

**48<sup>th</sup> Annual Report**  
**2017 - 2018**



**INCON ENGINEERS LIMITED**





## **C O N T E N T S**

1. Notice
2. Director's Report with Annexures:
  - Annexure -I [Conservation of Energy, Technology Absorption,  
Foreign Exchange Earnings and outgo]
  - Annexure -II (Form No.AOC-2)
  - Annexure -III (Extract of Annual Return)
  - Annexure -IV (Secretarial Audit Report)
  - Annexure -V (Management Discussion and Analysis report)
3. Corporate Governance Report
4. Independent Auditors Report
5. Balance Sheet
6. Statement of Profit and Loss Account
7. Cash Flow Statement
8. Notes to the Financial Statements
9. Proxy Form
10. Attendance Slip



**CORPORATE INFORMATION**

**Board of Directors**

<b>SRI SREEDHAR CHOWDHURY</b>	Managing Director (DIN: 00188924)
<b>SRI S. MANOHAR RAJU</b>	Non Executive Independent Director (DIN:00188956)
<b>SRI A. SUBBA RAO</b>	Non Executive Independent Director (DIN: 00313644)
<b>Dr. B. NEETA KUMARI</b>	Non Executive Director (DIN:00313522)

**AUDITORS**

M/s. K.S. Rao & Co.  
Flat No. 403 & 404  
Golden Green Apartment  
Irrum Manzil Colony, Hyderabad - 500 082

**BANKERS**

M/s. State Bank of India  
Commercial Branch  
Koti, Hyderabad-500095

**REGISTRAR & TRANSFER AGENTS**

M/s. Venture Capital and Corporate Investments Pvt. Ltd.  
12-10-167, Bharat Nagar,  
Hyderabad-500 018.

**REGISTERED OFFICE & FACTORY**

B-6/3, I.D.A., Uppal, Hyderabad - 500 039

**CIN** **L74210TG1970PLC001319**

**WEBSITE** [www.incon.in](http://www.incon.in)

**EMAIL ID** [incon@incon.in](mailto:incon@incon.in), [inconengineers@gmail.com](mailto:inconengineers@gmail.com)



## **INCON ENGINEERS LIMITED**

---

### **NOTICE OF 48TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **Forty Eighth Annual General Meeting** of **INCON ENGINEERS LIMITED** will be held on Friday, 28th September, 2018 at 10.00 AM at B-6/3, IDA, Uppal, Hyderabad - 500039 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2018, including the Audited Balance Sheet as at 31 March 2018, together with the reports of the Directors and Auditors thereon.
2. To consider appointment of a director in place of Dr. B. Neeta Kumari (DIN 00313522) who retires by rotation and being eligible offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **3. TRANSACTIONS WITH RELATED PARTIES:**

To consider and if thought fit, to pass with or without modifications, the following resolution as special resolution:

"RESOLVED that pursuant to provision(s) of section 188 and other applicable provisions, if any, of the Companies Act, 2013 the consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into any contract or arrangements with related party, M/s. OxeecoTechnologies Private Limited, with respect to leasing of office building of 3250 sft aggregating to a rent Rs.80525/- per month for a period of three years with a provision for 10% increase per annum."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, documents that may be required on behalf of the Company and generally to do all the acts, deeds, matters and things that may be necessary or incidental thereto for the purpose of giving effect to this resolution."

**By order of the Board  
For Incon Engineers Limited**

**Sd/-  
Sreedhar Chowdhury  
Managing Director  
(DIN:00188924)**

**Place : Hyderabad  
Date : 29.05.2018**



## INCON ENGINEERS LIMITED

---

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THEN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THEN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY, PROVIDED THAT THE PERSON DOES NOT ACT AS PROXY, PROVIDED THAT THE PERSON DOES NOT ACT AS PROXY FOR ANY OTHER MEMBER.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on their behalf at the Meeting.
3. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its rights to take all steps as may be deemed necessary to restrict non-members from attending the meeting
4. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in order of names would be entitled to vote.
6. The Register of Members and Share Transfer books will remain closed from -22.09.2018 to 28.09.2018 (both days inclusive)
7. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special business to be transacted at the Annual General Meeting is annexed hereto. All Documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered Office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting.
8. At the 47<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2017 at 10 A.M, the members approved appointment of M/s. K.S. Rao & Co., Chartered Accountants, Regn. No. 003109S be and is hereby appointed as a Statutory Auditors of the company to hold office for a period of five years from the conclusion of that Annual General meeting till the conclusion of 52<sup>nd</sup> Annual General Meeting, subject to ratification of their appointment by members at every Annual General Meeting if so required by the Companies Act 2013. vide notification date May 7, 2018, the Ministry of Corporate Affairs has done away with requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 48<sup>th</sup> Annual General Meeting.



## INCON ENGINEERS LIMITED

---

9. The Company has provided a facility to exercise their right to vote by electronic means. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such remote e-voting facility is in addition to voting that may take place at the meeting venue on 28.09.2018.
10. The Company has appointed Mr.Sharad Gupta & Co., Practising Company Secretary, to act as the Scrutinizer, to Scrutinize the e-voting process in a fair and transparent manner.
11. The facility for voting shall be made available at the venue of the Annual General Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
12. The details of the Directors seeking re-appointment at the Annual General Meeting are provided in Annexure A of this Notice. The Company has received the necessary consent/declarations for the re-appointment under the Companies Act, 2013 and the rules thereunder.
13. In case of any queries regarding the Annual Report, members may write to mail to inconengineers@gmail.com to receive an email response. Members desiring any information relating to the financial statements at the meeting are requested to write to us at least ten days before the meeting to enable us to keep the information.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

#### **Item No.1**

Company proposes to enter into/renew an agreement with M/s.Oxeeco Technologies Private Limited with respect to leasing out its office premises for a period of three years with effect from 01.10.2018. Oxeeco Technologies Private Limited is promoted by Sri.Sreedhar Chowdhury, who is also the main promoter of your Company. Section 188 of the Companies Act, 2013 requires approval of shareholders as value of agreement is likely to exceed the limits specified in the Act.

None of the Directors except Sri Sreedhar Chowdhury is concerned or interested in the said resolution.

By order of the Board of Directors of

INCON ENGINEERS LIMITED

Place: Hyderabad  
Date: 29.05.2018

SREEDHAR CHOWDHURY  
MANAGING DIRECTOR



**ANNEXURE - A**

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on 28.09.2018 [Pursuant to Regulation 36(3) of the SEBI [Listing Obligation and Disclosure Requirements), Regulations, 2015]

<b>Name of the Director</b>	<b>Dr.B.NeetaKumari</b>
<b>Date of Birth</b>	<b>10.06.1959</b>
<b>Date of Appointment</b>	<b>30.03.2015</b>
<b>Qualifications</b>	<b>Ph.D</b>
<b>Expertise in Specific Functional Areas</b>	<b>Worked in Senior Technical Positions in various Companies for over 25 years</b>
<b>List of Companies in which outside Directorships held as on 31.03.2018</b>	<b>NIL</b>
<b>Chairman/Member of the *Committees of other Companies on which she is a Member as on 31.03.2018</b>	<b>NIL</b>
<b>Number of equity shares held in the Company</b>	<b>NIL</b>





## INCON ENGINEERS LIMITED

### DIRECTORS REPORT

#### To the Members,

The Directors are pleased to present the 48<sup>th</sup> Annual Report and the Audited Financial Statements for the year ended 31 March, 2018.

### 1. FINANCIAL RESULTS

The Performance during the period ended 31st March 2018 has been as under

(Rupees in lakhs)

Particulars	Year ended 2017 -18	Year ended 2016 -17
Revenue from operations and other income (gross)	97.59	27.92
Profit before finance costs and depreciation & amortization expense	8.15	(24.33)
Finance Cost	0.12	0.11
Depreciation and amortization expense	2.79	2.95
Profit /Loss after tax	5.24	(27.39)
Other Comprehensive income	(1.75)	2.46
Total Comprehensive income	3.48	(24.93)

### 2. PERFORMANCE

#### Operations

During the year under review, the Company's operations have improved with the income going upto Rs. 97.59 lakhs from Rs. 27.92 lakhs during the previous year. The Company also registered a net profit of Rs. 5.24 lakhs as compared to a loss of Rs. 27.39 lakhs during the previous year

### 3. DEPOSITS

During the year under review, the Company did not accept any deposits.

### 4. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013,

read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in **Annexure-I forming part of this report**

### 5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors Responsibility Statement, the Board of Directors of the company hereby confirms:-

- That the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2018 and of the profit and loss of the company for that period;
- That the directors have 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;
- That the directors have prepared the annual accounts for the financial year 31<sup>st</sup> March, 2018 on a going concern basis; and
- That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY



## INCON ENGINEERS LIMITED

---

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### 7. COURT/TRIBUNAL ORDERS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### 8. RELATED PARTY CONTRACTS AND ARRANGEMENTS

The contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Companies Act, 2013 were in ordinary course of business and on arm's length basis. During the year, the Company had entered into the contract/arrangement/transaction with related parties which could be considered material in accordance with the related party transaction policy of the Company. The said policy as approved by the Board in terms of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The prescribed form AOC-2 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure II to this report**

### 9. ANNUAL RETURN

In terms of provisions of Section 92(3) of the

Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and the relevant rules made thereunder, a copy of the Annual Return in **Annexure-III** as prescribed under Section 92 of the Companies act, 2013.

### 10. INDEPENDENT DIRECTORS

In terms of provisions of Section 149(7) of the Companies Act, 2013 all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors held on 29<sup>th</sup> May, 2018 stating that they fulfill the criteria of Independent Director as prescribed under section 149(6) of the Companies Act, 2013 and are not being disqualified to act as an Independent Director.

In terms of the Regulation 2(57) of the Regulations, the Company has adopted a familiarization programme for the Independent Directors to familiarize them with working of the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities and other relevant details.

### 11. SUBSIDIARIES:

Your Company does not have Subsidiaries

### 12. INTERNAL AUDITORS

M/s G P Associates., Chartered Accountants, Hyderabad shall be the Internal Auditors of the Company.

### 13. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Sharad Gupta & Co Practicing Company Secretaries to conduct Secretarial audit of the company for the financial year ended March 31, 2018.

The Secretarial Audit Report issued by M/s. Sharad Gupta & Co, Practicing Company Secretaries in



## INCON ENGINEERS LIMITED

---

Form MR-3 is enclosed as **Annexure-IV to this Annual Report.**

The Secretarial Audit Report says that company has not complied with the compliance requirements of Calcutta Stock Exchange.

We hereby state that the company applied for delisting of shares from Calcutta Stock Exchange on 22.11.2005. Company followed up the same, Despite of several reminders the Calcutta Stock Exchange has not responded. We understand Calcutta Stock Exchange is a defunct organization and there is no communication from them Company is examining various options to close the matter so that the delisting application is processed and completed.

### 14. STATUTORY AUDITORS

M/s. K.S. Rao & Co, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29.05.2017 for five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017 enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report.

### 15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Corporate Social Responsibility required to be disclosed under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the company. Hence, composition of committee is not required.

### 16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees, Securities and

Investments made during the Financial year ended 31st March, 2018 are given in the notes to the financial statements in compliance with the provisions of section 186 of the Companies Act, 2013 read with the companies (Meeting of the Board and its powers) Rules 2014.

### 17. SHARE CAPITAL

The Authorised share capital of the Company is Rs 84,000,000 (Rupees Eight Crores Forty Lakhs only) divided into 8,400,000 equity shares of Rs 10/- each. The paid-up capital of the Company is Rs 43,271,000 (Four Crores ThirtyTwo Lakhs SeventyOne Thousand only) divided into 4,327,100 equity shares of Rs 10/- each.

### 18. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's operations in terms of performance in markets, manufacturing activities, business outlook, risks and concerns forms part of the Management Discussion and Analysis. Report is presented in a separate section forms part of the **Annual Report as Annexure V**

### 19. BOARD EVALUATION

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The criteria covered various aspects for evaluation of Independent Directors such as Participation at the Board / Committee meetings, Commitment (including guidance provided to senior management outside of Board/ Committee meetings), Effective deployment of knowledge and expertise, Integrity and maintaining of confidentiality, Independence of behavior and judgment, exercise of objective independent judgment in the best interest of the Company, Ability to contribute to and monitor corporate governance practice and Adherence to the code of conduct for independent directors, for



## INCON ENGINEERS LIMITED

Evaluation of the Board, Implementation of robust policies and procedures and Size, structure and expertise of the Board were considered, for Evaluation of the Managing Director and Non-Executive Directors, Participation at the Board / Committee meetings, Effective deployment of knowledge and expertise, Discharge of its functions and duties as per its terms of reference, Process and procedures followed for discharging its functions, Effectiveness of suggestions and recommendations received were considered, for evaluation of Chairman of the Board aspects such as Managing relationship with the members of the Board and management, and effective decision making at the board were considered.

