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

Kubera Chambers, Shivajinagar, Pune - 411 005. Maharashtra (India)
Tel. : 91-020-2553 4322, 2553 3309. Fax : 91-020-2553 3206
E-mail: mitconmail@gmail.com

33rd
ANNUAL REPORT
2014-2015

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DIRECTORS' REPORT

Dear Members,

The Directors take pleasure in presenting the 33rd Annual Report of the Company and Audited Accounts for the year ended **31st March, 2015**.

1. COMPANY'S PERFORMANCE :

In the year under review, as per the latest GDP growth estimates, Indian Economy grew by 7.4% in FY 2014-15 as compared to 6.9% in FY 2013-14, mostly driven by improved economic fundamentals, strong domestic demand coupled with improved business sentiments in the country. During the year, the Company achieved a gross turnover of Rs. 4740.27 Lakhs (previous year 4278.75 Lakhs) which represents 11% increase over the previous year. The increase in business is majorly due to increase in Consultancy income. Profit After Tax is Rs. 535.47 Lakhs (Previous year 708.90 Lakhs).

2. FINANCIAL HIGHLIGHTS :

(Rs. in Lakhs)

Particulars	As on 31.03.2015	As on 31.03.2014
Revenue From Operations	4323.87	4049.07
Other Income	416.40	229.68
Total	4740.27	4278.75
Profit Before Depreciation	1260.86	1188.48
Depreciation	483.03	161.71
Provision for Tax – Current	285.00	275.00
– Deferred	(42.64)	42.87
Profit for the Year	535.47	708.90

3. DIVIDEND AND RESERVES :

Dividend

The Directors recommend for your consideration a final dividend of 10% (Rs.1 per Equity Share) for the year 2014-15. 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, despite continued poor market & economic situation (particularly in the power & sugar sectors), this division registered improved performance in business development and generation of billing. Apart from regular business and services at micro levels, power division re-established in macro / policy business, as well as established in loan syndication and international business.

Key achievements includes :

- Major growth in macro assignments, status report on bagasse cogeneration at sugar factories in India for IREDA / MNRE, cogen plant Operator Training Program for MNRE, business meets at Solapur & Hubli for IREDA, transaction advisory services for Uttarakhand Sugars, bagasse cogen & power sector reports for Czarnikow, UK
- Successful commissioning of integrated sugar and cogen power projects for Swaraj India Agro Ltd., Maharashtra & Shri Balaji Sugars & Chemicals Pvt. Ltd., Karnataka and GMT Mining & Power Pvt. Ltd., Maharashtra, cumulating to 7500 TCD sugar & 52 MW power
- Successful loan syndication services for Vithal Refined Sugars, Parag Agro & Indreshwar Sugar from MSC Bank, Gobind Sugars from IREDA and Shri Vithal SSKL & Shri Bhusaheb Thorat SSKL from SDF, cumulating to Rs. 450 crore, several assignments in progress
- Excellent performance of commissioned cogen power plants
- PAN India presence stabilized (assignments completed in Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Gujarat, MP, UP, Uttarakhand, Punjab, etc.)
- Established Lender Independent Engineer's services (ITPCL, BLAPL, Sovereign Industries, Soubhagya Laxmi, L&T, Indian Cane Power & Rana Sugars – Distillery)
- Participation in SAARC dissemination workshop on Cogeneration Opportunities in Sugar & Paper Industries in SAARC Member Countries in September, 2014 at Colombo in Sri Lanka
- Participation & presentation in International Sugar Conference in November, 2014 at Dubai, organized by IBC, Singapore
- International assignments from Czarnikow & Ameresco, UK and Sukari Industries Ltd. & West Kenya Sugar Industries Ltd., Kenya
- Participation & presentation in Boiler Awareness Program, 2015, organized by Jt. Director, Steam Boiler, Maharashtra State, Solapur in March, 2015

■ **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 Sector.

Empanelled with Bureau of Energy Efficiency (BEE), under the Ministry of Power (MoP) as Accredited Energy Audit Firm.

Key achievements includes:

- Energy Study Professional Services at M/s Indo Bharat Rayon & M/s Indo Raya Kima, INDONESIA, M/s Indo Thai Synthetics Company Ltd., THAILAND and M/s Hindalco Industries Ltd., Renukoot, INDIA for M/s Aditya Birla Group.
- Load Research & Analysis for Chamundeshwari Electricity Supply Corporation Ltd., Mysore & Gulbarga Electricity Supply Company Ltd., Gulbarga for M/s Energy Efficiency Services Limited, Noida, INDIA.
- Working for United Nations Development Programme (UNDP) as Cluster Level Agency to Support Implementation of Energy Efficient Production in Small Scale Steel Industry in India – Jalna Cluster
- Carrying Out Electrical & Thermal Energy Audits of 64 Units (Dairy, Chilling Centre, Cattle Feed

- Plant) of Mother Dairy, Gandhinagar, INDIA (A Unit of Gujarat Co-Operative Milk Marketing Federation Ltd.)
- Empanelled with Solar Energy Corporation of India (SECI), a Central Public Sector Enterprises under the Ministry of New Renewable Energy (MNRE), for providing consultancy services for solar parks (each 500 MW & above capacity) in various parts of the country. This division is currently developing Detailed Project Report (DPR) for the proposed 1500 MW Solar Park (10,100 acres, 1500 MW) at NP Kunta, Ananthpur, District & Guliveedu, Kadappa District, Andhra Pradesh, INDIA.
 - Site Supervision Consultancy Services for 4.00 MWp (with 0.50 MWp tracker system) Grid Connected Solar Power Project installed at Hoshiarpur, Punjab, INDIA for M/s Aditya Medisales Ltd., Mumbai – Project Commissioned on March 31, 2015.
 - Project Management Consultancy Services for 1.00 MWp Captive Grid Connected Solar Power Project installed at Osmanabad, INDIA for M/s Nipur Chemicals Ltd., Mumbai – Project Commissioned on March 31, 2015.
 - The Division was the largest Third Party Inspection Agency for Solar Thermal Systems installed by Channel Partners under Jawaharlal Nehru National Solar Mission for Ministry of New & Renewable Energy, Government of India.
 - Providing Consultancy Services for Preparation of Feasibility Study Report, Basic Engineering & Preparation of Tender Documents for Selection of EPC Contractor Firm and Other Services for Proposed 50 MW Wind Power Project in Gujarat State for Gujarat Mineral Development Corporation Ltd., Ahmedabad, INDIA.

■ **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) to carry out EIAs in various sectors including Thermal power plant, Irrigation projects, Townships and Area development, Roads and Highways, Ports and Harbors, Sugar & Distilleries, Cement plants etc. This division has also got accreditation for three additional sectors viz; mineral beneficiation including pelletisation and Synthetic organic chemicals industry (dyes & dye intermediates; bulk drugs and intermediates excluding drug formulations; synthetic rubbers; basic organic chemicals, other synthetic organic chemicals and chemical intermediates), Building and large construction projects including shopping malls, multiplexes, commercial complexes, housing estates, hospitals, institutions.

The laboratory accreditation and QCI accreditation have helped the division to maintain healthy client base of over 100 plus which includes the corporates likes 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 received assignments in Solid Waste Management successfully which includes assignment of SIDCO.

During the year under review, an Environment Testing Laboratory was modernized and now it is spread over 4000 sq. ft.

■ **BANKING & FINANCIAL SOLUTIONS DIVISION :**

Your Company started Banking & Finance consultancy Division in September, 2006 with basic objective of providing “One Roof Service” to Bankers e.g. Preparation of DPR/ TEV Study/ LIE Services/ Restructuring Exercise/ Assets Valuation/ Business Valuation etc. Over the period, division has made commendable efforts in getting your Company empanelled with most of the leading commercial banks. At present, the division is providing consultancy for various projects located in various parts of India apart from some projects from Dubai, Ghana, Brazil, Singapore, Sri Lanka, Thailand, Bhutan and Indonesia.

Some of the major clients and product manufactured by the respective client is as under:

- Concast Steel and Power Ltd. : Steel and Power generation
- Deepak Cables Ltd. : Copper Wires
- Gayatri Projects Ltd. : Infrastructure Projects
- Indo-Bajjin Chemicals Ltd. : Liquid carbon-di-sulphide
- Parenteral Drugs India Ltd. : Saline and insulin
- RVS Educational Trust : Educational activity
- Sirpur Paper Mills Ltd. : Paper and paper boards
- Vijai Electricals Ltd. : Transformer
- Vijai Eletrica Do Brasil Ltda : Transformer for Brazil Govt.

■ **INFRASTRUCTURE CONSULTING DIVISION :**

Infra Consulting Group intensified its activities during the year under review. During the year under review, this division has received major order from Maharashtra Maritime Board which has given the revenue of approx. Rs. 1.80 Crores which helped for increase in the overall revenue of the Company.

■ **SECURITISATION AND FINANCIAL RESTRUCTURING DIVISION :**

Key achievements includes:

- Got empanelled with few more PSU Banks viz. IDBI Bank, Bank of Baroda, Bank of Maharashtra, Dena Bank and Asset Reconstruction Companies (ARCs) viz. ARCIL and Edelweiss ARC Ltd.
- Done 24 Valuation assignments for various corporates, the major one being Skil Infrastructure Ltd., Arshiya FTWZ Ltd., Kalpataru Resorts and Tulip Hotels, Aman Infratex Ltd., Impala Distilleries & Breweries Pvt. Ltd., Lodha Dwellers Pvt. Ltd., The Lalit Hotels etc.
- Opened 2 new SBUs in Chennai and Bangalore. Both the SBUs have now got empanelled with Federal Bank, Oriental Bank of Commerce, Vijaya Bank, Bank of India and empanelment formalities with Central Bank of India, Bank of India, Karur Vysya Bank Ltd. are in process.
- During the year, the SARFAESI Division has taken over physical possession of more than 50 properties and offered support services for sale of assets.

■ **AGRO INFRA AND FOOD PROCESSING DIVISION :**

In the first of its independent operations, this division has achieved approx. turnover of Rs. 1 crores.

Some of the remarkable achievements of this division are:

- Disbursement of first tranche of grant-in-aid of Rs. 5 Crores out of total grant-in-aid of Rs. 50 Crores approved by Ministry of Food Processing Industries (MoFPI), GoI, New Delhi for proposed Mega Food Park near Surat, Gujarat being promoted by Gujarat Agro Infrastructure Mega Food Park Private Limited. Your Company is Project Management Consultants (PMC) for this project.
- Approval of Modern Abattoir at SAS Nagar, Mohali, Punjab by MoFPI.

- Approval of Modern Abattoir at Ludhiana, Punjab by MoFPI.
- Appointment of your Company as PMC for Modern Abattoir at SAS Nagar, Mohali, Punjab, Chitradurga, Karnataka and Kolkata, West Bengal
- Appointment of your Company as PMC for Modern Abattoir at Hospet, Karnataka
- In-principal approval for Mega Food Park Proposals for fresh EOI from MoFPI:
 - ◆ NDR Infrastructure Pvt. Ltd. near Chennai, Tamil Nadu
 - ◆ Ruchi Global Ltd., Dewas, Madhya Pradesh
- Approval of Integrated Cold Chain proposal of Western Super Fresh Corporation, Mumbai from MoFPI

■ **TEXTILES AND CLUSTER INFRA DIVISION :**

Key achievements includes:

- Successful Entry in Textiles Business by offering consultancy in Spinning, Weaving & Garment Sector to following Clients:

Maharashtra

- ◆ Manjeet Cotton Ltd., Aurangabad
- ◆ Innovative Textiles Ltd., Nagpur
- ◆ Kennigton Industries Pvt. Ltd., Mumbai
- ◆ Finfoot Lifestyle Pvt. Ltd., Pune
- ◆ Siddharth Pooja Spintex Pvt.Ltd., Aurangabad
- ◆ Wadwani Textiles Park, Beed

Gujarat

- ◆ Yogiraj Mills Pvt. Ltd., Rajkot

Haryana

- ◆ Innovative Textiles Ltd., Gurgaon
- ◆ Repeated Assignments from well known Textiles Groups namely **Manjeet Cotton Ltd**, Aurangabad & **Innovative Textiles Ltd**, Gurgaon
- ◆ Created Identity also as '**Textiles Consultant**' to march Ahead in Indian Textiles Industry.

