

Director's Report

To,
The Members of
S.M.ENGICON PRIVATE LIMITED

Your Directors have pleasure in presenting the 9TH Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2017.

FINANCIAL HIGHLIGHTS

Particulars	Current year	Previous Year
Revenue from Operations	18011000.00	39787450.00
Other Income	27954.00	297492.00
Total Income	18038954.00	40084942.00
Depreciation	85881.00	142419.00
Tax		
Current Tax	30321.00	124265.00
Deferred Tax	0.00	0.00
Profit/(Loss) after Tax	69185.00	277725.00
Earnings per share (Rs.) :		
Basic	23.06	92.57
	0.00	0.00
Diluted		

STATE OF COMPANY'S AFFAIRS

During the year under review, the total Income of the Company was Rs 18038954/- against Rs40084942/- in the previous year which shows the decrease in revenue by 55%. During the period, The Company has earned a Profit after tax of Rs69185/- compared to Rs 277725/- in the previous year which shows the decrease by 75%.

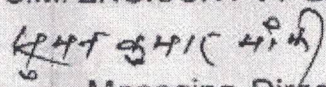
TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March, 2017, the Company is proposed to carry an amount of Rs 69185/-to General Reserve Account.

DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March, 2017.

For S.M. ENGICON PVT LTD


Managing Director

MATERIAL CHANGES AND COMMITMENTS, IF ANY, CRITERIA SPECIFY

There was no material changes and no commitment made by the directors affecting financial position of the company. So no criteria need to be specified for the year.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2017, the Company does not have any subsidiary/joint venture/associate companies.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith for your kind perusal and information. (Annexure: 1)

MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2016-17:

SN	Date of Meeting	Board Strength	No. of Directors Present
	11.04.2016	3	3
	30.06.2016	2	2
	26.12.2016	2	2
	31.03.2017	2	2

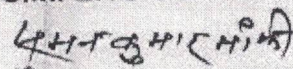
PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS

S N	Name of Director	Board Meeting			Committee Meeting			AGM
		No of Meeting held	No of Meeting attended	%	No of Meeting held	No of Meeting attended	%	
	Chandan Kumar Manjhi	4	1	25	0	0	0	0
	Suman Kumar Manjhi	4	4	100	0	0	0	0
	Premlata Kumari	4	4	100	0	0	0	0

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 (10) of the Companies Act, 2013, compliance with secretarial standards relating to General Meeting and Board Meeting specified by the Institute of Company Secretaries of India (ICSI) as approved by the Central Government is mandatory effective from July 1, 2015. The Company is adhering to the standards issued by the ICSI.

For S.M. ENGICON PVT LTD


Managing Director

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors 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 the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

STATUTORY AUDITOR AND AUDITORS' REPORT

At the Annual General Meeting held on 30.09.2017, M/s. K.Hari Ji & Co. , Chartered Accountants (FRN No. 008053C) was appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. K.HARI JI & CO. , Chartered Accountants, as statutory auditor of the company, is placed for ratification by the shareholders.

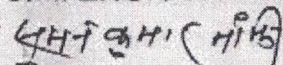
Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For S.M. ENGICON PVT LTD



Managing Director

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintenance is not applicable on the company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

COMPOSITION OF AUDIT COMMITTEE

The provision of section 177 relating to Audit committee is not applicable on the company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is not required to form such policy.

REMUNERATION POLICY

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Non Executive Directors:

The Non Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

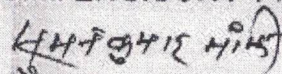
FIXED DEPOSITS

The company has not accepted deposits from public within the meaning of Section 73 of the Companies Act, 2013.

LOANS, GUARANTEES AND INVESTMENTS

The Company has not made / given / advanced any Loan, Guarantee and Investment during the financial year covered under section 186 of the Companies Act, 2013.

For S.M. ENGICON PVT LTD



Managing Director

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

PARTICULARS	REMARKS
A CONSERVATION OF ENERGY:)	
> the steps taken or impact on conservation of energy;	The Corporation is taking due care for using electricity in the office and its branches. The Corporation usually takes care for optimum utilization of energy. No capital investment on energy Conservation equipment made during the financial year.
> the steps taken by the company for utilizing alternate sources of energy;	
> the capital investment on energy conservation equipments;	
B TECHNOLOGY ABSORPTION:)	
> the efforts made towards technology absorption;	If any
> the benefits derived like product improvement, cost reduction, product development or import substitution;	If any
> in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	If any
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable since 5 years period is over	
> the expenditure incurred on Research and Development	If any
(c) FOREIGN EXCHANGE EARNINGS AND OUTGO:	

For S.M. ENGICON PVT LTD

(Signature)
Managing Director

) > The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	If any
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RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

- 1 The internal financial control systems are commensurate with the size and nature of its operations.
- 2 All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- 3 Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.
- 4 The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.

BOARD EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to,

For S.M. ENGICON PVT LTD

(Signature)

Managing Director

active participation at the Board and Committee meetings. The Chairman of the Board had one-on-one meetings with the Independent Directors and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with the Executive and Non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes. The Board considered and discussed the inputs received from the Directors. Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

CAUTIONARY STATEMENT

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

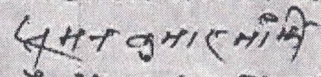
ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Date 07/09/2017

Place PATNA

For & on behalf of the Board of Directors
For S.M. ENGICON PVT LTD



Managing Director
SUMAN KUMAR MANJHI

DIN : 01937907

(Chairman)

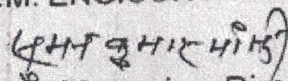
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Bihar India

Contact Us :

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For S.M. ENGICON PVT LTD



Managing Director