### 20. DIRECTORS AND KMP:

**Sri Sreedhar Chowdhury**

Managing Director of the Company

**Sri S. Manohar Raju**

Non Executive Independent Director

**Sri A. Subba Rao**

Non Executive Independent Director

**Dr. B. NeetaKumari**

Non Executive Director

**Ms. D. Manoranjani**

Company Secretary, Compliance Officer & CFO

### 21. NUMBER OF MEETINGS OF THE BOARD

During the financial year under review, 4 (Four) Board Meetings 29<sup>th</sup> May 2017, 11<sup>th</sup> September, 2017, 07<sup>th</sup> December, 2017, 05<sup>th</sup> February, 2018 and 4 (Four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

### 22. CORPORATE GOVERNANCE

Maintaining high standards of Corporate

Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance is provided together with a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

The extract of annual return in Form MGT-9 as required under Section 92(3) of the Companies Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure-II to this Annual Report.

### 23. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

### 24. POLICY ON SEXUAL HARRASSEMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the Financial year ended 31st March, 2018, the Company has not received any complaint pertaining to Sexual Harasment.



## INCON ENGINEERS LIMITED

---

### **25. ADOPTION OF INDIAN ACCOUNTING STANDARDS ("IND AS")**

The Company has adopted Indian Accounting Standards ("IND AS") and accordingly these financial statements have been prepared in accordance with the same as required under section 133 of the Companies Act, 2013 read with rules made thereunder.

### **26. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

In terms of provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Regulations, a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees has been adopted by the Board of Directors of the Company in pursuance of its formulation and recommendation by the Nomination and Remuneration Committee thereby analyzing the criteria for determining qualifications, positive attributes and independence of a Director.

### **27. REPORT ON FINANCIAL STATEMENTS**

The report of M/s.K.S Rao & Co., Chartered Accountants, Reg No.003109S the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2018 is annexed to the financial statements in terms of provisions of Section 134(2) of the Companies Act, 2013. The observations of the Auditors in their report are self-explanatory and/or explained suitably in the Notes to the Financial Statements. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

### **28. COST AUDIT**

During the year under review, the Company had not been mandatorily required to get its Cost Records audited in terms of provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 notified by the Ministry of Corporate Affairs (MCA) on 31 December 2014, as the

Industry under which the Company falls has been exempted from the Cost Audit under the said rules.

### **29. RECONCILIATION OF SHARE CAPITAL AUDIT**

As per the directive of the Securities and Exchange Board of India (SEBI), the Reconciliation of Share Capital Audit is undertaken by a firm of Practicing Company Secretaries on quarterly basis. The audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the Company. The Reconciliation of Share Capital Audit Reports as submitted by the Auditor on quarterly basis were filed with the Bombay Stock Exchange of India Limited through BSE Listing Centre, where the original shares of the Company are listed.

### **30. LISTING OF SHARES**

The Equity Shares of the Company are listed on the BSE Limited, Mumbai and Calcutta Stock Exchange. Company has applied for delisting of shares and the same is pending with Calcutta Stock Exchange for long time.

### **31. DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013**

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of this report.

### **32. INDUSTRIAL RELATIONS**

During the year under review, industrial relations in the Company continued to be cordial and peaceful

### **33. ACKNOWLEDGEMENT**

The Board of Directors would like to thank Business Partners, Bankers, Investors and Auditors for their continued support and association. Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.



## INCON ENGINEERS LIMITED

For and on behalf of the Board of Directors  
For Incon Engineers Limited  
Sd/-  
Sreedhar Chowdhury  
Managing Director  
(DIN : 00188924)

Place : Hyderabad  
Date : 29.05.2018

### ANNEXURE - I

#### PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(Information Under Section 134 (3) (m) of The Companies Act, 2013, Read with Rules 8 (3) of the  
Companies (Accounts) Rules, 2014)

##### FORM A

- |                                  |   |     |
|----------------------------------|---|-----|
| 1. CONSERVATION OF ENERGY        | : |     |
| (i) Energy Conservation measures | : | -   |
| (ii) Total energy consumption    | : | Nil |
| 2. TECHNOLOGY ABSORPTION:        |   |     |

##### FORM B

(Disclosure of particulars with respect to Technology Absorption)

##### A. Research and Development (R &D):

- |   |   |    |
|---|---|----|
| 1. Specific areas in which R&D is carried out<br>By the Company | : | NA |
| 2. Benefits derived as a result of the above R&D                | : | NA |
| 3. Future plan of action  | : | -  |
| 4. Expenditure on R&D   | : | -  |

##### B. Technology absorption, adaptation and innovation:

The Company is making all its efforts for improving productivity, product quality and reducing consumption of scarce raw materials.

##### 3. FOREIGN EXCHANGE EARNINGS AND OUT GO:

Activities relating to exports and initiatives taken to increase export products and services and export plans: NIL

Total Foreign Exchange used and earned:

- |        |   |     |
|--------|---|-----|
| Used   | : | NIL |
| Earned | : | NIL |

By Order of the Board  
For Incon Engineers Limited

Place : Hyderabad  
Date : 29.05.2018

Sd/-  
Sreedhar Chowdhury  
Managing Director  
(DIN:00188924)



## INCON ENGINEERS LIMITED

### ANNEXURE-II

#### 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 subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:**

1. Details of contracts or arrangements or transactions not at Arm's length basis: **NIL**
2. Details of material contracts or arrangements or transactions at arm's length basis

Nature of the related party	Nature of Relationship	Duration of the contract	Sailent Terms	Date of Approval by the Board	Amount in Rs.	Amount Paid as aAdvance if any
Interested Director	Common Promoter	3 years	Rent Payable to the Company by M/s Oxeeco Technologies Pvt. Ltd. Rs. 80525/- with a provision of increase of 10% on Annual Basis	29-05-2018	Rs. 80525/- for a period of 12 Months & subsequently with an increase of 10% Annual Basis for the remaning tenure of Contract	NIL However company have received an amount of Rs. 1,80,000/- interest free refundable deposit.

#### **Particulars of Loans, Guarantees or Investment with Related Parties / Firms : Amount Outstanding as at 31st March, 2018**

Name of Entity	Relation	Amount in Rupees	Particulars of Loan, guarantee and investments	Purpose for which the loans, guarantee and investments are proposed to be utilised
Spanex Products	Associates	1,500,000/-	Advance Received against orders	Against Work Orders

Place: Hyderabad  
Date: May 29, 2018

For INCON ENGINEERS LTD

Sreedhar Chowdhury  
Managing Director



## INCON ENGINEERS LIMITED

ANNEXURE-III

### EXTRACT OF ANNUAL RETURN FORM MGT 9

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

Financial Year ended on 31.03.2018

I. REGISTRATION & OTHER DETAILS:			
i	CIN	:	L74210TG1970PLC001319
ii	Registration Date	:	13.02.1970
iii	Name of the Company	:	<b>INCON ENGINEERS LIMITED.</b>
iv	Category/Sub-category of the Company Address of the Registered office & Contact	:	Public Limited
v	Details		B-6/3, IDA, Uppal, Hyderabad - 500039 Telephone No.+91-040-27203943 Fax No.+91-040-27201271 Email:incon@incon.in/inconengineers@gmail.com
vi	Whether listed company	:	Yes
vii	Name,Address& Contact details of the Registrar &TransferAgent, if any.	:	<b>Venture Capital and Corporate Investments Pvt Ltd</b> 12-10-167, Bharat Nagar, Hyderabad - 18 Ph.+91-040-23818475, Fax No.+91-040-23868024

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Chemical Process Equipment (Fulid Energy Mills & Others)	Not Available	100 %





## INCON ENGINEERS LIMITED

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

#### SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(a) Individuals/Hindu Undivided Family	2482534	38200	2520734	58.25	2482534	38200	2520734	58.25	-
(b) Central Government/State Government(s)	0	0	0	0	0	0	0	0	-
(c) Bodies Corporate	0	0	0	0	0	0	0	0	-
(d) Financial Institutions/Banks	350000	0	350000	8.09	350000	0	350000	8.09	-
(e) Any Others(Specify)	0	0	0	0	0	0	0	0	-
(e-i) Mutual Funds									
(e-ii) Trusts									
<b>Sub Total (A)(1)</b>	<b>2832534</b>	<b>38200</b>	<b>2870734</b>	<b>66.34</b>	<b>2832534</b>	<b>38200</b>	<b>2870734</b>	<b>66.34</b>	<b>-</b>
<b>2 Foreign</b>									
(a) Individuals (Non Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	-
(b) Bodies Corporate	0	0	0	0	0	0	0	0	-
(c) Institutions	0	0	0	0	0	0	0	0	-
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	-
(e) Any Others(Specify)	0	0	0	0	0	0	0	0	-
(e-i) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	-
(e-ii)									
<b>Sub Total (A)(2)</b>									
Total Shareholding of Promoter and Promoter									
<b>Group (A)=(A)(1)+(A)(2)</b>	<b>2832534</b>	<b>38200</b>	<b>2870734</b>	<b>66.34</b>	<b>2832534</b>	<b>38200</b>	<b>2870734</b>	<b>66.34</b>	<b>-</b>



## INCON ENGINEERS LIMITED

(B) PUBLIC SHARE HOLDING											
1	<b>INSTITUTIONS</b>										
(a)	Mutual Funds/UTI	0	600	600	0	0.01	0	600	0	0.01	0
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	0	-
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0	-
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	-
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0	-
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0	-
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	-
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0	-
(i)	Any Others (Specify)										
(i-i)	Foreign Companies										
	<b>Sub Total (B)(1)</b>	<b>0</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0.01</b>	<b>0</b>	<b>600</b>	<b>0</b>	<b>0.01</b>	<b>0</b>
B2	<b>NON-INSTITUTIONS</b>										
(a)	Bodies Corporate										
(b)	Individuals	37545	100	37645	100	0.87	38208	38303	0.89	0.02	0.02
	(i) Individual shareholders holding nominal share capital upto Rs.2lakh	648322	234200	882522	234200	20.40	666465	901365	20.83	0.43	0.43
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 2L lakh	280760	22673	303433	22673	7.01	260752	283425	6.54	(0.47)	(0.47)
(c)	Qualified Foreign Investor										
(d)	Any Others (Specify)	2775	0	2775	0	0.06	3277	3277	0.08	0.02	0.02
	Cleaning Member	0	200000	200000	200000	4.62	0	200000	4.62	-	-
(e)	Corporate OCB	22391	7000	29391	7000	0.68	22391	29391	0.68	-	-
	Non Resident Individuals	991793	463973	1455766	464673	33.64	991093	1455766	33.64	0	0
	<b>Sub-Total B(2)</b>	<b>991793</b>	<b>464573</b>	<b>1456366</b>	<b>465273</b>	<b>33.65</b>	<b>991093</b>	<b>1456366</b>	<b>33.65</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=B(1)+B(2)</b>	<b>991793</b>	<b>464573</b>	<b>1456366</b>	<b>465273</b>	<b>33.65</b>	<b>991093</b>	<b>1456366</b>	<b>33.65</b>	<b>0</b>	<b>0</b>
	<b>Total (A+B)</b>	<b>3824327</b>	<b>502773</b>	<b>4327100</b>	<b>504073</b>	<b>100</b>	<b>3823627</b>	<b>4327100</b>	<b>100</b>	<b>0</b>	<b>0</b>
	Shares held by Custodian and against which Depository Receipts have been issued to Promoter and Promoter Group Public										
	<b>Sub Total C</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>3824327</b>	<b>502773</b>	<b>4327100</b>	<b>504073</b>	<b>100</b>	<b>3823627</b>	<b>4327100</b>	<b>100</b>	<b>0</b>	<b>0</b>



## INCON ENGINEERS LIMITED

### (ii) SHARE HOLDING OF PROMOTERS

S.No	Share Holders Name	Shareholding at the beginning of the year 01-04-2017				Shareholding at the end of the year 31-03-2018			
		No.of Shares	%of the Shares of the company	%of Shares Pledged/ encumbered to total shares	No.of Shares	%of the Shares of the company	%of Shares Pledged/ encumbered to total shares	% change in share-holding during the year	
1	Sreedhar Chowdhury	2057079	47.54	0	2057079	47.54	0	0	
2	Renuka Chowdhury	214594	4.96	0	214594	4.96	0	0	
3	Oxeeco Meditek Pvt Ltd	200000	4.62	0	200000	4.62	0	0	
4	Fusion Chemicals & Products Pvt Ltd	150000	3.47	0	150000	3.47	0	0	
5	Poojita Chowdhury	101506	2.35	0	101506	2.35	0	0	
6	Tejuswini Chowdhury	64000	1.48	0	64000	1.48	0	0	
7	G Vijayeswari	38200	0.88	0	38200	0.88	0	0	
8	Jayadev Chowdhury G	30804	0.71	0	30804	0.71	0	0	
9	Prabha Sukmar Koneru	14551	0.34	0	14551	0.34	0	0	
		<b>2870734</b>	<b>66.35</b>		<b>2870734</b>	<b>66.35</b>	<b>0</b>	<b>0</b>	

### (iii) CHANGE IN PROMOTERS' SHARE HOLDING (please specify, if there is no change)

There is no change in the Shareholding of Promoter Group. [ Refer (ii) above]