Cluster Development :

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

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

Sr. No.	Cluster	Location
01.	Zardozi Cluster	Yeola Dist., Nashik
02.	Agri Equipment Cluster	Andersul Dist., Nashik
03.	Rice Mills Cluster	Chamorshi Dist., Gadchiroli
04.	Jaggery Cluster	Kati Birsola Dist., Gondia
05.	Rice Mills Cluster	Sadak Arjuni Dist., Gondia
06.	Cotton Cluster	Aurangabad
07.	Garment Cluster	Amravati
08.	Honey Processing Cluster	Shingnapur Dist., Amravati
09.	Teakwood Furniture Cluster	Paratwada Dist., Amravati

♦ **Cluster Development under Micro & Small Enterprises Cluster Development Programme (MSE-CDP) promoted by Ministry of MSME, Govt. of India**

Name of the Cluster	Project Cost (Rs.in Crore)	Grant Sanctioned (Rs.in Crore)
Sangli Turmeric Cluster	15.50	13.49

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

Name of the Cluster	Project Cost (Rs.in Crore)	Grant Sanctioned (Rs.in Crore)
Steel Processing Cluster, Raipur	54.31	12.15
Engineering Cluster, Bilaspur	44.59	12.03 (In-principal sanction)

■ **BUREAU OF MARKET RESEARCH DIVISION :**

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 achievements includes:

- It successfully conducted Impact evaluation study on “Integrated Dairy Development Programme” in select districts in Maharashtra for Maharashtra Rajya Sahakari Dudh Mahasangh Maryadit, Mumbai.
- Market Assessment Study in the state of Maharashtra for Mittal Precision Hitech Steel Private Limited for their steel products.
- Prepared 15 project profiles on various subjects for Lokshahir Annabhau Sathe Development Corporation Limited.
- Conducted a study regarding impact of hike in Excise Duty on various types of alcoholic beverages in the State of Maharashtra for Confederation of Indian Alcoholic Beverages Corporation
- Carried out a physical verification of Prime Minister Employment Generation Programme (PMEGP) units funded by Khadi Village Industries Commission. The assignment is at advanced stage.

During the year under review, this division has been merged with Textiles and Cluster Development.

■ **ENTREPRENEURSHIP & VOCATIONAL TRAINING DIVISION :**

During the year under review, this division conducted State Level Conference on De-addiction Literacy organized in Mumbai sponsored by Dept. of Social Welfare, Govt. of Maharashtra.

Also, Special project viz; Udaan was launched for students of state of 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.

■ **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. This center is getting

Key achievements includes:

- Has received sponsorship for conducting vocational training from TATA Motors Ltd. Beside this TATA Motors Ltd, has supported us for four wheeler repairing and maintenance course by providing

on the job training with stipend to the students trained by MITCON for which fees were partially sponsored by TATA Motors Ltd.

- It has also applied to National Skill Development Corporation for Accreditation to 40 trades. The proposal may get sanction in Financial Year 2015-16.
- Prepared a CSR policy document for Paranjape Autocast Private Ltd.
- Executed an assignment of organizing camps at 8 locations in Maharashtra and Gujarat for the beneficiary Kansai Nerolac Paints Ltd, Mumbai under their CSR initiative.
- Executed an assignment received from State Reserve Police Force (SRPF) for imparting canteen management training at our Hotel Management Lab at Balewadi.

■ **MITCON e-SCHOOL :**

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

Key achievements of this Division during this financial year includes:

- Received Affiliation of KPMG for Accounting and Financial Courses at Pune.
- Received Affiliation of “Pearson Workforce Education” for various On-line courses.
- Chinchwad Centre has been expanded more by additional space of 600 sq. ft. which would enhance the business further.

■ **BIO PHARMA AND HEALTHCARE DIVISION :**

This year, this division provided consultancy for setting up Soil Water Testing Lab in Selu, Dist. Parbhani for the benefit of Farmer to reduce use of excess amount of chemical fertilizer. This is important step towards organic farming.

5. **DIRECTORS :**

Pursuant to Article 171 of the Articles of Association of the Company Mr. Ananta Sarma and Mr. S. Thiruvadi who retire by rotation and being eligible, offer themselves for re-appointment.

During the year under review the Board appointed the following as Additional Directors on the Board:

Mr. Chiman Deshmukh as representative of SICOM Limited.

Mr. Jagannath Dange, Mr. Aniruddha Joshi and Mrs. Archana Lakhe as an Independent Directors of the Company.

The above directors who were appointed by the Board of Directors of the Company as an Additional Directors 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 this Annual General Meeting and being eligible offer themselves 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 clause 52 of the Listing Agreement entered with the Stock Exchange is appended as an annexure to the notice of ensuing annual general meeting.

During the year under review and till the date of this report, Mr. O. V. Bundellu, Mr. Ashok Mahajan, Mr. Prasoon and Mr. Suneet Shukla 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 & contribution in the Board Meetings and Meeting of the Committees of the Board. Independent Directors also evaluated the performance of the Non-Independent Directors in their separate meeting.

7. NUMBER OF MEETINGS OF THE BOARD :

During the financial year 2014-15, five Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

8. COMPOSITION OF AUDIT COMMITTEE :

The composition of the Audit Committee has been mentioned in the Corporate Governance Report annexed to this report.

9. KEY MANAGERIAL PERSONNEL (KMP) :

During the year under review, your Company has appointed following persons as Key Managerial Personnel:

Sr. No.	Name of the Person	Designation
1.	Mr. Ram Mapari	Chief Financial Officer
2.	Mr. Madhav Oak	Company Secretary

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 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 2015-16.

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. REPORT ON CORPORATE GOVERNANCE :

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in Clause 52 of the Listing Agreement entered with the Stock Exchange are complied with. A separate section on Corporate Governance and Auditors Certificate thereon is annexed hereto and forms an integral part of this Report.

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 been covered as part of the Management Discussion and Analysis.

18. CORPORATE SOCIAL RESPONSIBILITY :

During the year, your Company has contributed Rs. 27,19,844/- towards Corporate Social Responsibility (CSR). For the year 2014-15, 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.

As a part of social initiative, your company also donated Furniture and Computers to the educational institutions, trusts.

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. The Company has assessed the requirements of energy efficiency from outside experts with the help of Energy and Carbon Services Division.

20. FOREIGN EXCHANGE EARNINGS & OUTGO :

An amount of Rs. 61.53 Lakhs (Euro 13,143, GBP 4,725 US\$ 38,172) were received during the year on account of Professional fees and reimbursement of expenses. (Previous Year US \$ 90853, Euro 10,302, GBP 10,042 equivalent to Rs. 72.67 Lakhs)

Expenditure in Foreign Currency during the year was Rs. 6.55 Lakhs (US \$ 1,043, Euro 7,145, Thai Bahts 1,450, Swiss Frank 500) (Previous Year US \$ 6182.36, Euro 1,495, Swiss Frank 250 equivalent to Rs. 5.23 Lakhs).

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

The Company has not given any loans, guarantees or made any investments 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 254 numbers of Staff.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN 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 filed 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 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, 2015 which may affect the financial position of the Company or may require disclosure.

25. CHANGE IN THE NATURE OF BUSINESS :

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

26. 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 part of this Report.

27. 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 effective.
- 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.

28. 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, 2015

Sd/-
Chiman Deshmukh
Director
(DIN 07131406)

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

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March 2015

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: 020-25533206 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	71.58
2.	Training	80904	25.10

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, 2014)				No. of shares held at the end of the year (As on March 31, 2015)				% of change during the year
	Number of shares held in dematerialised form	Physical	Total No. of Shares	% of total shares	Number of shares held in dematerialised form	Physical	Total No. of Shares	% of total 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)	-	-	-	-	-	-	-	-	-

B. Public Shareholding										
1. Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Financial Institutions/ Banks	50,04,000	18,00,000	68,04,000	56.23	47,24,000	8,00,000	55,24,000	45.65	(10.58)	
c) Central Government	-	-	-	-	-	-	-	-	-	
d) State Government(s)	-	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	-	
g) Foreign Institutional Investors	1,50,000	-	1,50,000	1.24	1,50,000	-	1,50,000	1.24	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	
i) Any other (specify)	-	-	-	-	-	-	-	-	-	
Corporations owned or controlled by State Government (s)	3,20,000	8,20,000	11,40,000	9.42	3,60,000	8,20,000	11,80,000	9.75	0.33	
Market Makers	62,000	-	62,000	0.51	68,000	-	68,000	0.56	0.05	
Sub-Total (B)(1)	55,36,000	26,20,000	81,56,000	67.40	53,02,000	16,20,000	69,22,000	57.21	(10.19)	
2. Non Institutions										
a) Bodies Corporate	-	-	-	-	-	-	-	-	-	
i) Indian	4,92,000	-	4,92,000	4.07	10,74,000	-	10,74,000	8.88	4.81	
b) Individuals	-	-	-	-	-	-	-	-	-	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,26,000	-	2,26,000	1.87	2,86,000	-	2,86,000	2.36	0.49	
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	5,90,000	1,60,000	7,50,000	6.20	11,88,000	1,60,000	13,48,000	11.14	4.94	
c) Any Other(specify)	-	-	-	-	-	-	-	-	-	
Trusts	24,58,000	-	24,58,000	20.31	24,58,000	-	24,58,000	20.31	-	

Clearing Member	2,000	-	2,000	0.02	2,000	-	2,000	0.02	-
HUF	16,000	-	16,000	0.13	10,000	-	10,000	0.08	(0.05)
Sub-Total (B)(2)	37,84,000	1,60,000	39,44,000	32.60	50,18,000	1,60,000	51,78,000	42.79	10.19
Total Public shareholding (B)=(B) (1)+(B)(2)	93,20,000	27,80,000	1,21,00,000	100.00	1,03,20,000	17,80,000	1,21,00,000	100.00	-
TOTAL (A)+(B)	93,20,000	27,80,000	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)	93,20,000	27,80,000	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		Cumulative 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.	EMERGING INDIA GROWTH FUND CVCF V	8,20,000	6.78	8,20,000	6.78
5.	SICOM LIMITED	8,00,000	6.61	8,00,000	6.61
6.	CANARA BANK	4,86,000	4.02	4,86,000	4.02
7.	MAVERICK SHARE BROKERS LIMITED	0	0	4,60,000	3.80
8.	PRABHUDAS LILLADHER FINANCIAL SERVICES PRIVATE LIMITED	4,08,000	3.37	4,08,000	3.37
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		Cumulative 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	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	-	-	-	-

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	61,80,000
	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)	61,80,000
	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	30,000	-	-	30,000
	Mr. Aniruddha Joshi	60,000	-	-	60,000
	Mrs. Archana Lakhe	40,000	-	-	40,000
	Total (1)	1,30,000	-	-	1,30,000
2.	Other Non-Executive Directors				
	Mr. Anand T. Kusre	1,40,000	-	-	1,40,000
	Mr. S. Thiruvadi*	30,000	-	-	30,000
	Mr. Ananta P. Sarma**	90,000	-	-	90,000
	Mr. Vineet Suchanti	30,000	-	-	30,000
	Mr. Chiman Deshmukh***	10,000	-	-	10,000

Mr. O. V. Bundellu (Director upto 08.11.2014)	60,000	-	-	60,000
Mr. Ashok Mahajan (Director upto 05.02.2015)	80,000	-	-	80,000
Mr. Suneet Shukla (Director upto 26.03.2015)****	10,000	-	-	10,000
Mr. Prasoon (Director upto 05.02.2015) ****	20,000	-	-	20,000
Total (2)	4,70,000	-	-	4,70,000
Total (B)=(1+2)	6,00,000	-	-	6,00,000
	Ceiling as per the Act			-

* Paid to Canbank Venture Capital Fund Limited

** Paid to SIDBI Venture Capital Limited

***Paid to SICOM Limited.

**** Paid to IFCI Limited

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

Sr. No.	Particulars of Remuneration	CFO	Company Secretary	Total Amt. Rs.
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1)of the Income-tax Act, 1961	11,01,320	9,38,927	20,40,247
	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	-	-	20,40,247

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.	6.98%									
4.	The number of permanent employees on the rolls of Company	254									
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 the increase 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 the increase 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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">31st March, 2015</th> <th style="width: 20%; text-align: center;">31st March, 2014</th> </tr> </thead> <tbody> <tr> <td>Market Capitalisation</td> <td style="text-align: center;">Rs. 61.11 Crores</td> <td style="text-align: center;">Rs. 50.21 Crores</td> </tr> <tr> <td>PE Ratio</td> <td style="text-align: center;">11.40</td> <td style="text-align: center;">5.68</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 decrease as at 31st March 2015 is 17.21%</p>		31 st March, 2015	31 st March, 2014	Market Capitalisation	Rs. 61.11 Crores	Rs. 50.21 Crores	PE Ratio	11.40	5.68
	31 st March, 2015	31 st March, 2014									
Market Capitalisation	Rs. 61.11 Crores	Rs. 50.21 Crores									
PE Ratio	11.40	5.68									
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 : 7.29%</p> <p>b) Percentage increase in salaries of non managerial personnel at 50th percentile is : 7%</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 thereof, 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	0.63
2.	Dr. Pradeep Bavadekar	27.69
3.	Mr. S. Thiruvadi	0.13
4.	Mr. Ananta P. Sarma	0.40
5.	Mr. Vineet Suchanti	0.13
6.	Mr. Chimam Deshmukh	0.04
7.	Mr. J. P. Dange	0.13
8.	Mr. Aniruddha Joshi	0.27
9.	Mrs. Archana Lakhe	0.18

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	16.67%
2.	Dr. Pradeep Bavadekar	Managing Director & KMP	7.29%
3.	Mr. S. Thiruvadi	Director	200%
4.	Mr. Ananta P. Sarma	Director	800%
5.	Mr. Vineet Suchanti	Director	200%
6.	Mr. Chimam Deshmukh (refer note below)	Director	Not Applicable
7.	Mr. J. P. Dange (refer note below)	Director	Not Applicable
8.	Mr. Aniruddha Joshi (refer note below)	Director	Not Applicable
9.	Mrs. Archana Lakhe (refer note below)	Director	Not Applicable
10.	Mr. Ram Mapari	KMP	5.26%
11.	Mr. Madhav Oak	KMP	9.95%

Note: These Directors were appointed during the year ended 31st March, 2015.