## INCON ENGINEERS LIMITED

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For the Top 10 Share Holders  For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2017		Cumulative Share holding during the year 31-03-2018	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	MAHENDRA GIRDHARI LAL	84165	1.95	84165	1.95
2	MURTAZA JAFFERALI	38678	0.89	38678	0.89
3	DEEPAK HARI BHAI GAUDANI RASILABEN DEEPAK BHAI GAUDANI	33906	0.78	33906	0.78
4	REETA MAHENDRA MEHTA	31000	0.72	31000	0.72
5	JAYESH BABULAL SHAH	24304	0.56	20403	0.47
6	LAKSHMI S NARAYANA	22673	0.52	22673	0.52
7	HAFIZAA NATHANI AKTHAR S NATHANI	20000	0.46	20000	0.46
8	G STALIN	20000	0.46	20000	0.46
9	G BHARADWAJ	20000	0.46	20000	0.46
10	G NARAYANA RAO	20000	0.46	20000	0.46
11	MAHENDRA KUMAR JAIN	17000	0.39	17000	0.39

**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

Sl. No.	Shares Holding of Each Directors  For Each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2017		Cumulative Shareholding during the year 31-03-2018	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Sreedhar Chowdhury	2057079	47.54	2057079	47.54
2	S.Manohar Raju	52600	1.22	52600	1.22
3	A Subba Rao	10100	0.23	10100	0.23
<b>TOTAL</b>		<b>2119779</b>	<b>48.99</b>	<b>2119779</b>	<b>48.99</b>



## INCON ENGINEERS LIMITED

### V INDEBTENDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Rs in Lakhs)

Particulars	Secured Loans excluding deposits	un secured Loans	Deposits	Total Indebtendness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-
Change in Indebtedness during the financial year				
<input type="checkbox"/> Addition				
<input type="checkbox"/> 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				
<b>Total (i+ii+iii)</b>	-	-	-	-

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WMD Sri Sreedhar Chowdhury	Total Amount in Rs.
1	<b>Gross Salary</b>		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-
	b) Value of perquisites u/s 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 % of profit	-	-
5	Others please specify ceiling as per the act	-	-
	<b>TOTAL</b>	-	-



## INCON ENGINEERS LIMITED

### B. REMUNERATION TO OTHER DIRECTORS

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount in Rs.
		S.Manohar Raju	A.Subba Rao	Dr.B.Neeta Kumari	
1	Independent Directors Fee for attending board / Committee meetings commission Others, please specify	---	---	---	---
	<b>Total (1)</b>	---	---	---	---
2	Other Non-Executive Directors Fee for attending board / Committee meetings commission, others	Nil	Nil	Nil	Nil
	<b>Total (2)</b>		Nil	Nil	Nil
	<b>Total (B)=(1+2)</b>	---	---	---	---
	<b>Total Managerial Remuneration</b>	---	---	---	---

### C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Amount in Rs.
		CFO	CS	CEO	
1.	Gross Salary a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961	Nil	540000	Nil	540000
	b) Value of perquisites u/s17(2) Income Tax Act, 1961	Nil	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit	Nil	Nil	Nil	Nil
5	Others	Nil	Nil	Nil	Nil
	<b>TOTAL</b>	<b>Nil</b>	<b>540000</b>	<b>Nil</b>	<b>540000</b>



**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

TYPE	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority made if any give details	Appeal made if any (give details)
<b>A. COMPANY</b>			Nil		
Penalty Punishment Compounding			Nil		
<b>B. DIRECTORS</b>			Nil		
Penalty Punishment Compounding			Nil		
<b>C. OTHER OFFICERS IN DEFALUT</b>			Nil		
Penalty Punishment Compounding					



## **INCON ENGINEERS LIMITED**

---

### **ANNEXURE - IV**

#### **SECRETARIAL AUDIT REPORT (MR-3)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

**To,  
The Members,  
Incon Engineers Limited  
B-6/3, IDA Uppal,  
Hyderabad - 500 039.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Incon Engineers Limited" (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, 2018, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in placeto theextent, in the manner and subject to the reporting made hereinafter:.

We have examined the books, papers, minutebooks, forms andreturns filed and otherrecords maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018, according to the provisions of:

- (i) the Companies Act, 2013 (the Act) and the rules made there under;
- (ii) the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) the Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent Foreign DirectInvestment, Overseas Direct Investment and External Commercial Borrowings by the Company during the period under review;s
- (v) The following Regulations and Guidelines prescribed under the securities and Exchange Board of India Act,1992 ('SEBIAct'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 2011;
  - b. The Securities and ExchangeBoardofIndia(Prohibitionof Insider Trading) Regulations, 2015:
  - c. The Securities and Exchange Board ofIndia (Issue ofCapital and Disclosure Requirements)





## **INCON ENGINEERS LIMITED**

---

Regulations, 2009. However, the regulations are not applicable to the Company during the audit period since the company has not raised any money from the public and hence these regulations have not been considered for the purpose of this report.

- d. The Securities and Exchange Board of India (Share Based Employee Benefit Regulations 2014). However, the regulations are not applicable to the Company during the audit period since the company does not have any scheme in operation and hence these regulations have not been considered for the purpose of this report.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time, 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 the Audit Period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. The regulations are not applicable to the Company during the audit period since the Company has not bought-back any of its securities and hence these regulations have not been considered for the purpose of this report; and
- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- j. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
- ii. Listing Agreements entered into by the Company with the BSE and Calcutta Stock Exchange Limited.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial auditor, tax auditor and other designated professionals.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors.

The changes in the composition of the Board of 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.



## **INCON ENGINEERS LIMITED**

---

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at 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.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the review of the compliance reports/certificates which were taken on record by the Board of Directors, here 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 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 the Company has not complied with the compliance requirements of Calcutta Stock Exchange during the period under review.

**For SHARAD GUPTA & CO**  
*Company Secretaries*

Place : Hyderabad  
Date : 29.05.2018

**(Sharad Gupta)**  
ACS:5499 CP: 1464



### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**a) Structure and Developments, Opportunities and Threats, Performance, Outlook, Risks and Concerns:**

The Company has not been able to exploit the bulk industries market, which has good potential for the Company's product there is a need to make a special thrust in the Company's marketing efforts to penetrate this market.

The Company should also assess the potential for contract micronizing services. The Company can set up a suitable facility at low cost to take up contract grinding and generate continuous revenues.

**b) Internal Control Systems and their Adequacy**

The Company has adequate internal control systems and procedures in all operational areas and at all levels equipment's procurement, finance, administration, marketing and personnel departments. The Company also has Internal Audit systems commensurate with its size and nature of business. The internal audit function will be done by a firm of Chartered Accountants. The Audit committee reviews the internal audit reports and the adequacy of internal controls from time to time.

**c) Financial and Operational Performance:**

The Highlights of Financial Operational Performance are given below:

Particulars	2017 - 18	2016 - 17
Total Income	9,759,172	2,792,692
Total Expenditure	9,234,811	5,532,352
Profit before Tax	524,361	----
Less: Provision for taxation	---	----
Net Profit/( Loss) after Tax	524,361	(2,739,660)

**d) Human Resources Development and Industrial Relations:**

The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide necessary human resource development.

Industrial relations during the year are cordial and the Company is committed to Maintain the same in future.



## INCON ENGINEERS LIMITED

### CORPORATE GOVERNANCE

#### CORPORATE GOVERNANCE PHILOSOPHY

Incon Engineers Limited maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

The extract of annual return in Form MGT-9 as required under Section 92(3) of the Companies Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure to this Annual Report.

#### BOARD OF DIRECTORS:

The Board of Directors ('the Board') have ultimate responsibility for the management, general affairs Direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Managing Director of the Company. The Management Committee of the Company is headed by the Managing Director and has heads as its members, which look after the management of the day-to-day affairs of the Company.

#### COMPOSITION:

The Board of your Company has a good mix of Executive and Non-Executive Directors with half of the Board of the Company comprising Independent Directors. As on date of this Report, the Board consists of Four Directors comprising of the Managing Director, Two Non-Executive independent directors and one Non-Executive women Director. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

Sri Sreedhar Chowdhury, appointed as Managing Director (DIN 00188924) of the company on 17.09.2016 will hold office for a period of Five Years, i.e. upto 17.09.2021

Sri.S.Manohar Raju appointed as independent director (DIN 00188956) of the company on 30.09.2014 will hold office upto a term of Five years i.e upto 30.09.2019

Sri.ASubba Rao appointed as independent director (DIN 00313644) of the company on 30.09.2014 will hold office upto a term of Five years i.e upto 30.09.2019

Dr.B.NeetaKumari (DIN00313522) who retires by rotation and being eligible offers herself for re-appointment

#### Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) a on 31<sup>st</sup> March, 2018

Name	Number of shares held in the Company	Directorship(s) In other Companies	Membership(s) of Committees in other Companies	Chairmanship(s) of Committees in other Companies
Sri Sreedhar Chowdhury	2057079	8	-	-
Sri A. Subba Rao	10100	-	-	-
Sri S. Manohar Raju	52600	2	-	-
Dr. B. NeetaKumari	-	-	-	-



## INCON ENGINEERS LIMITED

---

**Number of meetings of the Board:** The Board met 4 times during the financial year. The meeting details are provided in the Corporate governance report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013' Policy on directors' appointment and remuneration:

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of 31st March, 2018, the Board has 4 members, one of them are executive or whole-time directors, Two non-executive Independent Directors and one non-executive, non- Independent Women Director.

The policy of the Company on directors 'appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters. There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

**Declaration by independent directors:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

**BOARD EVALUATION:**

The evaluation of all the directors, committees, Chairman of the Board, and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation parameters and the process have been explained in the Corporate governance report.

**COMMITTEES OF THE BOARD:**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas /activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board has established the following statutory and non-statutory Committees: -

**AUDIT COMMITTEE**

The Company's Audit Committee comprises Mr. S.Manohar Raju as the Chairman and Mr.A.Subba Rao, Dr.B.Neeta Kumari are Members of the Committee.All the Members of the Committee have relevant experience in financial matters.The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:-

**INTERNAL CONTROLS AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting, mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

M/s.G.P.Associates are the Internal Auditors of the Company.

**Significant and material orders:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.



## INCON ENGINEERS LIMITED

### Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises Mr. A. Subba Rao as the Chairman and Mr. S. Manohar Raju and Dr. B. Neeta Kumari as Members of the Committee. The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter alia, includes: -

- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc.;

### Details of Remuneration to the Executive and Non-Executive Directors:

Name	Salary and Allowances	Bonus	Perquisites	Contribution to PF	Pension	Total
Sri Sreedhar Chowdhury	-	-	-	-	-	-
S. Manohar Raju	-	-	-	-	-	-
A. Subba Rao	-	-	-	-	-	-
Dr. B. Neeta Kumari	-	-	-	-	-	-

### CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility required to be disclosed under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the company.

### STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee comprises of Sri Sreedhar Chowdhury as the Chairman and Sri S Manohar Raju, Sri A. Subba Rao as Members of the Committee.

The role of Stakeholders Relationship Committee includes resolving the grievances of Members, ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performances and service standards of the Registrar and Share Transfer Agent of the Company.

During the financial year ended 31st March 2018, the Committee met one time 30.03.2018.

### Attendance of Directors/Members at Board and Committee Meeting(s):

The following table shows attendance of Directors at the Board and Members of the statutory Committee Meeting(s) for the year ended 31st March, 2018. Attendance is presented as number of meeting(s) attended, out of the number of meeting(s) required to be attended.

Name	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Stakeholders' Relationship Committee Meeting
Sri Sreedhar Chowdhury	4 of 4	3 of 4	1 of 1	1 of 1
Sri S Manohar Raju	4 of 4	-	1 of 1	1 of 1
Sri A Subba Rao	3 of 4	3 of 4	1 of 1	1 of 1
Dr B Neeta Kumari	3 of 4	3 of 4	1 of 1	-



## INCON ENGINEERS LIMITED

### SUBSIDIARIES:

Your company does not have subsidiaries

**Audit qualifications:** Company's financial statement are unqualified

Reporting of Internal Auditors: The Internal Auditor of the Company directly reports to the Managing Director and to the Audit Committee.

### SECRETARIAL AUDIT REPORT:

The Company has undertaken Secretarial Audit for the financial year 2017-18 which, inter alia includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act Listing Regulations and applicable Regulations prescribed by SEBI and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.

### SHAREHOLDER INFORMATION

#### General Body Meetings

Financial year ended	Date and Time	Venue
31 <sup>st</sup> March, 2015	30.09.2015 11.00 a.m	B-6/3, IDA, Uppal
31 <sup>st</sup> March, 2016	30.09.2016 10.00 a.m	Same as above
31 <sup>st</sup> March, 2017	29.09.2017 10.00 a.m	Same as above

#### Annual General Meeting for the financial year 2017-18

Date	28.09.2018
Venue	B-6/3, IDA, Uppal, Hyderabad
Time	10.00 A.M
Book Closure Dates	22.09.2018 to 28.09.2018 (Both days inclusive)

#### Calendar of financial year ended 31st March, 2018

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March, 2018 were held on the following dates:

<b>First Quarter Results</b>	29.05.2017
<b>Second Quarter and Half Yearly Results</b>	11.09.2017
<b>Third Quarter Results</b>	07.12.2017
<b>Fourth Quarter and Annual Results</b>	05.02.2018



## INCON ENGINEERS LIMITED

### Distribution of Shareholding as on 31<sup>st</sup> March, 2018

Holding	Shareholders		Shares	
	Number	%	Number	%
1-500	709	65.00	147018	3.4
5001-1000	195	17.91	177734	4.11
1001-2000	77	7.07	120237	2.78
2001-3000	27	2.48	69269	1.6
3001-4000	16	1.47	58252	1.35
4001-5000	20	1.84	95129	2.2
5001-10000	16	1.47	117572	2.72
100001 and above	29	2.66	3541889	81.85
<b>Total</b>	<b>1089</b>	<b>100</b>	<b>4327100</b>	<b>100</b>

### Categories of Shareholders as on 31<sup>st</sup> March, 2018

Category	No of Share holders	%
Promoters	9	66.34
Mutual Funds	1	0.01
Foreign Bodies Corporate	1	4.62
Individuals	1042	27.38
Bodies Corporate	24	0.89
Clearing Members	6	0.08
NRIs	5	0.68
<b>Total</b>	<b>1088</b>	<b>100</b>

### LISTING DETAILS

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE) Floor 25, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 400001 <b>ISIN</b>	<b>531594</b>  <b>INE507D01010</b>

### SHARE PRICE DATA

The shares of the Company are thinly traded. The 52-week high and low on BSE was Rs.7.95 and Rs.5.42.





## INCON ENGINEERS LIMITED

### CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER(CFO) CERTIFICATION

To

The Board of Directors,

**Incon Engineers Limited**

We, the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer of Incon Engineers Limited ('The Company'), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2018 and to the best of our knowledge and belief, we state that:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are 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 hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company
- (d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken to propose to take to rectify these deficiencies
- (e) We have indicated, based on our most recent evaluation, whenever applicable, to the Auditors and Audit Committee:
  - (i) Significant changes, if any, in the internal control over financial reporting during the year
  - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements: and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting

For Incon Engineers Limited

Place : Hyderabad

Date :29.05.2018

Sd/-

Sreedhar Chowdhury  
Managing Director  
(DIN:00188924)

Sd/-

D Manoranjani  
CFO



## **INCON ENGINEERS LIMITED**

---

### **CORPORATE GOVERNANCE CERTIFICATE**

To  
The members of

#### **INCON ENGINEERS LIMITED, HYDERABAD**

We have examined the compliance of conditions of Corporate Governance by INCON ENGINEERS LIMITED, HYDERABAD ("the Company") for the purpose of certifying of the Corporate Governance under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2017 to March 31, 2018 we have obtained all information and explanations which to the best of our knowledge and belief were necessary for purpose of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that 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.

Place: Hyderabad  
Date: 29.05.2018

For Sharad Gupta & Company

SHARAD GUPTA  
Practicing Company Secretary  
Membership No. A5499:CP1464



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF INCON ENGINEERS LIMITED, HYDERABAD**

**Report on the Ind AS Financial Statements:**

We have audited the accompanying Ind AS financial statements of **INCON ENGINEERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 of these Ind AS financial statements that give a true and fair view of the state of affairs, profit or loss including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, its profit, its cash flows and the changes in equity for the year ended on that date.

### **Other Matters:**

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors, whose audit report for the year ended 31 March 2017 and 31 March 2016 dated 29th May 2017 and 27th May 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.

### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



## **INCON ENGINEERS LIMITED**

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 22 to the Ind AS 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 K.S. Rao & Co.,  
Chartered Accountants  
Firms' Registration Number: 003109S

(T. SUKESH KUMAR)

Place : Hyderabad

Partner

Date : 29.05.2018

Membership Number: 229963

### **ANNEXURE -A TO THE AUDITOR'S REPORT:**

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of INCON ENGINEERS LIMITED, HYDERABAD, for the year ended March 31,2018.

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.  
c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and the procedures of physical verification of inventories followed by the management are reasonable. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.  
b. In view of our comment in para (a) above, Clause (III) (a), (b) and (c) of paragraph 3 of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any Director and no investments were made during the year as referred to in



## INCON ENGINEERS LIMITED

---

- sections 185 and 186 of the Act. Therefore, the provisions of paragraph 3(iv) of the of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
  6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 Section of the Companies Act, 2013 for the activities of the Company.
  7.
    - a. According to the records, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2018 for a period of more than six months from the date they became payable.
    - b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.
  8. As the Company has no borrowings, the provisions of paragraph 3(viii) of the Companies (Auditor's Report) Order 2016 are not applicable.
  9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3 (ix) of the Companies (Auditor's Report) Order 2016 are not applicable.
  10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
  11. During the year, the Company did not pay any remuneration to its Directors. Therefore, the provisions of Paragraph 3(xi) of the of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
  12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Companies (Auditor's Report) Order 2016 are not applicable.
  13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
  14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



## INCON ENGINEERS LIMITED

---

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Companies (Auditor's Report) Order 2016 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for K.S. Rao & Co.,  
Chartered Accountants  
Firms' Registration Number: 003109S

(T. SUKESH KUMAR)

Place : Hyderabad

Partner

Date : 29.05.2018

Membership Number: 229963

### **ANNEXURE - B TO THE AUDITORS' REPORT**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of INCON ENGINEERS LIMITED, HYDERABAD ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal



## INCON ENGINEERS LIMITED

financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for K.S. Rao & Co.,  
Chartered Accountants  
Firms' Registration Number: 003109S

(T. SUKESH KUMAR)

Partner

Membership Number: 229963

Place : Hyderabad  
Date : 29.05.2018





## INCON ENGINEERS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2018

Amount in Rs.

PARTICULARS	NOTES No.	As at 31.04.2018	As at 31.04.2017	As at 01.04.2016
<b>ASSETS</b>				
<b>Non -current assets</b>				
(a) Property, Plant and Equipment	4	5,920,966	6,163,866	6,450,123
(b) Intangible assets	5	---	2,009	9,356
(c) Financial Assets				
<b>Other financial assets</b>	6	116,223	116,223	116,223
(d) Deferred Tax Assets(net)	7	---	---	---
		<u>6,037,189</u>	<u>6,282,098</u>	<u>6,575,702</u>
<b>CURRENT ASSETS</b>				
(a) Inventories	8	84,340	831,433	327,304
(b) Financial Assets				
(i) Trade Receivables	9	---	---	116,850
(ii) Cash and Cash Equivalents	10	1,787,977	584,354	722,513
(iii) Other financial assets	11	202,913	141,643	785,270
(c) Current Tax Assets (Net)		253,694	261,824	258,277
(d) Other Current Assets	12	262,447	60,243	35,505
		<u>2,591,371</u>	<u>1,879,497</u>	<u>2,245,719</u>
	<b>Total Assets:</b>	<b><u>8,628,560</u></b>	<b><u>8,161,595</u></b>	<b><u>8,821,421</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	13	57,137,500	57,137,500	57,137,500
(b) Other Equity	14	<u>(52,674,877)</u>	<u>(53,023,403)</u>	<u>(50,530,041)</u>
		<u>4,462,623</u>	<u>4,114,097</u>	<u>6,607,459</u>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
Other Financial liabilities	15	--	160,494	148,608
(b) Other Non-Current liabilities	16	---	6,185	18,555
(c) provisions	17	390,784	700,467	601,407
		<u>390,784</u>	<u>867,146</u>	<u>768,570</u>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Trade Payables	18	199,733	265,475	142,586
(ii) Other Financial Liabilities	19	421,215	1,860,934	273,056
(b) Other current liabilities	20	2,189,324	436,571	120,355
(c) Provisions	21	964,881	617,372	909,395
		<u>3,775,153</u>	<u>3,180,352</u>	<u>1,445,392</u>
Contingent Liabilities and Commitments	22			
	<b>Total Equity and Liabilities</b>	<b><u>8,628,560</u></b>	<b><u>8,161,595</u></b>	<b><u>8,821,421</u></b>
NOTES TO THE FINANCIAL STATEMENTS	1 - 44			

Per our report of even date  
**For K.S.Rao & Co**  
Chartered Accountants  
Firm Registration No.003109S

**For and on Behalf of the Board**

**T. Sukesh Kumar**  
Partner  
Membership No.229963  
Place: Hyderabad  
Date : 29.05.2018

**SREEDHAR CHOWDHURY**  
Managing Director

**S. MANOHAR RAJU**  
Director

**CFO & Secretary**



## INCON ENGINEERS LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018 Amount in Rs.

Particulars	NOTES No.	31.03.2018 Rs.	31.03.2017 Rs.
Revenue from operations	23	8,812,981	1,782,181
Other Income	24	946,191	1,010,511
<b>Total Income</b>		<b>9,759,172</b>	<b>2,792,692</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	25	2,214,140	721,266
Change in inventories of finished goods and work in	26	636,186	(509,650)
Employee Benefits Expenses	27	3,027,453	2,973,208
Finance Costs	28	12,838	11,888
Depreciation and amortization expense	29	278,909	294,954
Other Expenses	30	3,065,285	2,040,686
<b>Total Expenses</b>		<b>9,234,811</b>	<b>5,532,352</b>
Profit before tax		<b>524,361</b>	<b>(2,739,660)</b>
Tax Expenses			
Income Tax- Current		---	--
Deferred Tax		---	---
		---	---
<b>Profit for the year</b>		<b>524,361</b>	<b>(2,739,660)</b>
Other Comprehensive Income	31		
(i) Items that will not be reclassified subsequently to profit or loss(Loss)		(175,835)	246,298
(ii) Income tax relating to items that will not be reclassified to profit or loss		---	---
Other Comprehensive Income for the year		<b>(175,835)</b>	<b>246,298</b>
<b>Total Comprehensive income for the year</b>		<b>348,526</b>	<b>(2,493,362)</b>
Earnings Share from continuing operations	32		
Basic and Diluted		0.08	(0.58)
NOTES TO THE FINANCIAL STATEMENTS	1 - 44		

Per our report of even date

For and on Behalf of the Board

**For K.S. Rao & Co**

Chartered Accountants

Firm Registration No.003109S

**T. Sukesh Kumar**

Partner

Membership No.229963

**SREEDHAR CHOWDHURY**

Managing Director

**S.MANO HAR RAJU**

Director

Place: Hyderabad

Date : 29.05.2018

CFO & Secretary



## INCON ENGINEERS LIMITED

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2018 Amount in Rs.

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
<b>I. Cash flow from operating Activities</b>		
Profit before tax	524,361	(2,739,660)
Add : other Comprehensive income before tax	(175,835)	246,298
Adjustments for: non cash transaction		
Depreciation and amortization expenses	278,909	294,594
Deferred Rental Income	(12,372)	(12,372)
Excess Provision written back	(1,125)	(98,673)
Bad debts written off	-	3,450
Inventory written off	104,629	---
Provisions made during the year warranties	120,000	---
	<b>838,567</b>	<b>(2,306,003)</b>
Adjustment for investing and financing activities		
Interest Income		
From bank deposits and others	(6,517)	(53,424)
Interest on rental Deposit (finance cost)	12,838	11,888
	<b>6,321</b>	<b>(41,536)</b>
Adjustments for change in working capital		
Decrease/(Increase) in Inventories	642,464	(504,129)
Decrease/(Increase) in Trade receivables	---	113,400
Decrease/(Increase) in other Current financial assets	(61,098)	5,86,404
Decrease/(Increase) in other Non Current financial assets	---	---
Decrease/(Increase) in other current assets	(202,204)	(24,738)
(Decrease)/Increase in Trade Payables	(64,617)	221,562
(Decrease)/Increase in other current financial liabilities	(1,439,719)	1,587,878
(Decrease)/Increase in other non-current financial liabilities	(173,332)	(2)
(Decrease)/Increase in Other Current liabilities	1,752,753	316,216
(Decrease)/Increase in Other non-current liabilities	6,187	2
(Decrease)/Increase in long term provisions	(309,683)	99,060
(Decrease)/Increase in long short term provisions	227,509	(292,023)
	<b>378,260</b>	<b>2,103,630</b>
Cash generated from operations	<b>1,223,148</b>	<b>(243,909)</b>
Less : Direct taxes paid (net of refunds)	8,130	(3,547)
<b>Net cash flow from operating activities (I)</b>	<b>1,231,278</b>	<b>(247,456)</b>
<b>II. Cash flow from investing activities</b>		
Purchase of fixed assets, including CWIP	(34,000)	(1,350)
Interest income received	6,345	110,647
<b>Net cash flow from/(used in) investing activities (II)</b>	<b>(27,655)</b>	<b>109,297</b>



## INCON ENGINEERS LIMITED

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2018 Amount in Rs.