Annexure III :

Sr. No.	General Information	
1.	Name of the employee	Dr. Pradeep Bavadekar
2.	Designation	Managing Director
3.	Remuneration received	Rs. 68,04,015/-
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	01.04.1995
7.	Age	59 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 at Arm's length basis.

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 2014-15, the Company made payment of Rs. 1,15,16,323 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, 2015

- Mr. Ananta P. Sarma
- Dr. Pradeep Bavadekar
- Mr. Aniruddha Joshi

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 Surpluses

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 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.

The Board had constituted this committee in Compliance with the provisions of the Companies Act, 2013 in the Board meeting held on 30th May, 2014.

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.

As on 31st March 2015, the CSR Committee comprised of the following

Name of the member	Category
Mr. Ananta P. Sarma (Chairman)	Non Executive
Dr. Pradeep Bavadekar (Member)	Managing Director
Mr. Aniruddha Joshi* (Member)	Non Executive - Independent

* Appointed w.e.f. 5th February, 2015

Mr. O. V. Bundellu was Member of the Committee till 8th November, 2014

Mr. H. K. Mittal was a member of the Committee till 5th February, 2015

3. Average net profit of the company for last three financial years.
Rs. 13,27,74,292/-

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)
Rs. 26,55,486/-

5. Details of CSR spent during the financial year.
 - a) Total amount to be spent for the financial year: Rs. 26,55,486/-
 - b) Amount unspent, if any: Nil

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.	Providing of Solar Water Heater to Torana Rajgad Nyas for their hostel at Velhe Taluka	Promoting education And conservation of natural resources	Pune District Area	1,98,950 plus incidental changes for piping, Annual Maintenance Contract	Rs. 2,61,860 (Direct)	Rs. 2,61,860	Direct
2.	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. 5,57,984/-	Rs. 5,57,984/- (Direct)	Rs. 8,19,844/-	Direct
3.	Donation to MITCON Foundation for implementing CSR Projects as per the policy of the Company	N.A.	Pune	Rs. 19,00,000	Rs. 19,00,000 (Direct)	Rs. 27,19,844	Direct
	Total					27,19,844	

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

Not Applicable

7. This is to confirm that during the Financial Year 2014-15, 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/-
Ananta P. Sarma
Chairman of CSR Committee
(DIN 00624900)

Place: Pune
Date: 27th May, 2015

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 (or Risk) 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 :

- Responding to a client's request for information
- 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. The consulting industry shrank during the 2001-03 period, but grew steadily until the recent economic downturn in 2009. Since then the market has stabilized. (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 healthcare, education, renewable energy, skill development training and infrastructure segment will prominently have better prospects. India, being one of the highly regulated and under-penetrated market, it offers lot of opportunities for the consulting players once the economic cycle revives. CARE Research thus expects the consultancy industry to grow at CAGR of 8-10 % over next 5 years. However, major part of this growth is expected to come after FY 15. (Source: CARE Research)

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:

Particulars	(Amt. in Rs.)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
Segment Revenue		
Consultancy and Training	42,83,17,124	39,96,14,301
Wind Power Generation	40,70,528	52,92,436
Revenue from Operations	43,23,87,652	40,49,06,737
Segment Results :		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	3,45,78,899	8,08,68,997
Wind Power Generation	21,33,976	67,582
Total Segment result	3,67,12,875	8,09,36,579

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.

Considering the opportunities in overseas market, some of domestic players are trying to explore overseas opportunities in emerging markets like South Asia and Africa to diversify across geographic areas.

The development of consultancy capabilities and business is directly proportional 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 wide spread 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 a 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, risk management system and internal audit functions. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures.

FINANCIAL RESULTS AND RESULTS OF OPERATIONS :

During the year, the Company achieved a gross turnover of Rs. 4740.27 Lakhs (previous year 4278.75 Lakhs) which represents 11% increase over the previous year. The increase in business is majorly due to increase in Consultancy income. Profit After Tax is Rs. 535.47 Lakhs (Previous year 708.90 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 these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) 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:

Consequent to applicability of the Schedule II of the Companies Act, 2013, read with “Application Guide on the Provisions of Schedule II of the Companies Act, 2013” issued by Institute of Chartered Accountants of India, depreciation on revalued portion of the fixed asset has been charged to Statement of Profit and Loss instead of being recouped from Revaluation Reserve. Consequently depreciation for the year is higher by INR 4,02,031/- and profit for the year is lower by said amount. Further in accordance with the said application guide, equivalent amount has been transferred from revaluation reserve to general reserve.

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 31, 2015, the Company had 254 full time employees.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[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, 2015** 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, 2015 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;
 - (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(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 **(not notified hence not applicable to the Company during the audit period)**.
- (ii) The Listing Agreements 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.;

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

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 no 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.

For SVD & Associates

Place: Pune

Date: 27th May, 2015

**Sd/-
Sridhar Mudaliar
Partner**

FCS No. 6156
C P No. 2664

CORPORATE GOVERNANCE REPORT 2014-15

I. Company's philosophy on Corporate Governance :

The Company believes that Corporate Governance signifies ethical business behaviour in every sphere and with all constituents. This ethical business behavior can be ingrained in the character of the organization through tradition, value, systems and commitment to the later as much as the spirit of laws and regulations. Corporate Governance emerges as the cornerstone of the Company's governance philosophy of the trusteeship, transparency, accountability and ethical corporate citizenship.

In our endeavor to adopt the best Corporate Governance and disclosure practices, the Company complies with all the mandatory requirements of the Clause 52 of the Listing Agreement entered with National Stock Exchange of India Limited.

II. Board Composition and Particulars of Directors :

a) Composition of the Board

- MITCON's Board has an optimum combination of Executive and Non-Executive Directors, to ensure independent functioning. The Board comprises of Nine Directors including Non-Executive Chairman. Of the 9 Directors, eight are Non-Executive Directors with one Managing Director and three Independent Directors. The Composition of the Board is in conformity with Clause 52 of the listing agreements entered with the stock exchange and exceeds the percentages prescribed in the said agreement.
- As mandated by clause 52 of the Listing Agreement, None of the directors on the Board is a Member of more than 10 board level committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as of March 31, 2015 have been made by the Directors.
- The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorship and committee Chairmanship/Membership held by them in other companies are given herein below.

Name of the Director	Designation	Category	No. of Board Meetings Attended out of Five Meetings held	Attendance at the last AGM held on 11 th August, 2014	No. of other Directorship held as at 31 st March, 2015	Number of Committee Positions held in other Companies as at 31 st March, 2015	
						Member	Chairman
Mr. Anand T. Kusre	Chairman	Non-Executive (Representative of ICICI Bank Limited)	5	Yes	3	2	Nil
Dr. Pradeep Bavadekar	Managing Director	Executive Director	5	Yes	Nil	Nil	Nil

Mr. S. Thiruvadi	Director	Non-Executive (Representative of Canbank Venture Capital Fund Limited)	3	Yes	13	Nil	Nil
Mr. Ananta P. Sarma	Director	Non-Executive (Representative of SIDBI Venture Capital Limited)	4	Yes	3	Nil	Nil
Mr. Vineet Suchanti	Director	Non-Executive (Representative of Keynote Corporate Services Limited)	3	No	5	8	5
Mr. Chiman Deshmukh**	Director	Non-Executive (Representative of SICOM Limited)	1	NA	Nil	Nil	Nil
Mr. J. P. Dange**	Director	Independent Non- Executive	1	NA	3	3	Nil
Mr. Aniruddha Joshi*	Director	Independent Non- Executive	1	NA	1	Nil	Nil
Mrs. Archana Lakhe*	Director	Independent Non- Executive and Woman Director	1	NA	Nil	Nil	Nil
Mr. H. K. Mittal***	Director	Independent Non- Executive	Nil	No	-	-	-
Mr. O. V. Bundellu\$	Director	Non-Executive (Representative of SIDBI)	2	Yes	-	-	-
Mr. Ashok Mahajan\$\$	Director	Non-Executive (Representative of SICOM Limited)	3	Yes	-	-	-
Mr. Sunit Shukla^	Director	Non-Executive (Representative of IFCI Limited)	1	Nil	-	-	-
Mr. Prasoon#	Director	Non-Executive (Representative of IFCI Limited)	2	NA	-	-	-
Mr. Gautam Meour##	Director	Non-Executive (Representative of IFCI Limited)	Nil	NA	-	-	-

*Appointed as a Director with effect from 5th February, 2015

** Appointed as a Director with effect from 26th March, 2015

*** Resigned as a Director of the Company w.e.f. 26th March, 2015

\$ Resigned as a Director of the Company w.e.f. 8th November, 2014

\$\$ Resigned as a Director of the Company w.e.f. 5th February, 2015

^ Appointed as a Director of the Company w.e.f. 5th February, 2015 and resigned as a Director w.e.f. 26th March, 2015

Appointed as a Director w.e.f. 30th May, 2014 and resigned as a Director w.e.f. 5th February, 2015

##Resigned as a Director of the Company w.e.f. 30th May, 2014

4. Five Board Meetings were held during the year ended 31st March, 2015. These were held on 30th May, 2014, 24th September, 2014, 8th November, 2014, 5th February, 2015 and 26th March, 2015.
5. None of the Independent Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
6. During the year, information as mentioned in Annexure 1A to the Clause 52 of the Listing Agreement has been placed before the Board for its consideration. Based on the information placed before the Board, strategic and vital decisions are taken for effective governance of the Company.
7. Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.

b) Relationship of Directors

None of the Directors are related to one another.

During the year under review, no Executive Director has any material pecuniary relationship with the Company apart from receiving remuneration as mentioned in point no. c (1) below.

c) Directors' Compensation

1) Managing Director Compensation

The remuneration to Dr. Pradeep Bavadekar, Managing Director is paid as per the resolution passed by the shareholders at the Extra Ordinary General Meeting held on 25th April, 2013 and subsequently in the Annual General Meeting held on 11th August, 2014.

(Amt. in Rs.)

Name of Director	Salary	Perquisites & Allowances	Contribution to Provident Fund	Others	Total
Dr. Pradeep Bavadekar	26,00,070	35,79,930	6,24,015	6,24,010	68,04,015

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.

For the Financial Year 2013-14, due to inadequacy of profits, remuneration paid to the Managing Director was in excess of the above mentioned limit of 5% of the net profit by INR 19,57,794/-. However, the Company has received approval from the Ministry of Corporate Affairs vide letter dated 30th April, 2015 for waiver of recovery of excess amount paid as above.

2) Non-Executive Directors' Compensation

The Non-Executive Directors do not draw any remuneration from the Company except Sitting Fees for attending the meetings of the Board & its Committees.

Details of Sitting Fees paid during the year to the Non Executive Directors of the Company are as under:

Name of Director	Amount Paid (Rs.)
Mr. Anand T. Kusre	1,40,000
Mr. S. Thiruvadi*	30,000
Mr. Ananta P. Sarma**	90,000
Mr. Vineet Suchanti	30,000
Mr. Chimam Deshmukh***	10,000
Mr. J. P. Dange	30,000
Mr. Aniruddha Joshi	60,000
Mrs. Archana Lakhe	40,000
Mr. H. K. Mittal	Nil
Mr. Gautam Meour (Ceased to be a Director w.e.f. 30.05.2014)	Nil
Mr. O. V. Bundellu (Director upto 08.11.2014)	60,000
Mr. Ashok Mahajan (Director upto 05.02.2015)	80,000
Mr. Suneet Shukla (Director upto 26.03.2015)****	10,000
Mr. Prasoon (Director upto 05.02.2015) ****	20,000
Total	6,00,000

* Paid to Canbank Venture Capital Fund Limited

** Paid to SIDBI Venture Capital Limited

*** Paid to SICOM Limited.

**** Paid to IFCI Limited

d) Directors' Shareholding

Equity Shares of the Company held by Directors as on 31st March 2015 :

Name of Director	Number of Shares held	Percentage
Mr. Anand T. Kusre	NIL	NIL
Dr. Pradeep Bavadekar*	5,60,000	4.63
Mr. S. Thiruvadi	NIL	NIL
Mr. Ananta P. Sarma	NIL	NIL
Mr. Vineet Suchanti	NIL	NIL
Mr. Chimam Deshmukh	NIL	NIL
Mr. J. P. Dange	NIL	NIL
Mr. Aniruddha Joshi	NIL	NIL
Mrs. Archana Lakhe	NIL	NIL
Mr. H. K. Mittal	NIL	NIL
Mr. O. V. Bundellu	NIL	NIL
Mr. Ashok Mahajan	NIL	NIL
Mr. Prasoon	NIL	NIL
Mr. Suneet Shukla	NIL	NIL

*Shareholdings represent holdings in Director's personal capacity.

III. Board Meetings Procedures and Board Committee Meetings :

a) Board Procedures

The Board meets at least once a quarter to discuss and decide on Company/business policy, and strategy apart from other normal Board business such as reviewing the quarterly performance and financial results. Board meetings are governed with structured agenda. All major agenda items, backed up by comprehensive background information, are generally sent well in advance to the directors to enable the Board to take informed decision. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

Chief Financial Officer is normally invited to the Board meetings to provide necessary insights into the working of the Company and for discussing corporate strategies.

The minutes of the meetings of the Board are individually circulated to all directors and confirmed at the subsequent Board Meeting. The finalized copies of the Minutes of the various Committees of the Board are also individually given to the members and thereafter tabled at the subsequent Board Meeting for the Board's view thereon.

b) Committees of the Board

i) Audit Committee:

The constitution, role and the powers of the Audit Committee of the Company are as per the guidelines set out in the Listing Agreement with Stock Exchange read with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. The Committee also acts as a link between the Statutory and Internal Auditors and the Board of Directors. It reviews the various reports placed before it by the Management and addresses itself to the larger issues and examines and considers those facts that could be of vital concern to the Company including adequacy of internal controls, reliability of financial statements and other management information, adequacy of provisions of liabilities and adequacy of disclosures and compliance with all relevant statutes.

The Committee meets periodically and reviews

- audited and un-audited financial results;
- internal audit reports and report on internal control systems of the Company;
- discusses the larger issues that could be of vital concern to the Company;
- Auditors' report on financial statements and their findings and suggestions and seeks clarification thereon;
- All other important matters within the scope and purview of the committee.

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

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board appointment, re-appointment and replacement or removal of statutory auditor and fixation of audit fees and terms of their appointment;

3. Approval of payments to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause C of Section 134(3) of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Qualifications in the draft audit report.
5. Reviewing, with the management, quarterly, half-yearly and annual financial statements and Auditors' Report thereon including Limited Review Report before submission to Board for approval;
6. Reviewing with management, statement of uses / application/ end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.), statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and making appropriate recommendations to Board to take up steps in this matter.
7. Reviewing, with management, independence, performance of statutory and internal auditors, adequacy of internal control systems and effectiveness of audit process ;
8. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of official heading the department, reporting structure coverage and frequency of internal audit;
9. Discussion with internal auditors any significant findings and follow up there on;
10. Reviewing findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matter to the Board;
11. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. Evaluation of internal financial controls and risk management systems;
13. Approval or any subsequent modification of transactions of the Company with related parties;
14. To obtain valuation of undertakings or assets of the Company, wherever it is necessary;

15. To look into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. Reviewing functioning of whistle blower mechanism, in case the same is existing;
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience & background, etc. of the candidate;
18. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by statutory auditors, internal audit reports relating to internal control weaknesses, and appointment, removal and terms of remuneration of chief internal auditor; and
19. Carrying out any other function as is mentioned in terms of reference of Audit Committee.

As on 31st March 2015, the Audit Committee comprised of the following

Name of the member	Category
Mr. Anand T. Kusre (Chairman)	Non-Executive
Mr. Aniruddha Joshi (Member)*	Non Executive - Independent
Mr. J. P. Dange (Member)**	Non Executive - Independent

* Appointed w.e.f. 5th February, 2015

**Appointed w.e.f. 26th March, 2015

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 11th August, 2014 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 Meetings were held	Attendance record of the Members		
		Mr. Anand T. Kusre	Mr. Aniruddha Joshi	Mr. J. P. Dange
1.	30/05/2014	Yes	N.A.	N.A.
2.	24/09/2014	Yes	N.A.	N.A.
3.	08/11/2014	Yes	N.A.	N.A.
4.	05/02/2015	Yes	N.A.	N.A.
5.	26/03/2015	Yes	Yes	Yes

Mr. O. V. Bundellu was an Audit Committee Member till 08/11/2014 and he attended meetings held on 30/05/2014 and 24/09/2014.

Mr. Ashok Mahajan was an Audit Committee Member till 05/02/2015 and he attended meetings held on 30/05/2014, 24/09/2014 and 08/11/2014.

Mr. Ananta P. Sarma was appointed as an Audit Committee Member in the Board Meeting held on 08/11/2014 and he attended one meeting held on 05/02/2015.

Mrs. Archana Lakhe was appointed as an Audit Committee Member in the Board meeting held on 05/02/2015 till 26/03/2015 and she had not attended any meeting.

ii) Nomination and Remuneration Committee

The nomenclature of the Committee was changed from Remuneration Committee to Nomination and Remuneration Committee in the Board meeting held on 30th May, 2014.

The terms of reference of the Nomination and Remuneration Committee includes the following:

1. Appointment, re-appointment, determination, fixation of the remuneration (including salaries and salary adjustments, incentives/benefits bonuses, stock options) and revision in the remuneration payable to the Managing Director of our Company from time to time.
2. Compensation and performance targets.
3. Other key issues / matters as may be referred by the Board or as may be necessary in view of the provisions of the Listing Agreement or any statutory provisions.

As on 31st March, 2015, the Committee Comprises of the following Members:

Name of the member	Category
Mrs. Archana Lakhe (Chairperson)*	Non Executive - Independent
Mr. Aniruddha Joshi (Member)*	Non Executive - Independent
Mr. Anand T. Kusre (Member)	Non Executive

* Appointed w.e.f. 5th February, 2015

Remuneration Policy

The Company is having a Remuneration Policy which was approved by the Nomination and Remuneration Committee and Board of the Company. Remuneration Policy is based on the success and performance of the individual employees. The company has developed remuneration package which endeavors to attract, retain, harness and motivate the work force.

The Company does not have any Employee Stock Option Scheme.

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. Anand T. Kusre
1.	30/05/2014	N.A.	N.A.	Yes
2.	16/03/2015	Yes	Yes	Yes

Mr. H. K. Mittal was a member of the Committee till 05/02/2015 and he did not attend any meeting.

Mr. O. V. Bundellu was Member till 08/11/2014 and he attended meeting held on 30/05/2014.

Mr. Ashok Mahajan was Member till 05/02/2015 and he attended meeting held on 30/05/2014.

Mr. Ananta P. Sarma was appointed as Member of the Committee in the Board meeting held on 08/11/2014 till 05/02/2015 and he had not attended any meeting.

iii) Corporate Social Responsibility (CSR) Committee

The Board had constituted this committee in Compliance with the provisions of the Companies Act, 2013 in the Board meeting held on 30th May, 2014.

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.

As on 31st March 2015, the CSR Committee comprised of the following

Name of the member	Category
Mr. Ananta P. Sarma (Chairman)	Non Executive
Dr. Pradeep Bavadekar (Member)	Managing Director
Mr. Aniruddha Joshi* (Member)	Non Executive - Independent

* Appointed w.e.f. 5th February, 2015

The CSR committee meetings are usually attended by Chief Financial Officer and Company Secretary.

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

Sr. No.	Dates on which CSR Committee Meeting was held	Attendance record of the Members		
		Mr. Ananta P. Sarma	Dr. Pradeep Bavadekar	Mr. Aniruddha Joshi
1.	24/09/2014	Yes	Yes	N.A.
2.	05/02/2015	Yes	Yes	No
3.	26/03/2015	Yes	Yes	Yes

Mr. O. V. Bundellu was Member of the Committee till 08/11/2014 and he attended meeting held on 24/09/2014.

Mr. H. K. Mittal was a member of the Committee till 05/02/2015 and he did not attended any meeting.

iv) Stakeholders Relationship Committee

The Company had constituted Stakeholders Relationship Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/notices/annual reports etc.

The nomenclature of the Committee was changed from Shareholders/Investors Grievance Committee to Stakeholders Relationship Committee in the Board meeting held on 30th May, 2014.

The Shareholders/Investors Grievance Committee deals with various matters relating to :

1. To approve and register transfer and/ or transmission of all classes of shares;
2. Redressal of shareholders and investor complaints e.g. transfer of shares, non receipt of balance sheet/ annual report, non-receipt of declared dividend, interest, notices etc.;
3. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
4. To sub-divide, consolidate and issue duplicate share certificates on behalf of our Company; and
5. To do all such acts, things, or deeds as may be necessary or incidental to the exercise of the above powers.

As on 31st March, 2015, the Committee consists of the following Members

Name of the member	Category
Mr. Anand T. Kusre (Chairman)	Non Executive
Mr. Ananta P. Sarma (Member)*	Non Executive
Mr. Aniruddha Joshi (Member)**	Non Executive – Independent
Mrs. Archana Lakhe (Member)**	Non Executive – Independent

* Appointed w.e.f. 8th November, 2015

** Appointed w.e.f. 5th February, 2015

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

Sr. No.	Dates on which Committee Meeting was held	Attendance record of the Members			
		Mr. Anand T. Kusre	Mr. Ananta P. Sarma	Mr. Aniruddha Joshi	Mrs. Archana Lakhe
1.	08/11/2014	Yes	No	N.A.	N.A.
2.	26/03/2015	Yes	Yes	Yes	Yes

Dr. Pradeep Bavadekar was Member of the Committee till 05/02/2015 and he attended meeting held on 08/11/2014.

Mr. O. V. Bundellu was a member of the Committee till 08/11/2014 and he did not attended any meeting.

Mr. Ashok Mahajan was a member of the Committee till 08/11/2014 and he attended meeting held on 08/11/2014.

Mr. Madhav Oak, Company Secretary is the Compliance Officer.

During the year under review, the Board at its meeting held on 30th May, 2015 has dissolved IPO Committee of the Board of Directors in view of the completion of Initial Public Offering.

Requests/Grievances/complaints received & resolved for the period from 1st April, 2014 to 31st March, 2015

SR. NO.	NATURE OF COMPLAINT	OPENING BALANCE ON 01.04.2014	RECEIVED DURING THE PERIOD	RESOLVED DURING THE PERIOD	CLOSING BALANCE AS ON 31.03.2015
1.	NON-RECEIPT OF DIVIDEND/	0	0	0	0
a.	REVALIDATION	0	0	0	0
2.	a. NON-RECEIPT OF SHARE CERTIFICATE	0	0	0	0
	b. AFTER TRANSFER	0	0	0	0
3.	DEMAT/REMAT	0	0	0	0
4.	CHANGE OF ADDRESS	0	0	0	0

5.	MISCELLANEOUS	0	0	0	0
6.	SEBI COMPLAINTS	0	0	0	0
7.	STOCKEXCHANGE COMPLAINTS	0	0	0	0
8.	NON-RECEIPT OF ANNUAL REPORT	0	0	0	0
9.	CORRECTION ON THE CERT.	0	0	0	0
10.	DELETION	0	0	0	0
11.	TRANSMISSION	0	0	0	0
12.	MANDATE	0	0	0	0
13.	ISSUE OF DUPLICATE CERT. /LOSS OF SH.	0	0	0	0
14.	LEGAL	0	0	0	0
15.	REGISTRATION OF NOMINATION	0	0	0	0
	TOTAL	0	0	0	0

IV. General Body Meetings :

- a. Details of location and time, of General Meetings & Special Resolutions passed in last three years:
All General Meetings were held at MITCON Institute of Management, Balewadi, Pune-411 045 except meeting held on 25.04.2013 which was held at Mumbai.

Year	AGM/ EGM	Date	Time	Special Resolutions passed
2013-14	AGM	11.08.2014	11.00 A.M.	1) Payment of Remuneration to Managing Director in case of inadequacy of profits during Financial Year 2014-15, 2015-16 and 2016-17 2) Approval of Related Party Transaction with MITCON Foundation
2013-14	EGM	25.04.2013	11.00 A.M.	1) Increase in Authorised Capital 2) Alteration in object clause of Memorandum of Association 3) Adoption of new set of Articles of Association 4) Approval for Initial Public Offering of the Company 5) Keeping registers of members outside registered office of the Company
2012-13	AGM	23.09.2013	12.30 P.M.	Appointment of M/s Joshi & Sahney, Chartered Accountants, Pune as Statutory Auditors
2011-12	AGM	27.07.2012	10.30 A.M.	Appointment of M/s Joshi & Sahney, Chartered Accountants, Pune as Statutory Auditors
2011-12	EGM	10.02.2012	1.00 P.M.	Alteration in Memorandum of Association of the Company

AGM = Annual General Meeting, EGM = Extra Ordinary General Meeting

These resolutions were put to vote by show of hands and were passed with the requisite majority.

b Postal Ballot

During the year under review, no resolution was passed through postal ballot.

V. Subsidiaries :

The Company does not have a subsidiary company.

VI. Disclosures :

- a. The particulars of transactions between the Company and its related parties as per the Accounting Standard 18 "Related Party Disclosures" issued by the ICAI are set out at page number 104 of the Annual Report. However, these transactions are not likely to have any conflict with the Company's interest.
- b. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years.
- c. The Company has complied with all the mandatory requirements of clause 52 pertaining to Corporate Governance of the Listing agreement entered with the stock exchange. Other than the constitution of the Remuneration Committee now nomenclated as Nomination and Remuneration Committee, the Company has not complied with any of the Non-Mandatory requirement of Clause 52 of the Listing Agreement.
- d. Risk assessment and its minimization procedures have been laid down by the Company. These procedures are reviewed periodically to ensure that executive management controls risks through means of a properly defined framework.
- e. The Company has adopted an Internal Code of Conduct for prohibition of Insider Trading. All the Directors on the Board as well as senior level employees/officers of the Company who could be privy to unpublished price sensitive information of the Company are governed by this code.
- f. The company has adopted a Code of Conduct for all Board Members and senior management of the Company. The Code is hosted on the website of the Company, and a declaration on affirmation of compliance of the Code annexed herewith and forms part of this report.
- g. The Notice convening the Annual General Meeting of the Company has necessary disclosures relating to the appointment/re-appointment of Directors.
- h. Annual Report has a detailed chapter on Management Discussion and Analysis.