Particulars	31.03.2018	31.03.2017
	Rs.	Rs.
<b>III. Cash flow from financing activities</b>	---	---
<b>IV Net (decrease)/ increase in cash and cash equivalents (I+II+III)</b>	<b>1,203,623</b>	<b>(138,159)</b>
Cash and Cash equivalents at the beginning of the year	584,354	722,513
<b>V Cash and Cash equivalents at the end of the year</b>	<b>1,787,977</b>	<b>584,354</b>
<b>VI. Components of cash and cash equivalents:</b>		
Cash on hand	36,624	27,206
With banks :		
on Current Account	1,751,353	557,148
<b>Total Cash and cash equivalents (Note no.9)</b>	<b>1,787,977</b>	<b>584,354</b>

Per our report of even date  
**For K.S. Rao & Co**  
Chartered Accountants  
Firm Registration No.003109S

**For and on Behalf of the Board**

**T. Sukesh Kumar**  
Partner  
Membership No.229963  
Place: Hyderabad  
Date : 29.05.2018

**SREEDHAR CHOWDHURY**  
Managing Director

**S.MANO HAR RAJU**  
Director

CFO & Secretary



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018**

<b>A. EQUITY SHARE CAPITAL</b>				<b>Amount in Rs.</b>	
Particulars	"At the beginning "of the Year"	Changes during the Year	At the end of the Year		
i. for the year ended April 01, 2016	57,137,500	-	57,137,500		
ii. for the year ended April 01, 2016	57,137,500	-	57,137,500		
iii. for the year ended April 01, 2016	57,137,500	-	57,137,500		
<b>B. OTHER EQUITY</b>				<b>Amount in Rs</b>	
Particulars	Capital Reserve	Revaluation Reserve	Retained Earnings	OCI Actuarial Gain(Loss)	Total
<b>i. Balance as at April 01, 2016</b>	<b>157,259</b>	<b>1,414</b>	<b>(50,688,714)</b>	<b>-</b>	<b>(50,530,041)</b>
Profit for the year	-	-	(2,739,660)	-	(2,739,660)
Other Comprehensive income for the year	-	-	-	246,298	246,298
<b>ii. Balance as at March 31, 2017</b>	<b>157,259</b>	<b>1,414</b>	<b>(53,428,374)</b>	<b>246,298</b>	<b>(53,023,403)</b>
Profit for the year	-	-	524,361	-	524,361
Other Comprehensive income for the year	-	-	-	(175,835)	(175,835)
<b>iii. Balance as at March 31, 2018</b>	<b>157,259</b>	<b>1,414</b>	<b>(52,904,013)</b>	<b>70,463</b>	<b>(52,674,877)</b>

Per our report of even date  
**For K.S. Rao & Co**  
 Chartered Accountants  
 Firm Registration No.003109S

**T. Suresh Kumar**  
 Partner  
 Membership No.229963

Place: Hyderabad  
 Date : 29.05.2018

For and on Behalf of the Board

**SREEDHAR CHOWDHURY**  
 Managing Director

**S.MANOHAR RAJU**  
 Director

CFO & Secretary



### 1. Corporate information:

**Incon Engineers Limited** (the Company) has been incorporated on 13.02.1970. At present the Company is engaged in the business of manufacturing of Chemical process equipment and agricultural Equipment.

These financial statements were approved by the Board of Directors and authorised for Issuance in their meeting held on May 29, 2018.

### 2. Basis of Preparation:

These are the first financial statements prepared complying in all material respects with the notified Accounting Standards by the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendments) Rules, 2016 and the relevant provisions of the Companies Act, 2013 and in accordance with the generally accepted accounting principles in India.

The Company has consistently applied the accounting policies used in the preparation of opening balance sheet as at April 01, 2016 throughout all periods presented in these financial statements, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Previous GAAP") as defined in Ind AS 101. The reconciliation of effects of the transition as required by Ind AS 101 is disclosed in Note no 44 to these financial statements.

The financial statements have been prepared on historical cost basis, except for financial instruments which have been measured at fair value at the end of each reporting period, as required by relevant Ind AS and as explained in the accounting policies mentioned below.

### 3. Significant Accounting policies:

#### a) Significant accounting estimates, assumptions and judgements:

The preparation of Company's financial statements requires management to make accounting estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures of contingencies at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The assumptions and estimates made by the company are based on parameters available/prevailing when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### i. Impairment of non-current assets:

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal is calculated based on available data from



## INCON ENGINEERS LIMITED

binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The value in use is sensitive to the discount rate (generally weighted average cost of capital) used for the DCF model as well as the expected future cash-inflows and the growth rate used for exploration purposes.

### ii. Defined Benefit Plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

### iii. Fair Value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

### iv. Contingencies:

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claims/litigations against the company/by the company as it is not possible to predict the outcome of pending matters with accuracy.

### v. Property, Plant and Equipment:

Based on evaluations done by technical assessment team, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.

### vi. Intangible Assets:

Internal technical or user team assess the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

### vii. Income Taxes:

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

### viii. Life Time Expected Credit Loss on Trade Receivables and Other Receivables:

Trade Receivables and Other Receivables do not carry any interest and are stated at their transaction value as reduced by life time expected credit losses ("LTECL"). Management has evaluated LTECL for different class of its debtors as follows:

Particulars	Up to 365 Days	365-730 Days	730-1095 Days	1095-1460 Days	Beyond 1460 Days
Expected loss Rate (%)	0.00	50.00	75.00	100.00	Write off



### b) Current Vs Non-current classifications

The Company presents assets and liabilities in the balance sheet based on current/noncurrent classification.

An asset is treated as current when it satisfies any of the following criteria:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies any of the following criteria:

- i. Expected to settle the liability in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. However, a period of 12 months is considered as ultimate operating cycle.

### c) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost net of input credits, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The company adopted cost model as its accounting policy in recognition of the property, Plant and Equipment and recognises the transaction value as the cost.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the





## INCON ENGINEERS LIMITED

asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.

Assets costing five thousand rupees or less are fully depreciated in the year of purchase.

Depreciation on Property, Plant and Equipment is provided based on the useful lives of the assets as estimated by the Management, which are in line with Schedule II to the Companies Act, 2013

**Estimated useful life of the assets are as follows:**

Type of the Asset	Method of Depreciation	Useful life considered (Years)
Buildings	SLM	30
Plant and Equipment	SLM	5-15
Furniture and Fittings	SLM	10
Data Processing Equipment	SLM	3-6
Office Equipment	SLM	5

**d) Intangibles:**

Computer software: Costs incurred towards purchase of computer software are depreciated using straight line method on management's estimate of useful lives of such software, which ranges from 3 to 5 years.

**e) Impairment of non-financial assets:**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exists or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

**f) Leases:**

The determination of whether an agreement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



## INCON ENGINEERS LIMITED

---

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

### **Classification on inception of lease:**

a. Operating lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

b. Finance Lease:

A lease is classified as a financial lease where the lessor transfers substantially all the risks and rewards incidental to the ownership of the leased item.

### **Accounting of Operating leases:**

a. Where the Company is the lessee:

Lease payment in case of operating leases are charged to profit and loss statement on Straight Line Basis over the lease term. In case the escalation in operating lease payments are in line with the expected general inflation rate then the lease payments are charged to statement of profit and loss instead of straight line method.

b. where the Company is the lessor:

Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc., are added to the carrying amount of the leased asset and recognised as an expense over the lease term.

### **g) Inventories:**

- i. Raw Materials, Stores and Spares and Consumables are stated at lower of Cost and Net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost in which they will be incorporated and expected to be sold at or above cost. Cost is determined on FIFO basis.
- ii. Finished goods, Work in progress, Scrap, by-products, loose tools and other stock in trade are valued at lower of cost and net realizable value.
- iii. Cost includes direct materials, labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a FIFO basis and Cost of finished goods includes excise duty wherever applicable. Cost of traded goods includes purchase and allied costs incurred to bring inventory to its present condition and location.
- iv. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **h) Revenue recognition:**

Revenue is measured at the fair value of consideration received or receivable and is recognized to the extent that it is probable that the economic benefits will flow to the Company.

Specifically, the following basis is adopted for various sources of income:



## INCON ENGINEERS LIMITED

---

- i. Sale of goods: Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and is disclosed net off sales returns and discounts.
- ii. Income from Services: Revenue is recognized as and when the Services rendered as per the terms of individual Service Contract.
- iii. Interest: Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### **i) Borrowing Costs:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **j) Retirement and other employee benefits:**

- i. Employer's contribution to Provident Fund/Employee State Insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.
- ii. The company operates a gratuity plan which is in the nature of defined benefit obligation. The company's liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".
- iii. Gratuity liability is considered as post-employment benefit expense as per Ind AS -19. Accordingly, re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the balance sheet.
- iv. Accumulated leaves, which are expected to be utilised within the next twelve months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

### **k) Earnings Per Share:**

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



## INCON ENGINEERS LIMITED

---

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **l) Provisions:**

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

### **m) Contingencies:**

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent assets or contingent liabilities.

### **n) Taxes on Income:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company write-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.



## INCON ENGINEERS LIMITED

---

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**o) Prior period items:**

In case prior period adjustments are material in nature the company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods shown under respective items in the Statement of Profit and Loss.

**p) Cash and cash equivalents:**

Cash and cash equivalents include cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**q) Segment Reporting:**

**Identification of Segments:**

The company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serve different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate. Operating Segments are reported in a manner consistent with internal reporting provided to the Executive Manager/ Chief Operating Decision Maker(CODM).

The Board of Directors of the company has identified Managing Director as the CODM.

**Allocation of Common Costs:**

Common allocable costs are allocated to each segment according to relative contribution of each segment to the total common costs.

**Unallocated Items:**

The corporate and other segment includes general corporate income and expense items which are not allocated to any business segment.

**r) Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets:**

**a. Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value



through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

**b. Subsequent measurement:**

For the purpose of subsequent measurement, financial assets are classified in to following categories

- a. Debt instruments at amortised cost
- b. Debt Instruments at fair value through profit and loss (FVTPL)
- c. Equity instruments at fair value through profit and loss (FVTPL)

**a. Debts Instruments at amortised cost:**

A 'Debt Instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**b. Debt Instruments at Fair value through profit and loss (FVTPL):**

As per the Ind AS 101 and Ind AS 109, the Company is permitted to designate the previously recognised financial asset at initial recognition irrevocably at fair value through profit and loss on the basis of fact and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of Profit and Loss.

**c. Equity instruments at fair value through profit and loss (FVTPL):**

Equity instruments in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the State-ment of Profit and Loss.

**c. Derecognition:**

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

- a. The rights to receive cash flows from the asset have expired or



- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

**d. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial instruments.

Expected credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as an adjustment from the specific financial asset.

**Financial liabilities:**

**a. Initial recognition and measurement:**

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

**b. Subsequent measurement:**

- i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognised in the profit or loss. The company doesn't designate any financial liability at fair value through profit or loss.

- ii. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective



## INCON ENGINEERS LIMITED

interest rate amortisation is included as finance costs in the statement of profit and loss. Financial liability with maturity of less than one year is shown at transaction value.

### c. Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

### Reclassification:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### s) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- ★ in the principal market for such asset or liability, or
- ★ in the absence of a principal market, in the most advantageous market which is accessible to the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.





- c. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**t) Standards issued but not Effective:**

Ministry of corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules,2018 has notified the AS 115-Revenue from Contracts with Customrs and certain amendments to the existing Ind Ass.

- a. Ind AS-115- revenue from Contracts with customers.

Ind AS-115 will susperede the current revenue recognition standard Ind AS18-Revenue

Ind AS11-Construction Contracts and related interpretations. AS115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

- b. The MCA has also carried out amendments to the following accounting standards:

- i. Ind AS21 - The Effects of Changes in Foreign Exchange rates
- ii. Ind AS 40 - Investment property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28- Investments in Associates and Joint Ventures and
- v. Ind AS 112 Disclosure of interest in Other Entities

The Company has not applied the above Standard and other amendments as they come force from April 01,2018. However, the Company has evaluated the impact of above amendments and found to be insignificant.