VII Means of Communication :

The half yearly and the annual results as well as the press releases of the Company are put on the Company's website www.mitconindia.com.

The Company also informs by way of intimation to the stock exchanges all price sensitive matters or such other matters which in its opinion are material and of relevance to the shareholders.

* * * * *

Declaration on Compliance of Code of Conduct

I, Dr. Pradeep Bavadekar, Managing Director of MITCON Consultancy & Engineering Services Limited, do hereby declare & confirm that all the Board Members and Senior Managerial Personnel have affirmed to the Board of Directors the compliance of the Code of Conduct as laid down by the Board.

Place : Pune
Date : 27th May, 2015

Sd/-
DR. PRADEEP BAVADEKAR
MANAGING DIRECTOR
(DIN 00879747)

Practicing Company Secretary's Certificate

To,
The Members of MITCON Consultancy &
Engineering Services Limited
Pune

I have examined the compliance of conditions of Corporate Governance by MITCON Consultancy & Engineering Services Limited ("the Company") for the year ended March 31, 2015 as stipulated in Clause 52 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

I state that no investor grievance is pending for a period of exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Meeting.

I further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For SVD & Associates

Sd/-
Sridhar G. Mudaliar
Company Secretary
FCS 6156, C. P. 2664

Date: 27th May, 2015
Place: Pune

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

CEO/CFO Certification

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

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

Sd/-
Ram Mapari
Chief Financial Officer

Place : Pune
Date : 27th May, 2015

General Information for Shareholders :

1. **Annual General Meeting**
Wednesday, 26th August, 2015 at MITCON Institute of Management, Balewadi, Pune-411 045 at 11.30 A.M.
2. **The financial year covers the period from 1st April to 31st March Financial Reporting for**
Half year ending 30th September 2015 Mid November 2015
Year ending 31st March 2016 30th May, 2016
Note: above dates are indicative
3. **Name & contact details of the Compliance Officer**
Mr. Madhav Oak, Company Secretary, Tel No. (020) 6628 9148, FAX No. (020) 2553 3206, Email: cs@mitconindia.com
4. **Book Closure**
The Registrar of Members and the Share Transfer Books of the Company will remain closed from Wednesday to Wednesday, 19th August, 2015 to Wednesday, 26th August, 2015 (both days inclusive).
5. **Dividend**
The Board has recommended Dividend at Rs.1 per equity share.
6. **Listing on Stock Exchanges**
The Equity Shares of the Company are listed on SME Platform (Emerge) of the National Stock Exchange of India Limited.
7. **Stock/Scrip Code & ISIN/Common Code Number**

National Stock Exchange Ltd. (NSE)	MITCON Series: SM
ISIN Number with NSDL & CDSL	INE828O01033

8. **Market Price Data**
High, lows and volume of Company's shares for the period from 1st April, 2014 to 31st March, 2015 are as follows

Month	High (Rs.)	Low (Rs.)	Volume
April, 2014	55.50	45.05	12,000
May	58.50	49.80	16,000
June	52.80	49.80	32,000
July	56.10	54.80	10,000
August	-	-	-
September	60.70	50.65	28,000

October	61.05	59.90	20,000
November	61.10	60.00	6,000
December	61.10	59.60	34,000
January , 2015	56.00	50.15	22,000
February	51.00	40.00	5,40,000
March	60.15	43.00	12,20,000

9. Registrar and Transfer Agents

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

10. Share Transfer System

The transfers of shares in physical form is processed and completed by Registrar & Transfer agent within a period of fifteen days from the date of receipt thereof provided all documents are in order. In case of shares in electronic form the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the listing agreement with the stock exchange, a Practising company secretary carried out audit of the system of transfer and a certificate to that effect is issued.

11. Distribution of Share holding as on 31st March 2015

Number of shares	Number of Shareowners	Percentage of Shareowners	Number of Shares held	Percentage of Total
1-2000	124	70.45	2,48,000	2.05
3001-4000	6	3.41	24,000	0.20
5001-10000	6	3.41	42,000	0.35
10001 & above	39	22.73	1,17,86,000	97.40
Total	175	100.00	1,21,00,000	100.00

12. Dematerialization of shares and Liquidity

The equity shares of the Company are compulsorily traded in dematerialised form.

As on 31st March, 2015, 85.29% Equity shares have been dematerialized. The shares have been admitted for dematerialisation with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders have option to dematerialise their shares with either of the depositories

13. Outstanding GDRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity Outstanding GDRs.

As on 31st March 2015, the Company has not issued any GDR's / Warrants.

14. Location of offices of Company & Address of correspondence

Registered Office	First Floor, Kubera Chambers, Shivajinagar, Pune-411 005 Tel No. (020) 6628 9148, FAX No. (020) 2553 3206 Email : cs@mitconindia.com
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15. Address for Correspondence

Shareholders desiring to communicate with the Company on any matter relating to shares of the Company may either visit in person or write quoting their folio/demat account number at the following address:

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

Shareholders who hold shares in dematerialised form should correspond with the depository participant with whom they have opened their Demat Account(s).

M/S. JOSHI & SAHNEY

Chartered Accountants

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

PHONES: 2447 1521,2447 1699,2447 1199 FAX: (020) 24478015 Email: josney@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, 2015, 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. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015, 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. 38A(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.38A(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 modified in respect of these matters.

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure 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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 & ON BEHALF OF
JOSHI AND SAHNEY
CHARTERED ACCOUNTANTS
Firm's Registration No.: 104359W

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

Place: Pune
Date: 27th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under

'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets :
 - a) The Company has maintained 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 at the end of the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
2. In respect of its inventories :
 - a) The management has conducted physical verification of inventory being in the nature of course material at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventory. 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 or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. On the basis of our examination of the books and records of the company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. The company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the Rules framed there under to the extent notified.
6. According to the information and explanations given to us, Central Government has not prescribed maintenance of cost record under sub section (1) of section 148 of the Act.

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, Sales Tax, Service Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. As explained to us, the company did not have any dues on account of Wealth 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, Wealth Tax, Service Tax, Cess, and other material statutory dues were in arrears as at 31st March, 2015 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, Wealth Tax, Employees' State Insurance, duty of Custom, duty of Excise, Value added Tax and Cess as at 31st March 2015, which have not been deposited on Account of any dispute. The particulars of dues outstanding of income tax as at 31st March 2015 which have not been deposited on account of dispute are as follows (Also see Note No. 38B)

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

* 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.

- c) According to the information and explanations given to us, there were no amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (I of 1956) and rules made thereunder.
8. The Company does not have any accumulated losses as at 31st March 2015 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.

9. There are no dues to financial institutions or banks. There are no debenture holders.
10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us no term loans have been obtained by the company during the year.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

FOR & ON BEHALF OF
JOSHI AND SAHNEY
CHARTERED ACCOUNTANTS
Firm's Registration No.: 104359W

Place : Pune
Date : 27th May, 2015

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

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Particulars	Note No.	As at 31 st March, 2015 INR	As at 31 st March, 2014 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	73,91,28,769.00	71,00,15,047.00
			86,01,28,769.00	83,10,15,047.00
(2)	Non-Current Liabilities			
	(a) Deferred Tax Liabilities (Net)	4	1,82,17,810.00	2,63,02,462.00
	(b) Other Long Term Liabilities	5	18,37,260.00	17,64,668.00
	(c) Long Term Provisions	6	29,41,487.00	37,68,113.00
			2,29,96,557.00	3,18,35,243.00
(3)	Current Liabilities			
	(a) Trade Payables	7	4,27,55,954.00	4,32,97,338.00
	(b) Other Current Liabilities	8	94,55,676.00	2,10,23,216.00
	(c) Short-Term Provisions	9	1,99,02,170.00	1,68,40,661.00
			7,21,13,800.00	8,11,61,215.00
	Total		95,52,39,126.00	94,40,11,505.00
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10 & 10A	27,52,44,589.00	21,84,93,720.00
	(ii) Intangible Assets	11	1,27,20,655.00	1,98,33,501.00
	(iii) Capital Work In Progress	10A	--	18,00,234.00
			28,79,65,244.00	24,01,27,455.00
	(b) Non-Current Investments	12	75,000.00	--
	(c) Long Term Loans and Advances	13	3,68,83,992.00	2,51,82,309.00
	(d) Other Non-Current Assets	14	2,12,73,260.00	2,26,52,117.00
			5,82,32,252.00	4,78,34,426.00
(2)	Current Assets			
	(a) Current Investments	15	1,60,45,212.00	24,67,98,013.00
	(b) Inventories	16	19,92,747.00	36,51,089.00
	(c) Trade Receivables	17	15,73,19,164.00	16,15,74,764.00
	(d) Cash and Bank Balances	18	37,92,25,414.00	19,79,05,858.00
	(e) Short-Term Loans and Advances	19	5,44,46,336.00	4,59,86,947.00
	(f) Other Current Assets	20	12,757.00	1,32,953.00
			60,90,41,630.00	65,60,49,624.00
	Total		95,52,39,126.00	94,40,11,505.00

See Accompanying Notes (1 To 44) Forming Integral Part of The Financial Statements

In terms of our report attached

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

For and on behalf of the Board

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

Sd/-
Chiman Deshmukh
Director
(DIN 07131406)

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

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Madhav Oak
Company Secretary

Date : 27/05/2015
Place: Pune

Date : 27/05/2015
Place : Pune

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars		Note No.	For the year ended 31 st March, 2015 INR	For the year ended 31 st March, 2014 INR
I	Revenue from Operations	21	43,23,87,652.00	40,49,06,737.00
II	Other Income	22	4,16,39,678.00	2,29,67,976.00
III	Total Revenue (I +II)		47,40,27,330.00	42,78,74,713.00
IV	Expenses:			
	Operating Costs	23	10,95,20,689.00	11,63,66,140.00
	Employee Benefit Expense	24	12,98,24,269.00	11,32,93,861.00
	Finance Costs	25	5,69,488.00	8,71,820.00
	Depreciation Expense - Tangible Assets	10 & 10A	3,52,26,801.00	1,31,00,649.00
	Less: Transfer from Revaluation Reserve	3	--	(3,90,449.00)
	Amortization Expense - Intangible Assets	11	1,30,75,846.00	34,60,820.00
	Other Expenses	26	10,80,27,172.00	7,84,94,487.00
	Total Expenses		39,62,44,265.00	32,51,97,328.00
V	Profit Before Tax		7,77,83,065.00	10,26,77,385.00
VI	Tax Expense:			
	(1) Current Tax		2,85,00,000.00	2,75,00,000.00
	(2) Deferred Tax Liability / (Asset) (Net)		(42,63,983.00)	42,87,161.00
			2,42,36,017.00	3,17,87,161.00
VII	Profit for the Year		5,35,47,048.00	7,08,90,224.00
VIII	Earning per equity share (Face Value INR. 10/-)	35		
	Basic		4.43	7.30
	Diluted		4.43	7.30

See Accompanying Notes (1 To 44) Forming Integral Part of The Financial Statements

In terms of our report attached

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

For and on behalf of the Board

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

Sd/-
Chiman Deshmukh
Director
(DIN 07131406)

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

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Madhav Oak
Company Secretary

Date : 27/05/2015
Place: Pune

Date : 27/05/2015
Place: Pune

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Year ended 31 st March, 2015		Year ended 31 st March, 2014	
	INR	INR	INR	INR
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax:		7,77,83,065.00		10,26,77,385.00
Adjustments for:				
Depreciation & Amortisation	4,83,02,647.00		1,61,71,020.00	
Provision for Doubtful debts	29,99,795.00		--	
Finance Costs	5,69,488.00		8,71,820.00	
Loss on sale of fixed assets	5,87,672.00		5,10,467.00	
Interest income	(2,07,24,992.00)		(1,26,94,558.00)	
Dividend Income	(75,27,914.00)	2,42,06,696.00	(86,08,224.00)	(37,49,475.00)
Operating profit before Working Capital changes		10,19,89,761.00		9,89,27,910.00
Adjustments for changes in Working capital:				
Long term Loans and advances	(1,17,01,683.00)		54,09,458.00	
Other non-current assets	13,78,857.00		1,02,38,826.00	
Inventories	16,58,342.00		(2,70,844.00)	
Trade Receivables	12,55,805.00		(1,78,80,610.00)	
Short term Loans and advances	56,78,865.00		(1,87,16,206.00)	
Other current assets	1,20,196.00		(9,391.00)	
Other long term liabilities	72,592.00		(2,13,448.00)	
Long term Provisions	(8,26,626.00)		37,68,113.00	
Trade Payables	(5,41,384.00)		(45,79,191.00)	
Other current liabilities	(1,15,67,540.00)		65,14,371.00	
Short term Provisions	26,54,629.00	(1,18,17,947.00)	(60,76,593.00)	(2,18,15,515.00)
Cash generated from operations		9,01,71,814.00		7,71,12,395.00
Income taxes paid		4,26,38,254.00		4,10,34,164.00
Net Cash flow from Operating Activities		4,75,33,560.00		3,60,78,231.00
B CASH FLOW FROM INVESTING ACTIVITIES				
Fixed Assets:				
Purchase of Fixed Assets	(11,08,82,825.00)		(6,55,47,597.00)	
Sale proceeds of Fixed Assets	1,80,590.00		7,00,369.00	
Investments:				
Purchase of Investment	(28,98,01,810.00)		(87,53,12,149.00)	
Sale proceeds	52,04,79,611.00		66,53,81,275.00	
Interest income	2,07,24,992.00		1,26,94,558.00	
Dividend Income	75,27,914.00		86,08,224.00	
Net Cash from / used in investing activities		14,82,28,472.00		(25,34,75,320.00)

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C	CASH FLOW FROM FINANCING ACTIVITIES			
	Receipt of Grant and interest thereon	2,83,407.00		3,34,244.00
	Issue of Share capital and premium thereon	--		21,45,57,818.00
	Finance Costs	(5,69,488.00)		(8,71,820.00)
	Dividend & tax on Dividend paid	(1,41,56,395.00)		(29,24,875.00)
	Net Cash flow from/(used) in financing activities		(1,44,42,476.00)	21,10,95,367.00
D	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		18,13,19,556.00	(63,01,722.00)
	Cash and Cash Equivalents (Opening balance)		19,79,05,858.00	20,42,07,580.00
	Cash and Cash Equivalents (Closing balance)		37,92,25,414.00	19,79,05,858.00

Notes :

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

	As at 31 st Mar, 2015 INR	As at 31 st Mar, 2014 INR
Cash and cash equivalents		
Cash on hand	2,26,380.00	1,56,681.00
Cheques, drafts on hand	91,60,248.00	1,77,61,225.00
Balance with Bank		
Balances with banks (including deposits with less than 3 months maturity)	14,32,33,979.00	4,12,49,318.00
Other bank balances		
- Deposits with maturity of more than three months but less than 12 months	19,64,30,695.00	10,96,59,987.00
- Margin Money for Bank Guarantees	2,82,76,791.00	2,61,30,022.00
- Earmarked balances	18,97,321.00	29,48,625.00
Total	37,92,25,414.00	19,79,05,858.00

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/-
Chiman Deshmukh
Director
(DIN 07131406)

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

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Madhav Oak
Company Secretary

Date : 27/05/2015
Place: Pune

Date : 27/05/2015
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 on accrual basis, except for certain tangible assets being carried at revalued amounts.

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.
- b) Revenue from training programs is accounted as follows: -
 - i) Fees from the participants are accounted at commencement of the course as per scheduled fee
 - 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 39).
- 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 recognized 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.

Effective 1st April, 2014, the company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 as against the earlier practice of depreciating at the rates prescribed in the Schedule XIV of the Companies Act, 1956.

- 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 recognized 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 post 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 recognized 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 incomes 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 organization. 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 31 st March 2015 INR	As at 31 st March 2014 INR
Authorised: 15,000,000 Equity Shares of INR 10/- each.	150,000,000.00	150,000,000.00
Issued, Subscribed and Paid up: 12,100,000 Equity Shares of INR 10/- each.	121,000,000.00	121,000,000.00
Total	121,000,000.00	121,000,000.00

Notes:

a) Reconciliation of the no. of shares :

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	No of shares	Amount	No of shares	Amount
No of Equity shares outstanding at the beginning of the year (Face Value of INR 10/- (PY INR 100/-))	12,100,000	121,000,000.00	50,000	5,000,000.00
No of Equity shares outstanding on subdivision of each existing equity share of the Company of INR 100 /- into 10 equity shares of INR 10/-.	--	--	500,000	5,000,000.00
Add: Bonus shares Issued out of accumulated profits during the year in the ratio of 15 equity shares for every one equity share held	--	--	7,500,000	75,000,000.00
Add: Equity shares issued through Initial Public Offer (IPO) during the year of INR10/- each	--	--	4,100,000	41,000,000.00
No of Equity shares outstanding at the end of the year (Face value of INR10/-)	12,100,000	121,000,000.00	12,100,000	121,000,000.00

b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of INR 10/- (Previous Year 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-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Equity Shares allotted as fully paid-up bonus shares by capitalisation of accumulated profits	--	7,500,000	--	--	--

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 31 st March, 2015 of INR10/- each	% of shares held	Number of shares as at 31 st March, 2014 of INR 10/- each	% of shares held
1) SIDBI Trustee Company Limited A/c India Opportunities Ltd	1,638,000	13.54%	1,638,000	13.54%
2) ICICI Bank Ltd.	1,520,000	12.56%	1,520,000	12.56%
3) Small Industries Development Bank of India	1,000,000	8.26%	1,000,000	8.26%
4) IFCI Limited	-	0.00%	1,000,000	8.26%
5) Emerging India Growth Fund CVCF V	820,000	6.78%	820,000	6.78%
6) SICOM Ltd.	800,000	6.61%	800,000	6.61%

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

Particulars	INR.	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Capital Grants :			
Capital Grant Received from :			
1) Department of Science & Technology, Govt. of India for Export Facilitation Centre	1,02,254.00		1,25,824.00
Less: Adjustment due to change in useful life of assets #	66,053.00		
Less :- Depreciation for the Year	--		23,570.00
Less :- Transfer to General reserve # #	36,201.00		--
Closing Balance		--	1,02,254.00
2) Dept. of Science & Technology, Govt. of India for Setting up Bio -Technology Laboratory	39,45,287.00		42,49,250.00
Less: Adjustment due to change in useful life of assets #	21,02,701.00		--
Less :- Depreciation for the Year #	4,95,479.00		3,03,963.00
Less :- Transfer to General reserve # #	13,47,107.00		--
Closing Balance		--	39,45,287.00
3) Asian Pacific Centre for Technology Transfer (Contributed by way of providing Bio-Technology Laboratory Equipments)	2,88,868.00		2,94,100.00
Less :- Depreciation for the Year	--		5,232.00
Less :- Transfer to General reserve # #	2,88,868.00		--
Closing Balance		--	2,88,868.00
4) Ministry of Food Processing Industry, Govt. of India For setting up Food Processing Training Centre	4,85,225.00		5,07,152.00
Less :- Depreciation for the Year #	2,37,133.00		21,927.00
Closing Balance		2,48,092.00	4,85,225.00
5) Technology Development Board, Govt. of India			
Opening Balance	47,28,934.00		43,94,690.00
Add : Interest Received	2,83,407.00		3,34,244.00
Closing Balance (Amount of loan outstanding INR 2,283,606/-, PY INR 1,112,707/- . Refer note no.27)		50,12,341.00	47,28,934.00

Continued...

Revaluation Reserve:			
As per last Balance Sheet	1,82,92,409.00		1,86,82,858.00
Less: Utilised for set off against depreciation	--		3,90,449.00
Less: Transferred to General Reserve (See note 40)	4,02,031.00		--
Closing Balance		1,78,90,378.00	1,82,92,409.00
Securities Premium Reserve :			
As per last Balance Sheet	17,35,57,818.00		--
Add: Additions during the year(Issue of Equity Shares at premium through Initial Public Offer (IPO)	--		20,91,00,000.00
Less : Initial Public Offer (IPO) Expenses	--		3,55,42,182.00
Closing Balance		17,35,57,818.00	17,35,57,818.00
General Reserve:			
As per last Balance Sheet	8,88,00,108.00		7,78,00,108.00
Add: Transfer from Grants # #	16,72,176.00		--
Add: Transfer from Revaluation Reserve (see note 40)	4,02,031.00		--
Add: Transfer from Surplus in Statement of Profit & Loss	--		1,10,00,000.00
Closing Balance		9,08,74,315.00	8,88,00,108.00
Surplus in Statement of Profit & Loss			
As per last Balance Sheet	41,98,14,144.00		44,90,80,315.00
Less: Utilised towards Bonus Issue	--		7,50,00,000.00
Less: Additional depreciation (net of Deferred Tax INR 3,820,669/-) pursuant to enactment to Schedule II of the Companies Act, 2013 #	72,52,092.00		--
Add: Profit for the Year	5,35,47,048.00		7,08,90,224.00
		46,61,09,100.00	44,49,70,539.00
Less: Appropriations			
Proposed Dividend # # #	1,21,00,000.00		1,21,00,000.00
Tax on Proposed Dividend	24,63,275.00		20,56,395.00
Transfer to General Reserve	--	1,45,63,275.00	1,10,00,000.00
Closing Balance		45,15,45,825.00	41,98,14,144.00
Total		73,91,28,769.00	71,00,15,047.00

- Refer note 11(b)

- Balance remaining in the grant after completion of intended purpose, has been transferred to General reserve.

- 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 2015 INR	As at 31st March 2014 INR
Provision for Depreciation	1,94,53,197.00	2,69,44,753.00
Total	1,94,53,197.00	2,69,44,753.00

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

Nature of timing difference	As at 31st March 2015 INR	As at 31st March 2014 INR
Provision for Leave encashment /Gratuity	12,35,387.00	6,42,291.00
Total	12,35,387.00	6,42,291.00

(iii) Deferred Tax Liability (net) (i-ii)	1,82,17,810.00	2,63,02,462.00
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MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 5 - OTHER LONG TERM LIABILITIES

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Security Deposits	18,37,260.00	17,64,668.00
Total	18,37,260.00	17,64,668.00

NOTE 6 - LONG TERM PROVISIONS

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Provision for Leave Encashment	29,41,487.00	37,68,113.00
Total	29,41,487.00	37,68,113.00

NOTE 7 - TRADE PAYABLES

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Trade Payables (See Note No. 31)	4,27,55,954.00	4,32,97,338.00
Total	4,27,55,954.00	4,32,97,338.00

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

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Other Payables		
Advance from Customers	16,92,170.00	1,15,53,467.00
Provident Fund Contribution Employee & Employer	18,97,241.00	15,02,868.00
ESIC Payable	48,820.00	25,626.00
TDS and LBT Payable	36,20,026.00	43,15,944.00
Security Deposits	14,34,607.00	18,31,977.00
Payables for Capital Purchases	7,62,812.00	17,93,334.00
Total	94,55,676.00	2,10,23,216.00

NOTE 9 - SHORT-TERM PROVISIONS

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Proposed Dividend	1,21,00,000.00	1,21,00,000.00
Tax on Proposed Dividend	24,63,275.00	20,56,395.00
Provision for Leave Encashment	53,38,895.00	26,84,266.00
Total	1,99,02,170.00	1,68,40,661.00

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, 2014 INR	Reclassification Adjustment in opening balance INR	Additions during the Year INR	Deductions during the Year INR	As at 31 st March, 2015 INR	Up to 31 st March, 2014 INR	Adjusted to Retained earning refer note b INR	For the Year INR	On Deductions* INR	Up to 31 st March, 2015 INR	As at 31 st March, 2015 INR	As at 31 st March, 2014 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	--	--	--	37,49,607.00	83,35,047.00	83,35,047.00		
Buildings- Office Premises	11,99,18,067.00	--	7,61,92,565.00	--	19,61,10,632.00	1,11,26,804.00	--	30,56,014.00	--	1,41,82,818.00	18,19,27,814.00	10,87,91,263.00		
Energy/Audit Equipment	1,17,70,327.00	--	1,35,313.00	40,250.00	1,18,65,390.00	17,76,723.00	6,99,223.00	43,17,440.00	665.00	67,92,721.00	50,72,669.00	99,93,604.00		
Furniture & Fixtures	2,51,23,903.00	--	1,06,21,405.00	2,08,275.82	3,55,37,032.18	71,85,261.00	4,90,333.00	36,50,676.00	80,803.70	1,12,45,466.30	2,42,91,565.88	1,79,38,642.00		
Vehicles	64,32,904.00	--	--	--	64,32,904.00	17,97,922.00	81,155.00	8,98,709.00	--	27,77,786.00	36,55,118.00	46,34,982.00		
Office Equipment	2,32,16,999.00	--	1,03,26,672.00	7,93,534.80	3,27,50,136.20	1,50,59,557.00	54,08,307.00	77,61,468.00	2,09,725.00	2,80,19,607.00	47,30,529.20	81,57,442.00		
Environment/ B.T.Lab equipments	76,17,522.00	--	20,11,891.00	--	96,29,413.00	19,18,258.00	9,51,913.00	27,24,940.00	--	55,95,111.00	40,34,302.00	56,99,264.00		
Computers & Printers	3,93,80,613.00	--	19,93,208.00	4,89,675.00	4,08,84,146.00	1,04,22,386.00	23,00,018.00	95,47,066.00	4,72,280.00	2,17,97,190.00	1,90,86,956.00	2,89,58,227.00		
Electrical Installations	85,99,089.00	--	42,97,193.00	--	1,28,96,282.00	19,01,198.00	--	22,75,017.00	--	41,76,215.00	87,20,067.00	66,97,891.00		
Wind Turbine Generator	4,19,82,900.00	--	--	--	4,19,82,900.00	2,60,58,085.00	--	9,95,471.00	--	2,70,53,556.00	1,49,29,344.00	1,59,24,815.00		
Total (A)	29,63,26,978.00	--	10,55,78,247.00	15,31,735.62	40,03,73,489.38	8,09,95,801.00	99,30,949.00	3,52,26,801.00	7,63,473.70	12,53,90,077.30	27,49,83,412.08	21,53,31,177.00		
Previous Year	24,50,31,125.00	(1,31,429.00)	5,36,13,978.00	21,86,696.00	29,63,26,978.00	6,88,72,179.00	(1,167.00)	1,31,00,649.00	9,75,860.00	8,09,95,801.00	21,53,31,177.00	17,61,58,946.00		