## INCON ENGINEERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

#### 4. PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED MARCH 31, 2018

S.NO.	DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Up to 31.03.2017	For the Year	On Deletions	Up to 31.03.2018	As at 31.03.2018	As at 31.03.2017
01	Land	3,778,773	-	-	3,778,773	-	-	-	-	3,778,773	3,778,773
02	Buildings - Factory	5,752,171	-	-	5,752,171	3,917,524	143,280	4,060,804	4,060,804	1,691,367	1,834,647
03	Plant and Machinery	2,646,634	-	-	2,646,634	2,198,630	111,011	2,309,641	2,309,641	336,993	448,004
04	Office Equipment	18,000	-	-	18,000	17,310	-	17,310	17,310	690	690
05	Data Processing Equipment	80,873	34,000	-	114,873	77,069	8,973	86,042	86,042	28,831	3,804
06	Furniture and Fixtures	132,500	-	-	132,500	34,552	13,636	48,188	48,188	84,312	97,948
	<b>Total Rs.</b>	<b>12,408,951</b>	<b>34,000</b>	<b>-</b>	<b>12,442,951</b>	<b>6,245,085</b>	<b>276,900</b>	<b>6,521,985</b>	<b>6,521,985</b>	<b>5,920,966</b>	<b>6,163,866</b>

#### FOR THE YEAR ENDED MARCH 31, 2017

S.NO.	DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		As at 01.04.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	For the Year	On Deletions	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
01	Land	3,778,773	-	-	3,778,773	-	-	-	-	3,778,773	3,778,773
02	Buildings - Factory	5,752,171	-	-	5,752,171	3,769,279	148,245	3,917,524	3,917,524	1,834,647	1,982,982
03	Plant and Machinery	2,646,634	-	-	2,646,634	2,074,087	124,543	2,198,630	2,198,630	448,004	572,547
04	Office Equipment	16,650	1,350	-	18,000	15,960	1,350	17,310	17,310	690	690
05	Data Processing Equipment	80,873	-	-	80,873	77,069	-	77,069	77,069	3,804	3,804
06	Furniture and Fixtures	132,500	-	-	132,500	21,083	13,469	34,552	34,552	97,948	111,417
	<b>Total Rs.</b>	<b>12,407,601</b>	<b>1,350</b>	<b>-</b>	<b>12,408,951</b>	<b>5,957,478</b>	<b>287,607</b>	<b>6,245,085</b>	<b>6,245,085</b>	<b>6,163,866</b>	<b>6,450,123</b>

#### FOR THE YEAR ENDED MARCH 31, 2016

S.NO.	DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		As at 31.03.2015	Additions	Deletions	As at 31.03.2016	Up to 31.03.2015	For the Year	On Deletions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
01	Land	3,778,773	-	-	3,778,773	-	-	-	-	3,778,773	3,778,773
02	Buildings - Factory	5,752,171	-	-	5,752,171	3,615,557	153,722	3,769,279	3,769,279	1,982,892	2,136,614
03	Plant and Machinery	2,646,634	-	-	2,646,634	1,794,057	280,030	2,074,087	2,074,087	572,547	852,577
04	Office Equipment	16,650	-	-	16,650	15,960	-	15,960	15,960	690	690
05	Data Processing Equipment	76,073	4,800	-	80,873	71,430	5,639	77,069	77,069	3,804	4,643
06	Furniture and Fixtures	132,500	-	-	132,500	8,083	13,000	21,083	21,083	111,417	124,417
	<b>Total Rs.</b>	<b>12,402,801</b>	<b>4,800</b>	<b>-</b>	<b>12,407,601</b>	<b>5,505,087</b>	<b>452,391</b>	<b>5,957,478</b>	<b>5,957,478</b>	<b>6,450,123</b>	<b>6,897,714</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

5. INTANGIBLE ASSETS FOR THE YEAR ENDED MARCH 31, 2018		Amount in Rs.									
		GROSS BLOCK		AMORTISATION		NET BLOCK					
S.NO.	DESCRIPTION	As at 31.03.2017	Additions	Deletions	As at 31.03.2018	Up to 31.03.2017	For the Year	On Deletions	Up to 31.03.2018	As at 31.03.2018	As at 31.03.2017
1	Computer Software	40,201	-	-	40,201	38,192	2,009	-	40,201	-	2,009
<b>Total Rs.</b>		<b>40,201</b>	<b>-</b>	<b>-</b>	<b>40,201</b>	<b>38,192</b>	<b>2,009</b>	<b>-</b>	<b>40,201</b>	<b>-</b>	<b>2,009</b>

FOR THE YEAR ENDED MARCH 31, 2017		Amount in Rs.									
		GROSS BLOCK		AMORTISATION		NET BLOCK					
S.NO.	DESCRIPTION	As at 31.03.2016	Additions	Deletions	As at 31.03.2017	Up to 31.03.2016	For the Year	On Deletions	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
1	Computer Software	40,201	-	-	40,201	30,845	7,347	-	38,192	2,009	9,356
<b>Total Rs.</b>		<b>40,201</b>	<b>-</b>	<b>-</b>	<b>40,201</b>	<b>30,845</b>	<b>7,347</b>	<b>-</b>	<b>38,192</b>	<b>2,009</b>	<b>9,356</b>

FOR THE YEAR ENDED MARCH 31, 2016		Amount in Rs.									
		GROSS BLOCK		AMORTISATION		NET BLOCK					
S.NO.	DESCRIPTION	As at 31.03.2015	Additions	Deletions	As at 31.03.2016	Up to 31.03.2015	For the Year	On Deletions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
1	Computer Software	40,201	-	-	40,201	18,040	12,805	-	30,845	9,356	22,161
<b>Total Rs.</b>		<b>40,201</b>	<b>-</b>	<b>-</b>	<b>40,201</b>	<b>18,040</b>	<b>12,805</b>	<b>-</b>	<b>30,845</b>	<b>9,356</b>	<b>22,161</b>



## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

Sl No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>6</b>	<b>Other financial assets-Non current</b>			
	Security Deposits	116,223	116,223	116,223
	<b>Total</b>	<b>116,223</b>	<b>116,223</b>	<b>116,223</b>
<b>7</b>	<b>Deferred Taxes</b>			
	Net deferred tax asset/(liability) not recognised in Balance sheet			
	Fair value of financial assets/liabilities	1,592	5,542	9,556
	Accelerated depreciation	(1,207,855)	(1,431,845)	(1,515,659)
	Other disallowances	522,828	423,520	497,265
	Carry forward losses	3,060,617	4,505,322	4,268,098
	<b>Total</b>	<b>2,377,182</b>	<b>3,502,539</b>	<b>3,259,260</b>
<p>In terms of Indian Accounting Standard (Ind AS 12)- " income Taxes"as specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, there is a net deferred tax asset as on 31st March 2018. In the absence of convincing evidence regarding the availability of sufficient taxable income in near future against which deferred tax asset can be adjusted, the Company has not recognized the deferred tax asset arising due to unused tax losses at present.</p>				
<b>8</b>	<b>Inventories</b>			
	As Cost			
	Raw Materials	84,340	90,618	96,139
	Work in progress	-	636,186	108,072
	At Realisable Value			
	Finished Goods	-	104,629	123,093
	<b>Total</b>	<b>84,340</b>	<b>831,433</b>	<b>327,304</b>
<b>9</b>	<b>Trade Receivables</b>			
	Unsecured, Considered Good #	-	-	116,850
	Expected Credit Loss on above	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>116,850</b>
	# Includes dues from related parties of	-	-	113,400
<b>10</b>	<b>Cash and Cash Equivalents</b>			
	Balances with Banks			
	On Current accounts	1,751,353	557,148	705,311
	Cash on Hand	36,624	27,206	17,202
	<b>Total</b>	<b>1,787,977</b>	<b>584,354</b>	<b>722,513</b>
<b>11</b>	<b>Other financial assets-Current</b>			
	Margin Money Deposits	62,500	---	645,090
	Interest Receivable	4,297	4,125	61,348
	Staff Advances	21,250	31,000	58,400
	Other Receivables			
	Related parties	114,866	106,009	20,432
	Others	-	509	-
	<b>Total</b>	<b>202,913</b>	<b>141,643</b>	<b>785,270</b>



## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

Sl No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
12	<b>Other Current Assets</b>			
	Balance with statutory Authorities	231,964	28,483	8,452
	Prepaid expenses	30,483	31,760	27,053
		262,447	60,243	35,505
13	<b>Equity Share Capital</b>			
	<b>A. Authorised Share Capital</b>			
	8,400,000 Equity Shares of Rs. 10/-each	84,000,000	84,000,000	84,000,000
	<b>B. Issued, Subscribed and Fully paid up</b>			
	71,00,400 Equity Shares of Rs. 10/- each	71,004,000	71,004,000	71,004,000
		71,004,000	71,004,000	71,004,000
	<b>C. Paid up:</b>			
	43,27,100 Equity Shares of Rs. 10/- each	43,271,000	43,271,000	43,271,000
	Add: Forfeited shares (amount originally paid up)	13,866,500	13,866,500	13,866,500
		57,137,500	57,137,500	57,137,500
	<b>D. Reconciliation of shares outstanding at the beginning and at the end of respective years</b>			
	In no. of Shares			
	At the Beginning and the end of the year	4,327,100	4,327,100	4,327,100
	In Value of Shares			
	At the Beginning and the end of the year	43,271,000	43,271,000	43,271,000
	<b>E. Rights attached to equity Shares:</b>			
	The company has only one class of equity shares having a face value of Rs.10/- per share and with one vote for each share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders In ensuring Annual General Meeting.			
	In the event of liquidations 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.			
	<b>F. Details of shareholders holding more than 5% Shares in the Company</b>			
	Equity Shares			
	Sri Sreedhar Chowdhury - In No's	2,057,079	2,057,079	2,057,079
	-in %	47.54	47.54	47.54



## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

SI No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>14</b>	<b>Other Equity</b>			
	Capital Reserve			
	At the Beginning and the end of the year	157,259	157,259	157,259
	Revaluation Reserve			
	At the Beginning and the end of the year	1,414	1,414	1,414
	Surplus in Statement of Profit and loss			
	At the beginning of the Year	(53,428,374)	(50,688,714)	(49,125,481)
	Profit for the year	524,361	(2,739,660)	(1,602,568)
	Adjustment due to adoption of Ind As	---	---	39,335
	At the end of the year	(52,904,013)	(53,428,374)	(50,688,714)
	Other Comprehensive Income			
	On Actuarial Gain/(loss) on post employment bene-fits			
	At the beginning of the Year	246,298	---	---
	For the year	(175,835)	246,298	---
	At the end of the year	70,463	246,298	---
	Total	(52,674,877)	(53,023,403)	(50,530,041)
<b>15</b>	<b>Other financial liabilities Non-Current</b>			
	Repayable Security deposit from a related Party	---	160,494	148,608
	Total	---	160,494	148,608
<b>16</b>	<b>Other Non- Current liabilities</b>			
	Deferred Rental Income	---	6,185	18,555
	Total	---	6,185	18,555
<b>17</b>	<b>Provisions: Non-Current</b>			
	Provision for employee benefits			
	Provision for Gratuity (refer Note : 33)	351,945	655,575	556,833
	Provision for Compensated Absences	38,839	44,892	44,574
	Total	390,784	700,467	601,407
<b>18</b>	<b>Trade Payables -Current</b>			
	For Supplies and services (refer Note : 35)	199,733	265,475	142,586
	Total	199,733	265,475	142,586
<b>19</b>	<b>Other financial liabilities -Current</b>			
	Repayable Security deposit from a related party	173,334	---	---
	Salaries and Wages Payable	247,881	255,934	273,056
	Due to Directors	---	1,605,000	---
	Total	421,215	1,860,934	273,056



## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

SI No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>20</b>	<b>Other current liabilities</b>			
	Advance from Customers			
	Related Parties	1,500,000	---	---
	Others	---	318,000	---
	Statutory Liabilities	48,104	45,842	55,817
	GST Payable	577,206	---	---
	Deferred Rental Income	6,183	12,370	12,370
	Other Payables	57,921	60,359	52,168
	Total	2,189,324	436,571	120,355
<b>21</b>	<b>Provisions: -Current</b>			
	Provision for employee benefits			
	Provision for Gratuity (refer Note : 33)	826,405	608,138	790,724
	Provision for Compensated Absences	18,476	9,234	19,998
	Other Provisions			
	Provision for warranties	120,000	---	98,673
	Total	964,881	617,372	909,935
<b>22</b>	<b>Commitments and Contingent Liabilities</b>			
	Bank guarantees	62,500	---	645,090
	Claims against the company not acknowledge as a debts.	1,768,305	1,748,357	1,728,705
	Total	1,830,805	1,748,357	2,373,795



## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

SI No.	Particulars	As at 31.03.2018	As at 31.03.2017
<b>23</b>	<b>Revenue from Operations</b>		
	i. Sale of Production		
	Fluid Energy Mills	6,923,040	---
	Fem Spares	1,889,941	1,276,041
	ii. Other Operating Revenue		
	Man Power Supply		506,140
	<b>Total</b>	<b>8,812,981</b>	<b>1,782,181</b>
<b>24</b>	<b>Other Income</b>		
	Interest Income		
	On Bank Deposits	6,517	53,424
	On others	3,797	7,512
	Other Non-operating income (Net of Expenses)		
	Rent earned	922,380	838,530
	Deferred Rental Income	12,372	12,372
	Excess provision written back	1,125	98,673
	<b>Total</b>	<b>946,191</b>	<b>1,010,511</b>
<b>25</b>	<b>Cost of Materials Consumed</b>		
	Inventory at the beginning of the year	90,618	96,139
	Add: Purchase of Materials	2,207,862	715,745
		2,298,480	811,884
	Less : Inventory end of the Year	84,340	90,618
	<b>Total</b>	<b>2,214,140</b>	<b>721,266</b>
<b>26</b>	<b>Change in Inventories:</b>		
	Inventory at the beginning of the year		
	Finished goods	104,629	123,093
	Less : Written off	(104,629)	---
	Work in Progress	636,186	108,072
		636,186	231,165
	Inventory at the end of the Year		
	Finished goods	---	104,629
	Work in progress	---	636,186
		--	740,815
	<b>Total</b>	<b>636,186</b>	<b>(509,650)</b>
<b>27</b>	<b>Employee Benefits Expenses:</b>		
	Salaries, Wages and Bonus	2,614,140	2,542,229
	Contribution to Provident and Other Funds	228,768	213,754
	Staff Welfare Expenses	53,846	54,772
	Gratuity	130,699	162,453
	<b>Total</b>	<b>3,027,453</b>	<b>2,973,208</b>





## INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

Amount in Rs.