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

Types of Assets	Cost					Depreciation					Net Block	
	As at 1 st April, 2014	Reclassification Adjustment in opening balance	Additions during the Year	Deductions during the Year	As at 31 st March, 2015	Up to 31 st March, 2014	Adjusted to Retained earning refer note b	For the Year	On Deductions*	Upto 31 st March, 2015	As at 31 st March, 2015	As at 31 st March, 2014
	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Assets purchased under grant received from :-												
Dept. of Science and Technology, New Delhi for Setting up International Business Centre.	2,67,284.00	---	---	---	2,67,284.00	2,67,283.00	---	---	---	2,67,283.00	1.00	1.00
Govt. of Maha. and Govt. of India for setting up Export Facilitation Centre at Pune	4,55,700.00	---	---	---	4,55,700.00	3,89,646.00	66,053.00	---	---	4,55,699.00	1.00	66,054.00
DST, GOI and APTT for setting up Bio-Technology Centre at Pune	61,74,481.00	---	---	---	61,74,481.00	35,76,300.00	21,02,701.00	4,95,479.00	---	61,74,480.00	1.00	25,98,181.00
Ministry of Food Processing Industry, GOI for Setting up Food Testing Lab	5,68,511.00	---	---	---	5,68,511.00	70,204.00	---	2,37,133.00	---	3,07,337.00	2,61,174.00	4,98,307.00
Total (B)	74,65,976.00	---	---	---	74,65,976.00	43,03,433.00	21,68,754.00	7,32,612.00	---	72,04,799.00	2,61,177.00	31,62,543.00
Previous Year	74,65,976.00	---	---	---	74,65,976.00	39,48,741.00	---	3,54,692.00	---	43,03,433.00	31,62,543.00	35,17,235.00
Total Tangible Assets (A+B)	30,37,92,954.00	---	10,55,78,247.00	15,31,735.62	40,78,39,465.38	8,52,99,234.00	1,20,99,703.00	3,59,59,413.00	7,63,473.70	13,25,94,876.30	27,52,44,589.08	21,84,93,720.00
Total Intangible Assets (A+B) Previous Year	25,24,97,101.00	---	5,36,13,978.00	21,86,696.00	30,37,92,954.00	7,28,19,753.00	---	1,34,55,341.00	9,75,860.00	8,52,99,234.00	21,84,93,720.00	17,96,76,181.00
Capital Work in progress	18,00,234.00	---	---	18,00,234.00	---	---	---	---	---	---	---	18,00,234.00

NOTE 11 - FIXED ASSETS - INTANGIBLE ASSETS

Types of Assets	Cost					Amortization					Net Block	
	As at 1 st April, 2014	Reclassification Adjustment in opening balance	Additions / Adjust during the Year	Deductions during the Year	As at 31 st March, 2015	Up to 31 st March, 2014	Adjusted to Retained earning refer note b	For the Year	On Deductions*	Upto 31 st March, 2015	As at 31 st March, 2015	As at 31 st March, 2014
	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
INTANGIBLE ASSETS												
Computer Software	3,23,97,473.00	---	71,04,812.00	---	3,95,02,285.00	1,25,63,972.00	11,41,812.00	1,30,75,846.00	---	2,67,81,630.00	1,27,20,655.00	1,98,33,501.00
Total	3,23,97,473.00	---	71,04,812.00	---	3,95,02,285.00	1,25,63,972.00	11,41,812.00	1,30,75,846.00	---	2,67,81,630.00	1,27,20,655.00	1,98,33,501.00
Previous year	2,21,32,659.00	1,31,429.00	1,01,33,385.00	---	3,23,97,473.00	91,01,985.00	1,167.00	34,60,820.00	---	1,25,63,972.00	1,98,33,501.00	1,36,59,934.00

Notes :

a. Cost of Building at Kubera Chambers includes INR 239,53,918/- (Previous Year INR 239,53,918/-) added on revaluation by the Valuer on 1st September 1999.

b. Effective 1st April 2014, the Company has revised the useful life of fixed assets based on schedule II of the Companies Act, 2013 ("The Act") for the purpose of providing depreciation on fixed assets. Consequent to this revision, useful life of Intangible asset being software has also been reassessed.

In accordance with provisions of Schedule II of the Act, in case of fixed assets (other than those purchased out of Grants) which have completed useful life as at 1st April, 2014, the carrying value (net of residual value) amounting to INR 7,252,092/- (net of deferred tax of INR 3,820,669/-) as a transitional provision has been adjusted against the opening surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

Further, in case of assets acquired prior to 1st April 2014 the carrying value of Assets (net of residual value) is depreciated over the remaining revised useful life as determined effective 1st April, 2014.

Depreciation and amortisation expenses for the year would have been lower by Rs. 30,465,068/- had the Company continued with the earlier method of depreciation.

In case of fixed assets purchased out of Grants and which have completed useful life as at 1st April, 2014, the carrying value (net of residual value) amounting to Rs. 2,168,754/- as a transitional provision has been adjusted against the balance in the respective grants. Consequent to the revision of the useful life of the grant assets, the depreciation for the year is higher by INR 377,920/- which is adjusted against the grants. Hence there is no impact on the profit for the year.

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

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Investments (At Cost) Non-trade, Unquoted		
Other Investments: In Government Securities - National Savings Certificates	75,000.00	--
Total	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 2015 INR	As at 31 st March 2014 INR
Unsecured, Considered Good		
Capital Advances	29,70,146.00	88,025.00
Security Deposits	2,77,25,624.00	2,44,54,891.00
Prepaid Expenses / Gratuity Contribution	43,72,842.00	1,35,393.00
Loan to Incubatee (refer note no. 27)	18,15,380.00	5,04,000.00
Total	3,68,83,992.00	2,51,82,309.00

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

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Unsecured, Considered Good		
i) Long Term Receivables from related party- (See Note No. 37)	2,12,73,260.00	2,12,73,260.00
ii) Other Bank Balances - Deposits with more than 12 months maturity	--	13,78,857.00
Total	2,12,73,260.00	2,26,52,117.00

NOTE 15 - CURRENT INVESTMENTS

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Quoted at Cost		
Investments in Mutual funds	40,00,000.00	5,30,00,000.00
Unquoted at Cost		
Investments in Mutual funds	1,20,45,212.00	19,37,98,013.00
Total	1,60,45,212.00	24,67,98,013.00

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Aggregate value of Quoted investment	40,00,000.00	5,30,00,000.00
Market value of Quoted investment	43,26,880.00	5,35,11,610.00
Aggregate value of Unquoted investment	1,20,58,700.52	19,37,98,013.00

PARTICULARS OF INVESTMENTS	Face Value Per Unit INR	As at 31 st March 2015		As at 31 st March 2014	
		Nos.	INR	Nos.	INR
Quoted					
IDBI FMP Series IV Direct plan Growth	--	--	--	6,00,000	60,00,000.00
IDBI FMP Series IV Direct plan Dividend - Mar	--	--	--	3,00,000	30,00,000.00
IDBI FMP Series IV Regular plan Growth	10.000	4,00,000	40,00,000.00	4,00,000	40,00,000.00
IDBI FMP Series IV Direct plan Dividend - Feb	--	--	--	40,00,000	4,00,00,000.00
Total - A			40,00,000.00		5,30,00,000.00
Unquoted					
ICICI Prudential Liquid Direct Plan-Daily Dividend	--	--	--	53,427.11	53,45,938.00
IDBI Ultra Short Term Fund - Regular plan Daily Dividend	--	--	--	19,025.76	1,91,45,021.00
IDBI Ultra Short Term Fund - Direct plan Daily Dividend	--	--	--	1,59,041.68	16,23,07,152.00
IDBI Liquid Fund - Direct plan Daily Dividend	--	--	--	6,992.76	69,99,902.00
Reliance Short Term Fund Direct Growth Plan	25.000	2,32,580.68	60,00,000.00	--	--
Reliance Liquid Fund cash plan	1,000.0000	5,425.85	60,45,212.00	--	--
Total - B			1,20,45,212.00		19,37,98,013.00
TOTAL - A + B			1,60,45,212.00		24,67,98,013.00

NOTE 16 - INVENTORIES (AT COST)

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
	Inventory of Printed Course Material	19,92,747.00
Total	19,92,747.00	36,51,089.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 17 - TRADE RECEIVABLES

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured considered good	5,69,96,107.00	6,17,16,322.00
Unsecured considered doubtful	29,99,795.00	--
Less: Provision for Doubtful Debts	(29,99,795.00)	--
	5,69,96,107.00	6,17,16,322.00
Others - Unsecured considered good	10,03,23,057.00	9,98,58,442.00
Total	15,73,19,164.00	16,15,74,764.00

NOTE 18 - CASH AND BANK BALANCES

Particulars	As at 31 st March 2015 INR	As at 31 st March 2014 INR
Cash and Cash Equivalents		
Cash on Hand	2,26,380.00	1,56,681.00
Cheques, Drafts on Hand	91,60,248.00	1,77,61,225.00
Balance with Bank		
Balances with banks (including deposits with less than 3 months maturity)	14,32,33,979.00	4,12,49,318.00
Other Bank Balances		
- Deposits with maturity of more than three months but less than 12 months	19,64,30,695.00	10,96,59,987.00
- Margin Money for Bank Guarantees	2,82,76,791.00	2,61,30,022.00
- Earmarked Balances	18,97,321.00	29,48,625.00
Total	37,92,25,414.00	19,79,05,858.00

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

Particulars	As at 31 st March 2015	As at 31 st March 2014
	INR	INR
Unsecured, Considered Good		
Prepaid Expenses	48,44,091.00	49,92,327.00
Advance to Others	13,78,145.00	31,75,693.00
Security Deposits	63,46,100.00	84,37,137.00
Travel Advances to Staff	3,61,065.00	3,34,917.00
Income Tax paid less Provisions	3,69,16,942.00	2,27,78,688.00
Service Tax paid in Advance / input CENVAT credit	41,31,767.00	56,60,407.00
Loan to Incubatee (refer note no. 27)	4,68,226.00	6,07,778.00
Total	5,44,46,336.00	4,59,86,947.00

NOTE 20 - OTHER CURRENT ASSETS

Particulars	As at 31 st March 2015	As at 31 st March 2014
	INR	INR
National Savings Certificates (NSC)	--	75,000.00
Interest Accrued	12,757.00	57,953.00
Total	12,757.00	1,32,953.00

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

Particulars	For the year ended 31 st March, 2015 INR	For the year ended 31 st March, 2014 INR
Sale of Services	42,83,17,124.00	39,96,14,301.00
Other Operating Revenues	40,70,528.00	52,92,436.00
Total	43,23,87,652.00	40,49,06,737.00

Details of Sale of Services :	For the year ended 31 st March, 2015 INR	For the year ended 31 st March, 2014 INR
Consultancy Fees	30,65,72,734.00	26,32,42,475.00
Income from Vocational Training	7,90,80,280.00	8,85,56,678.00
Income from IT Courses	2,84,43,784.00	3,13,07,153.00
Income from Laboratories	1,42,20,326.00	1,65,07,995.00
Total	42,83,17,124.00	39,96,14,301.00
Details of Other Operating Revenue :		
Income from Wind Power Generation (Net of rebate)	40,70,528.00	52,92,436.00
Total	40,70,528.00	52,92,436.00

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

Particulars	For the year ended 31st March, 2015 INR	For the year ended 31st March, 2014 INR
Interest Income from Bank Deposits	2,07,24,992.00	1,26,94,558.00
Dividend Income from Current Investments	75,27,914.00	86,08,224.00
Net gain on foreign currency transaction	99,705.00	3,92,904.00
Sundry Provisions and Credit Balances no longer required, written back	65,57,416.00	9,96,242.00
Recovery of Bad Debts	1,41,110.00	13,429.00
Other non-Operating Income	65,88,541.00	2,62,619.00
Total	4,16,39,678.00	2,29,67,976.00

NOTE 23 - OPERATING COSTS

Particulars	For the year ended 31st March, 2015 INR	For the year ended 31st March, 2014 INR
Expenses on IT, VTP Training Activities	4,67,05,738.00	5,58,55,230.00
Changes in Inventory of printed course material		
Opening Stock	36,51,089.00	33,80,245.00
Less: Donated for CSR	5,57,984.00	-
Less Closing Stock	19,92,747.00	36,51,089.00
Decrease / (Increase) in Inventory of printed course material	11,00,358.00	(2,70,844.00)
Professional fees to Associates	6,17,14,593.00	5,96,43,115.00
Engineering, Procurement & Construction(EPC) Expenses	--	11,38,639.00
Total	10,95,20,689.00	11,63,66,140.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 24 - EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2015 INR	For the year ended 31st March, 2014 INR
Salaries and Wages	11,33,20,984.00	9,35,07,292.00
Contribution to Provident and Other Funds	1,19,27,566.00	1,58,42,707.00
Staff Welfare Expenses	45,75,719.00	39,43,862.00
Total	12,98,24,269.00	11,32,93,861.00