SI No.	Particulars	As at 31.03.2018	As at 31.03.2017
<b>28</b>	<b>Finance Costs:</b>		
	Interest on rental deposit	12,838	11,888
	<b>Total</b>	<b>12,838</b>	<b>11,888</b>
<b>29</b>	<b>Depreciation and amortisation expense</b>		
	Depreciation on Property, Plant and Equipment	276,900	287,607
	Amortisation of Intangible Assets	2,009	7,347
	<b>Total</b>	<b>278,909</b>	<b>294,954</b>
<b>30</b>	<b>Other Expense</b>		
	Job work charges	291,190	82,748
	Power and Fuel	139,957	115,281
	Rates and taxes	269,496	355,835
	Insurance	31,216	31,548
	Advertisement	28,661	25,927
	Communications	57,653	60,938
	Travelling and Conveyances	56,593	53,489
	Legal and Professional charges	814,537	379,372
	Payment to Auditors		
	as auditors	35,000	34,500
	for certification	14,000	20,108
	Repairs and Maintenance to:		
	Machinery	50,261	4,367
	Buildings	16,786	8,159
	Other Assets	17,189	28,099
	Watch and Ward expenses	507,083	397,871
	Inventory Written off	104,629	--
	Miscellaneous expenses	511,034	438,995
	Provision for warranty	120,000	--
	Bad Debts written off	---	3,450
	<b>Total</b>	<b>3,065,285</b>	<b>2,040,687</b>
<b>31</b>	<b>Other Comprehensive income</b>		
	Actuarial Gain/(Losses) on Gratuity Expenses for the Year	(175,835)	246,298
	Deferred Taxes on above	-	-
	<b>Total</b>	<b>(175,835)</b>	<b>246,298</b>
<b>32</b>	<b>Earning Per Equity Share</b>		
	Total Comprehensive income for the year	348,526	(2,493,362)
	Weighted average number of equity shares of Rs.10/- each	4,327,100	4,327,100
	Earning per equity share (Basic and Diluted)	0.08	(0.58)



## INCON ENGINEERS LIMITED

### 33. Movements in Provisions:

Amount in Rs.

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Gratuity: (Refer Note: 34 also)</b>		
At the beginning of the year	1,263,713	1,347,557
Charge for the year	306,534	(83,444)
Released during the year	(391,898)	-
<b>At the end of the year</b>	<b>1,178,350</b>	<b>1,263,713</b>
<b>Compensated Absences:</b>		
At the beginning of the year	54,126	64,572
Charge for the year	18,389	(10,446)
Released during the year	(15,200)	-
<b>At the end of the year</b>	<b>57,315</b>	<b>54,126</b>
<b>Warranties:</b>		
At the beginning of the year	-	98,673
Charge for the year	120,000	-
Released during the year	-	(98,673)
<b>At the end of the year</b>	<b>120,000</b>	<b>-</b>

### 34. Retirement and other Benefit Obligations:

Amount in Rs.

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Defined Contribution Plan (Expenses)</b>		
Contribution to Provident Fund	174,944	169,692
Contribution to Employee State Insurance	53,824	44,062
<b>B. Post - employment Defined Benefit Plan (Gratuity)</b>		<b>Amount in Rs.</b>
PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>1. Movement in Obligation</b>		
Present Value of Obligation at the beginning of year	1,263,713	1,347,557
Current Service Cost	50,617	54,649
Interest Cost	80,082	107,805
Benefits Paid	(391,898)	-
Actuarial (Gain)/Loss on Obligation	175,835	(246,298)
<b>Present Value of Obligation at the end of year</b>	<b>1,178,350</b>	<b>1,263,713</b>



## INCON ENGINEERS LIMITED

<b>2. Expenses recognised in Profit and Loss Statement:</b>		
Current Service Cost	50,617	54,649
Net Interest Cost	80,082	107,805
<b>Expense for the year</b>	<b>130,699</b>	<b>162,454</b>
<b>3. Recognised in Other Comprehensive Income:</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (Gain) /loss for the year	175,835	(246,298)
<b>Total Expenditure recognised</b>	<b>175,835</b>	<b>(246,298)</b>
<b>4. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:</b>		
a. Attrition Rate	PS: 0 to 40: 1 %	PS: 0 to 40: 1 %
b. Discount Rate	8.00%	7.50%
c. Expected Rate of Increase in Salary	4.00%	4.00%
d. Retirement Age	58 years	58 years
e. Mortality Rate	IALM (2006-08) Ult.	IALM (2006-08) Ult.
f. Expected Average remaining working lives of employees (years)	5.07	5.45

<b>5. Sensitivity Analysis</b>		<b>Amount in Rs.</b>	
Sensitivity	Change	Effect on obligations	
Discount Rate	+1%	(20,217)	(28,743)
	-1%	22,360	31,441
Salary Escalation Rate	+1%	33,262	42,357
	-1%	(31,091)	(39,708)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

<b>6. Expected Payout - Gratuity</b>		
Expected payments - 1 <sup>st</sup> Year	8,160	14,138
Expected payments - 2 <sup>nd</sup> Year	8,626	11,286
Expected payments - 3 <sup>rd</sup> Year	4,252	11,936
Expected payments - 4 <sup>th</sup> Year	4,495	4,106
Expected payments - 5 <sup>th</sup> Year	4,757	4,342
Expected payments - 6 <sup>th</sup> year to 10 <sup>th</sup> Year	19,164	19,965



### 7. Other Information:

#### i. Plan Assets:

At present the company has not invested any amount in plan assets.

#### ii. Present value of defined benefit obligation:

Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year but using a member's final compensation projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

#### iii. Expected average remaining service Vs. Average Remaining Future Service:

The average remaining service can be arithmetically arrived by deducting current age from normal retirement age whereas the expected average remaining future service is arrived actuarially by applying multiple decrements to the average remaining future service namely mortality and withdrawals. Thus, the expected average remaining service is always less than the average remaining future service.

#### iv. Current and Non- Current Liability:

The total of current and non-current liability must be equal with the total of PVO (Present value obligation) at the end of the period plus short term compensated liability if any. It has been classified in terms of "Schedule III of the Companies Act 2013.

Accordingly, below is the Current and Non-Current classification of Gratuity and Compensated Absences:

Particulars	Amount in Rs.	
	As at March 31, 2018	As at March 31, 2017
<b>Gratuity: -</b>		
a. Current Portion	826,405	608,138
b. Non-current portion	351,945	655,575
<b>Compensated Absences: -</b>		
a. Current Portion	18,476	9,234
b. Non-current portion	38,839	44,892

V. The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is as certified by an actuary.

35. Disclosure of Trade Payables under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors. There are no amounts due to them as at the end of the year and there is no interest paid/payable during the year by the Company in terms of section 16 of the said Act.
36. The opening balance sheet and financial statements for the year ended 31st March 2017 have been audited by M/s. Brahmayya & Co., (FRN: 000513S) the predecessor auditors.



## INCON ENGINEERS LIMITED

### 37. INCOME TAX EXPENSE AND DEFERRED TAXES

Amount in Rs.

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Income Tax Expense: -</b>		
a. Current Tax	-	-
b. Deferred Tax (arising on temporary differences)	NA	NA
<b>Total Tax Expense for the year</b>	-	-
PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Effective Tax Reconciliation: -</b>		
a. Net Profit/(Loss) before taxes	348,526	(2,713,817) *
b. Tax rate applicable to the company as per normal provisions	25.75%	29.87%
c. Tax expense on net profit (c = a*b)	<b>89,745</b>	<b>(810,617)</b>
d. Increase/(decrease) in tax expenses on account of:		
i. Accelerated Depreciation	27,012	35,486
ii. Expenses not allowed under income tax	30,900	-
iii. Net Expenses allowed under payment basis	(21,160)	14,758
iv. Other allowances	-	(29,474)
v. Adjustment of brought forward losses	(126,497)	-
vi. Other adjustments	-	-
Total Increase/(decrease) in tax expenses (d)	<b>(89,745)</b>	<b>20,770</b>
e. Tax as per normal provision under Income tax (c + d)	NIL	NIL

\*Profit before Tax is considered as per previous GAAP which is appropriate for tax computation for that year.

### 38. Fair Value of financial instruments:

Amount in Rs.

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Financial Assets: -</b>			
<b>At Amortised Cost</b>			
Security Deposits	116,223	116,223	116,223
Employee Staff Advance	25,250	31,000	58,400
<b>Carrying Value</b>			
Security Deposits	116,223	116,223	116,223
Employee Staff Advance	25,250	31,000	58,400
<b>Financial Liabilities: -</b>			
<b>At Amortised Cost</b>			
Repayable Security Deposits	173,334	160,494	148,608
<b>Carrying Value</b>			
Repayable Security Deposits	180,000	180,000	180,000



## INCON ENGINEERS LIMITED

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current assets/liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

Fair value of interest free loans given to employees and security deposits have been calculated by discounting future cashflows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Description of significant observable inputs to valuation:

a. Interest free employee staff advance:

Since all the Employee advances are current in nature the carrying value is assumed to be the fair value of such advances.

b. Interest free Security Deposits (assets):

All the non-current Security Deposits are with no repayment terms. Hence the carrying value is assumed to be the fair value of such Deposits.

c. Interest free Security Deposits (liabilities):

Interest Rate factor has been considered at a rate of 8% p.a. by the company for discounting the amount receivable at the time of maturity.

### 39. Fair Value hierarchy:

The following table provide the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2018:

**Amount in Rs.**

PARTICULARS	TOTAL	Fair Value measurement using	
		Quoted prices in active markets	Significant observable inputs
<b>Financial Assets measured at Amortised Cost:</b>			
Security Deposits	116,223	--	116,223
Employee Staff Advance	25,250	--	25,250
<b>Financial Liability measured at Amortised Cost:</b>			
Repayable Security Deposits	173,334	--	173,334



## INCON ENGINEERS LIMITED

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017:

Amount in Rs.

PARTICULARS	TOTAL	Fair Value measurement using	
		Quoted prices in active mar-kets	Significant ob-servable inputs
<b>Financial Assets measured at Amortised Cost:</b>			
Security Deposits	116,223	--	116,223
Employee Staff Advance	31,000	--	31,000
<b>Financial Liability measured at Amortised Cost:</b>			
Repayable Security Deposits	160,494	--	160,494

Quantitative disclosures fair value measurement hierarchy for assets as at April 01, 2016:

Amount in Rs.

PARTICULARS	TOTAL	Fair Value measurement using	
		Quoted prices in active mar-kets	Significant ob-servable inputs
<b>Financial Assets measured at Amortised Cost:</b>			
Security Deposits	116,223	--	116,223
Employee Staff Advance	58,400	--	58,400
<b>Financial Liability measured at Amortised Cost:</b>			
Repayable Security Deposits	148,608	--	148,608

**40. Segment Information:**

The executive management of company monitors the operating results of its business as a single unit for the purpose of resource allocation and performance assessment which is "Manufacture of Chemical process equipment and agricultural Equipment". Hence segment information is not applicable.

**Entity Wide Disclosures:**

Amount in Rs.

Revenue from external customers	For the year ended March 31, 2018	For the year ended March 31, 2017
India	<b>8,812,981</b>	<b>1,782,181</b>
Outside India	--	--
<b>Total</b>	<b>8,812,981</b>	<b>1,782,181</b>
<b>Revenue from one customer</b>	<b>6,935,347</b>	<b>858,503</b>



## INCON ENGINEERS LIMITED

Non-Current Operating Assets	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
India	5,920,966	6,165,875	6,459,479
Outside India	--	--	--
<b>Total</b>	<b>5,920,966</b>	<b>6,165,875</b>	<b>6,459,479</b>

for Non-Current Operating assets, financial instruments, deferred tax assets, post-employment benefit assets have been excluded.

#### 41. The details of the transactions with related parties to be disclosed as required by Indian Accounting Standard - 24 are as follows.

##### Names of the Related parties and description of relationship:

- i) Key Management Personnel : Mr. Sreedhar Chowdhury : Managing Director
- ii) Other Related Parties : M/s. Oxeeco Meditek Private Limited  
: M/s. Oxeeco Technologies Private Limited  
: M/s. The Oxeeco Limited  
: M/s. Fusion Lastek Technologies Private Limited  
: M/s. Fusion Chemicals & Products Private Limited  
: M/s. Fusion Advanced Materials Private Limited  
: M/s. Spanex products

##### Transactions with Related Parties:

Amount in Rs.

Particulars	31.03.2018	31.03.2017	31.03.2016
i) Key Management Personnel			
Mr. Sreedhar Chowdhury			
Advances Taken	--	1,605,000	625,000
Advances Repaid	1,605,000	--	1,245,000
ii) Other Related Parties			
M/s. Oxeeco Technologies Private Limited			
Services Rendered	--	440,800	317,150
Rent Received	922,380	838,530	798,600
M/s. Spanex Products			
Advance received against order	1,500,000	--	--
Year end Balances {due from/ (due to)}			
1. Mr. Sreedhar Chowdhury	--	(1,605,000)	--
2. M/s. Oxeeco Technologies Private Limited	114,866	(73,991)	(46,168)
3. M/s. Spanex Products	1,500,000	--	--





### 42. Financial Risk Management objectives and policies:

The company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The company's risk management policies focus on the unpredictability of financial markets and seek to where appropriate minimize potential and guidelines and there has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risks or the manner in which it manages and measures the risks.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives policies and processes for the management of these risks.

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents are derived from its operations

The company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the mitigation of the risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management / board reviews and agrees policies for managing each of these risks, which are summarized below.

#### i. Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk interest rate risk and other price risks such as equity risk. Financial instruments affected by market risk include loans and advances and deposits.