NOTE 25 - FINANCE COSTS

Particulars	For the year ended 31st March, 2015 INR	For the year ended 31st March, 2014 INR
Interest Expense	8,316.00	10,279.00
Bank charges and Commission	5,61,172.00	8,61,541.00
Total	5,69,488.00	8,71,820.00

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

Particulars	For the year ended 31 st March, 2015 INR	For the year ended 31 st March, 2014 INR
Power and Fuel	79,60,839.00	50,13,568.00
Office Rent	1,46,33,590.00	82,71,920.00
Repairs and Maintenance -		
Buildings	21,20,290.00	10,43,041.00
Office & Other Equipment	31,52,233.00	26,82,673.00
Others	25,75,077.00	16,29,207.00
Insurance	7,24,316.00	7,28,968.00
Rates & Taxes	3,95,038.00	2,84,621.00
Auditor's Remuneration		
Statutory Audit	5,61,800.00	3,37,080.00
Certification	13,000.00	6,742.00
Administrative and General Expenses		
Travelling Expenses	2,56,30,190.00	2,48,04,402.00
Printing, Stationery and computer consumable	1,24,41,499.00	98,28,888.00
Advertisement	1,02,60,457.00	70,18,430.00
Security Expenses	48,96,386.00	35,48,584.00
Telephone, Mobile Expenses	34,98,846.00	32,14,271.00
Business Promotion Expenses	19,44,837.00	21,45,449.00
Registration and Legal Fees	11,58,938.00	11,94,146.00
Postage , Fax and Courier	14,59,411.00	15,27,538.00
Books & Periodicals Subscriptions and Membership Fees	11,32,857.00	9,95,712.00
Housekeeping	17,43,517.00	7,93,109.00
Laboratory Consumables	4,18,471.00	3,95,055.00
Directors Sitting Fees	6,00,000.00	3,80,000.00
Expenditure towards Corporate Social Responsibility (CSR) activities	27,19,844.00	--
Bad Debts written off	15,30,288.00	5,17,969.00
Provision for Doubtful Debts	29,99,795.00	--
Donations	1,70,500.00	35,000.00
Loss on Disposal / discard of Assets	5,87,672.00	5,10,467.00
General Expenses	26,97,481.00	15,87,647.00
Total	10,80,27,172.00	7,84,94,487.00

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO.

27 Utilisation of Incubatee Grant

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-commercialization of technologies. Accordingly MITCON has received grant of INR 4,000,000/- from TDB till 31st March, 2015. Financial assistance by way of Term Loan to two incubatees aggregating to INR 2,283,606/- is outstanding as on 31st March, 2015. Disbursement against this grant has not been deducted from Grant received, but separately disclosed under Loans and Advances.

28 Contingent liability not provided for

Particulars	Year ended	
	31 st March, 2015	31 st March, 2014
	INR	INR
a) Guarantees given by bankers to customer on behalf of the Company	1,73,02,347.00	1,58,57,573.00
b) Service Tax Demand (see Note No. 38)	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, 2015	31 st March, 2014
	INR	INR
For Audit	5,00,000.00	3,00,000.00
For Certification	13,000.00	6,000.00
For Other Services	--	16,00,000.00
Total	5,13,000.00	19,06,000.00

30 Expenditure and earnings in foreign currencies

Expenditure in foreign currency	Year ended	
	31 st March, 2015 INR	31 st March, 2014 INR
Travelling expenses	67,841.00	52,359.00
Registration expenses	--	14,562.00
License Fees	4,46,688.00	3,80,141.00
Subscription & Membership Fees	1,40,758.00	76,126.00
Total	6,55,287.00	5,23,188.00

Earning in foreign currency	Year ended	
	31 st March, 2015 INR	31 st March, 2014 INR
Professional fees	61,39,468.00	72,62,897.00
Reimbursement of Expenses	13,427.00	4,158.00
Total	61,52,895.00	72,67,055.00

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 recognized the following amounts in the Statement of Profit & Loss for the year :

- i) Contribution to employees provident fund INR 7,338,903/- (P.Y. INR 6,977,195/-)
- ii) Contribution to employees family pension Fund INR. 2,497,470/- (P.Y. INR 1,450,405/-)

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, 2015 INR	31 st March, 2014 INR
Present value of defined benefit obligation at the beginning of the year	1,46,87,782.00	1,41,16,103.00
Interest cost	13,11,953.00	10,67,857.00
Current service cost	33,12,448.00	27,36,520.00
Actuarial losses / (gains)	(15,06,692.00)	(16,96,909.00)
Benefits paid	(5,41,433.00)	(15,35,789.00)
Present value of defined benefit obligation at the close of the year	1,72,64,058.00	1,46,87,782.00
<hr/>		
ii) Changes in the fair value of plan assets and the reconciliation thereof:	Year ended	
	31 st March, 2015 INR	31 st March, 2014 INR
Fair value of plan assets at the beginning of the year	1,97,15,543.00	1,37,87,254.00
Add :expected return on plan assets	17,85,363.00	14,36,368.00
Add / (less) : actuarial (losses) / gains	(1,75,623.00)	1,47,150.00
Add : contributions by employer	7,85,070.00	58,80,560.00
Less: benefits paid	(5,41,433.00)	(15,35,789.00)
Fair value of plan assets at the close of the year	2,15,68,920.00	1,97,15,543.00
Actual Return on Plan Assets	16,09,740.00	15,83,518.00

iii) Amount recognized in the Balance Sheet:	Year ended	
	31 st March, 2015	31 st March, 2014
	INR	INR
Present Value of Obligation as at the end of year	1,72,64,058.00	1,46,87,782.00
Fair Value of Plan Assets as at the end of year	2,15,68,920.00	1,97,15,543.00
Funded Status	43,04,862.00	50,27,761.00
Current Liability	--	--
Non - Current Liability	1,72,64,058.00	1,46,87,782.00
Unrecognised Actuarial (gains) / losses	--	--
Net Asset / (Liability)	43,04,862.00	50,27,761.00
Fair value of plan assets , in excess of present value of obligations, being adjustable against future contributions have been recognised during current year		
iv) Amounts recognised in the statement of Profit and Loss are as follows:	Year ended	
	31 st March, 2015	31 st March, 2014
	INR	INR
Current service cost	33,12,448.00	27,36,520.00
Past Service Cost	--	--
Interest cost	13,11,953.00	10,67,857.00
Expected return on plan assets	(17,85,363.00)	(14,36,368.00)
Curtailment cost / (Credit)	--	--
Settlement Cost / (Credit)	--	--
Net Actuarial (Gain) / Loss recognised in the period / year	(13,31,069.00)	(18,44,059.00)
Expenses Recognised in the Statement of Profit & Loss at the end of period / year	15,07,969.00	5,23,950.00
v) Amount for the current period:	Year ended	
	31 st March, 2015	31 st March, 2014
	INR	INR
Present value of obligation	1,72,64,058.00	1,46,87,782.00
Plan assets	2,15,68,920.00	1,97,15,543.00
Surplus / (Deficit)	43,04,862.00	50,27,761.00

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vi) Broad categories of plan assets as a percentage of total assets as at	Year ended	
	31 st March, 2015	31 st March, 2014
	Percentage (%)	Percentage (%)
Insurer managed funds	100.00%	100.00%
Total	100.00%	100.00%

vii) Actuarial assumptions	Year ended	
	31 st March, 2015	31 st March, 2014
	Percentage (%)	Percentage (%)
Discount rate	7.80%	9.10%
Rate of increase in Compensation levels	9.50%	8.50%
Rate of return on plan assets	9.00%	9.00%
Expected Average remaining working lives of employees (years)	8.21	8.28

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, 2015 is INR 8,280,382/- (Previous Year INR 6,452,379/-).

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, 2015 INR	31 st March, 2014 INR
Lease payments debited to the Statement of Profit and Loss		
Cancellable leases		
Lease rent for office	1,46,33,590.00	82,71,920.00

- 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	2014-15 INR	2013-14 INR
1	Salary */ perquisites / dividend Key Management Personnel (KMP) Dr. Pradeep Bavadekar Remuneration Dividend	75,91,252.00 5,60,000.00	74,64,910.00 5,60,000.00
	Total	81,51,252.00	80,24,910.00
2	MITCON Foundation - Rent paid / Expenses reimbursed - Transaction / Expenses incurred - Training fees received (net of Service Tax)	1,15,16,323.00 12,81,450.00 60,27,800.00	16,80,000.00 17,27,935.00 11,09,000.00
	Total	1,88,25,573.00	45,16,935.00
3	Accounts Receivable Outstanding as on 31 st March, 2015 MITCON Foundation Against Sale of Land	2,12,73,260.00	2,12,73,260.00
	Total	2,12,73,260.00	2,12,73,260.00
4	Accounts Payable Outstanding as on 31 st March, 2015 Dr. Pradeep Bavadekar - Remuneration Payable MITCON Foundation	3,34,346.00 30,225.00	1,23,495.00 --
	Total	3,64,571.00	1,23,495.00

* 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, 2015 INR	31 st March, 2014 INR
Profit for the year after taxation	5,35,47,048.00	7,08,90,224.00
Total weighted average number of equity shares during the year	1,21,00,000	97,10,701
Basic and Diluted earning per share	4.43	7.30

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

37 An amount of INR 21,273,260/- is receivable from MITCON Foundation, a Trust promoted by the Company, against sale of land. The Company has given undertaking to Bank of Baroda that the said receivable shall not be recovered by the Company until the Term Loan availed of by MITCON Foundation from the Bank is repaid in full. In the opinion of the Management this receivable is good and fully recoverable.

38 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 in 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/- and for A.Y.2013-14 amounting to INR 3,17,17,480/- 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.

39 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.

40 Change in Accounting Policy

Consequent to applicability of the Schedule II of the Companies Act, 2013, read with "Application Guide on the Provisions of Schedule II of the Companies Act, 2013" issued by Institute of Chartered Accountants of India, depreciation on revalued portion of the fixed asset has been charged to Statement of Profit and Loss instead of being recouped from revaluation reserve. Consequently depreciation for the year is higher by INR 402,031/- and profit for the year is lower by said amount. Further in accordance with the said application guide, equivalent amount has been transferred from revaluation reserve to general reserve.

41 Commitments	Year ended	
	31 st March, 2015 INR	31 st March, 2014 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	33,20,373.00
Intangible Fixed assets	10,41,544.00	10,25,227.00

42 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 organization.

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.

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Particulars	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
	INR	INR
Segment Revenue		
Consultancy and Training	42,83,17,124	39,96,14,301
Wind Power Generation	40,70,528	52,92,436
Revenue from Operations	43,23,87,652	40,49,06,737
Segment Results		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	3,45,78,899	8,08,68,997
Wind Power Generation	21,33,976	67,582
Total Segment result	3,67,12,875	8,09,36,579
Unallocable income net of unallocable expenditure	2,09,14,687	99,18,068
Interest Income	2,07,24,992	1,26,94,558
Total	7,83,52,554	10,35,49,205
Less: Finance Cost	5,69,488	8,71,820
Total Profit before Tax	7,77,83,066	10,26,77,385
Less Provision for Tax		
Current Tax	2,85,00,000	2,75,00,000
Deferred Tax	(42,63,983)	42,87,161
Profit After Tax, as restated	5,35,47,049	7,08,90,224
Total carrying amount of segment assets		
Consultancy and Training	94,03,09,782	92,80,86,690
Wind Power Generation	1,49,29,344	1,59,24,815
Total Segment assets	95,52,39,126	94,40,11,505
Total carrying amount of segment liabilities		
Consultancy and Training	9,51,10,357	11,29,96,458
Wind Power Generation	--	--
Total Segment liabilities	9,51,10,357	11,29,96,458
Depreciation & Amortisation		
Consultancy and Training	4,73,07,176	1,25,75,129
Wind Power Generation	9,95,471	43,41,032
Total Depreciation & Amortisation	4,83,02,647	1,69,16,161

43 Utilization of money raised through Initial Public Offer

During the year ending 31st March, 2014 the company has made a public offer of 4,100,000 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 2015 is as under:

Particulars	Utilisation planned as per prospectus	Utilisation of IPO proceeds as on 31 st March 2015	balance amount to be utilised as on 31 st March 2015 *
	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	161,380,000	97,234,305	64,145,695
Purchase of office equipments for new offices	5,770,000	3,386,740	2,383,260
Purchase of furniture and fixtures and carrying out interior designing for the new offices and the environment testing laboratory	29,119,000	18,221,012	10,897,988
Purchase of equipment for environment testing laboratory at ahmedabad and bangalore	10,150,000	--	10,150,000
General Corporate purposes	8,133,000	8,104,742	28,258
Issue expenses	35,548,000	35,542,182	5,818
Total	250,100,000	162,488,981	87,611,019

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

44 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 44, forming part of the Financial Statements.

For and on behalf of the Board

Sd/-
Chiman Deshmukh
Director
(DIN 07131406)

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

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Madhav Oak
Company Secretary

Date : 27/05/2015
Place : Pune