##### a. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the loans and advances given by the company and Cash and Cash equivalents.

As there are no borrowings the company's policy to manage its interest cost does not arise.

The company is not exposed to significant interest risk as at the respective reporting dates.

##### b. Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

As there were no transactions denominated in foreign currencies in any of the reporting periods, the company is not exposed to any foreign currency risk as at the respective reporting dates.



**c. Other price risk:**

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The company based on working capital requirement keeps its liquid funds in current accounts. The company doesn't have any significant other price risk.

**ii. Credit risk:**

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposit) the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

**a. Exposure to credit risk:**

At the end of the reporting period the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

**b. Credit risk concentration profile:**

At the end of the reporting period there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

**c. Financial assets that are neither past due nor impaired:**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits that are neither past due nor impaired are placed with or entered with reputable banks financial institutions or companies with high credit ratings and no history of default.

**iii. Liquidity risk:**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The company ensures that it has sufficient cash on demand to meet expected operational demands including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.



## INCON ENGINEERS LIMITED

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Amount in Rs.

Particulars	On demand	< 12 months	1 to 5 years	Total
<b>Year ended 31 March, 2018</b>				
Trade Payables	--	199,733	--	<b>199,733</b>
Other financial liabilities	247,881	173,334	--	<b>421,215</b>
<b>Year ended 31 March, 2017</b>				
Trade Payables	--	265,475	--	<b>265,475</b>
Other financial liabilities	255,934	1,605,000	160,494	<b>2,021,428</b>
<b>As at 1 April, 2016</b>				
Trade Payables	--	142,586	--	<b>142,586</b>
Other financial liabilities	273,056	--	148,608	<b>421,664</b>

### Excessive Risk Concentration:

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### 43. Capital Management:

Capital includes equity attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value.

The company manages its capital structure and make adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

Currently the Company doesn't have loans and borrowings and maintains the entire capital in form of equity share capital.

### 44. First Time Adoption of Ind AS:

For all periods, up to and including the year ended March 31, 2017 the company has prepared its financial statements in accordance with generally accepted accounting principles and accounting



## INCON ENGINEERS LIMITED

---

standards notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 ("Previous GAAP").

The company is required to prepare its financial statements for the year ended March 31, 2018 under the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for period ending on March 31, 2018, together with the comparative data for the year ended March 31, 2017, for this purpose the opening balance Sheet as at April 01, 2016 (being the transition date) was also prepared. This note explains the principal adjustment made by the company in restating its Previous GAAP Balance Sheet.

**a. Optional Exemptions applied:** The Company has applied the following exemptions from the retrospective application of certain requirements as allowed by Ind AS 101 for the first-time adopters:

**Deemed cost:**

For transition to Ind AS the company has elected to carry the values of Property, Plant and Equipment as well as all of its Intangible Assets, Buildings classified as investment Property recognised as of March 31, 2016 measured as per previous GAAP and used that carrying value as its deemed cost.

**b. Mandatory Exceptions applied:**

**i. Estimates:**

An entity's estimate in accordance with the Ind AS as at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with 'Previous GAAP' (after adjustments to reflect any differences in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company has estimated the Impairment of Financial Assets based on expected credit loss model in accordance with Ind AS as at the date of transition as this was not required under previous GAAP.

**ii. De-recognition of financial assets and liabilities:**

The Company has chosen to apply the de-recognition requirements for financial assets and liabilities as per Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.

**iii. Classification and measurement of financial assets:**

The Company has classified financial assets in accordance with condition that existed at the date of transition to Ind AS.

The reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit for the year ended March 31, 2017 is as follows:



## INCON ENGINEERS LIMITED

### Reconciliation of Equity as at. 01.04.2016

Amount in Rs.

Particulars	Note No	IGAAP	Diff	Ind As
<b>ASSETS</b>				
Non-Current assets				
(a) Property, Plant and Equipment		6,450,123	--	6,450,123
(b) Intangible Assets		9,356	--	9,356
(c) Financial Assets				
Other financial assets		116,223	--	116,223
		<b>6,575,702</b>	<b>--</b>	<b>6,575,702</b>
<b>Current Assets</b>				
(d) Inventories		327,304	--	327,304
(e) Financial Assets				
(j) Trade Receivables		116,850	--	116,850
(ii) Cash and Cash Equivalents		722,513	--	722,513
(iii) Other financial assets		785,270	--	785,270
(c) Current Tax Assets (Net)		258,277	--	258,277
(f) Other Current Assets		35,505	--	35,505
		2,245,719	--	2,245,719
Total Assets		<b>8,821,421</b>	<b>--</b>	<b>8,821,421</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
(a) Equity Share Capital		57,137,500	--	57,137,500
(b) Other Equity		(50,569,376)	39,335	(50,530,041)
		<b>6,568,124</b>	<b>39,335</b>	<b>6,607,459</b>
<b>Liabilities</b>				
Non-current liabilities				
(a) Financial liabilities				
Other Financial liabilities	1	180,000	(31,392)	146,608
(b) Other Non-Current liabilities	1	--	18,555	18,555
(c) provisions	2	78,048	523,359	601,407
		<b>258,048</b>	<b>510,522</b>	<b>768,570</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Trade Payables		142,586	--	142,586
(ii) Other Financial Liabilities		273,056	--	273,056
(b) Other current liabilities	1	107,985	12,370	120,355
(c) Provisions	2	1,471,622	(562,227)	909,395
		<b>1,995,249</b>	<b>(549,857)</b>	<b>1,445,392</b>
Total Equity and Liabilities		<b>8,821,421</b>	<b>--</b>	<b>8,821,421</b>

**Note.1:** Repayable Security deposits were recognized at transaction value under previous GAAP. Based on Ind AS 109 these security deposits have to be recognised at amortised cost and the difference between fair value and carrying cost has been treated as Deferred Rental income and classified under Current /Non -Current liabilities. Further the difference amount relating to period before date of transition to Ind AS is ad-justed in retained earnings.

**Note 2:** The Company has made provisions for Gratuity as defined benefit obligations as certified by qualified Actuary using Projected Unit Credit Method as required under Ind AS 19 on Employee Benefits



## INCON ENGINEERS LIMITED

Reconciliation of Equity as at. 31.03.2017				Amount in Rs.
Particulars	Note No	IGAAP	Diff	Ind As
<b>ASSETS</b>				
Non-Current assets				
(a) Property, Plant and Equipment		6,163,866	--	6,163,866
(b) Intangible Assets		2,009	--	2,009
(c) Financial Assets				
Other financial assets		116,223	--	116,223
		<b>6,282,098</b>	<b>--</b>	<b>6,282,098</b>
<b>Current Assets</b>				
(a) Inventories		831,433	--	831,433
(b) Financial Assets		---	--	---
(i) Trade Receivables		---	--	---
(ii) Cash and Cash Equivalents		584,354	--	584,354
(iii) Other financial assets		141,643	--	141,643
(c) Current Tax Assets (Net)		261,824	--	261,824
(d) Other Current Assets		60,243	--	60,243
		1,879,497	--	1,879,497
<b>Total Assets</b>		<b>8,161,595</b>	<b>--</b>	<b>8,161,595</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital		57,137,500	--	57,137,500
(b) Other Equity		(53,283,193)	259,790	(53,023,403)
		<b>3,854,307</b>	<b>259,790</b>	<b>4,114,097</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
Other Financial liabilities	1	180,000	(19,506)	160,494
(b) Other Non-Current liabilities	1	---	6,185	6,185
(c) provisions	2	90,010	610,457	700,467
		<b>270,010</b>	<b>597,136</b>	<b>867,146</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Trade Payables		265,475	--	265,475
(ii) Other Financial Liabilities		1,860,934	--	1,860,934
(b) Other current liabilities	1	424,201	12,370	436,571
(c) Provisions	2	1,486,668	(869,296)	617,372
		<b>4,037,278</b>	<b>(856,926)</b>	<b>3,180,352</b>
<b>Total Equity and Liabilities</b>		<b>8,161,595</b>	<b>--</b>	<b>8,161,595</b>

**Note.1:** Repayable Security deposits were recognized at transaction value under previous GAAP. Based on Ind AS 109 these security deposits have to be recognised at amortised cost and the difference between fair value and carrying cost has been treated as Deferred Rental income and classified under Current /Non -Current liabilities. Further the difference amount relating to period before date of transition to Ind AS is ad-justed in retained earnings.

**Note 2:** The Company has made provisions for Gratuity as defined benefit obligations as certified by qualified Actuary using Projected Unit Credit Method as required under Ind AS 19 on Employee Benefits



## INCON ENGINEERS LIMITED

### Reconciliation Statement of Profit and Loss for the Year ended 31.03.2017 Amount in Rs.

Particulars	Note No	IGAAP	Diff	Ind As
Revenue from Operations		1,782,181	--	1,782,181
Other Income	1	998,139	12,372	1,010,511
<b>Total Income</b>		<b>2,780,320</b>	<b>12,372</b>	<b>2,792,692</b>
Expenses				
Cost of Materials Consumed		721,266	--	721,266
Change in inventories of finished goods		(509,650)	--	(509,650)
And work in progress				
Employee Benefits Expenses	2	2,927,691	45,517	2,973,208
Finance costs	1	1,685	10,203	11,888
Depreciation and amortization expenses		294,954	--	294,954
Other expenses		2,058,191	(17,505)	2,040,686
<b>Total Expense</b>		<b>5,494,137</b>	<b>38,215</b>	<b>5,532,352</b>
Profit before Tax		(2,713,817)	(25,843)	(2,739,660)
Tax Expenses				
Income Tax- Current		--		
Deferred Tax		--		
		-	-	-
<b>Profit for the year</b>		<b>(2,713,817)</b>	<b>(25,843)</b>	<b>(2,739,660)</b>
Other Comprehensive Income	2			
(i) Items that will not be reclassified subsequently to profit or loss(Loss)		(175,835)	--	246,298
(ii) Income tax relating to items that will not Be reclassified to profit or loss		--	--	--
<b>Other Comprehensive Income for the year</b>		<b>(175,835)</b>	<b>--</b>	<b>246,298</b>
Total Comprehensive Income for the year		<b>(2,889,652)</b>	<b>(25,843)</b>	<b>(2,493,362)</b>
Earning per equity share from Continuing Operations				
Basic and Diluted		(0.63)	0.05	(0.58)

**Note 1:** Interest Expenses and amortization of deferred rental income arising as a result of differences on fair valuation of repayable security have been debited to the finance cost and credited to Other Income respectively in the Statement of Profit and Loss.

**Note 2:** The Company has made provisions for Gratuity as defined benefit obligations as certified by qualified Actuary using Projected Unit Credit Method as required under Ind AS 19 on Employee Benefits. The actuarial loss on such post-employment benefits and deferred tax relating to the same has been recognized in other comprehensive income.

Per our report of even date

For and on Behalf of the Board

**For K.S. Rao & Co**

Chartered Accountants

Firm Registration No.003109S

**T. Sukesh Kumar**

Partner

Membership No.229963

**SREEDHAR CHOWDHURY**

Managing Director

**S.MANO HAR RAJU**

Director

Place: Hyderabad

Date : 29.05.2018

CFO & Secretary







## INCON ENGINEERS LIMITED

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form No.MGT-11]

### INCON ENGINEERS LIMITED

CIN: L74210TG1970PLC001319

Regd. Office: B-6/3, I.D.A., Uppal, Hyderabad -500039

Tel.: +91-40-27203943 Fax: +91-40-27201271

### 48<sup>th</sup> Annual General Meeting 28<sup>th</sup> September, 2018

Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	
I/we, being the Member(s) of .....shares of the above named Company, hereby appoint	
Name :	Email ID :
Address	Signature :

or failing him/her

Name :	Email ID :
Address	Signature :

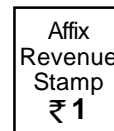
As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48<sup>th</sup> Annual General Meeting of the Company be held on Friday 28<sup>th</sup> day of September, 2018 at 10.00 a.m. at the Registered Office at B-6/3, I.D.A. Uppal Hyderabad-500039 and at any adjournment thereof in respect of such resolution as are indicated below:



## INCON ENGINEERS LIMITED

Sl. No	Resolution (s)	Vote	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	Adoption of Audited Statement of Profit & Loss for the financial year ended 31 <sup>st</sup> March, 2018 and the Audited Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.		
2	To appoint a director in place of Dr.B.NeetaKumari (DIN 00313522) who retires by rotation and being eligible offers herself for reappointment.		
<b>SPECIAL BUSINESS</b>			
3	Transaction with Related Parties		

Signed this .....day of .....2018



Signature of Shareholder

Signature of the Proxy holder(s)

**NOTE:**

1. This form of Proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference if you leave the 'for', 'against' or 'abstain' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appreciate.



---

**INCON ENGINEERS LIMITED**

---

**INCON ENGINEERS LIMITED**

CIN: L74210TG1970PLC001319

Regd. Office: B-6/3, I.D.A., Uppal, Hyderabad - 500039

Tel.: +91-40-27203943 Fax: +91-40-27201271

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

Full name of the member attending \_\_\_\_\_

Member's Folio No/ Client ID: \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the Proxy attends instead of the member)

I hereby record my presence at the 48th Annual General Meeting of the INCON ENGINEERS LIMITED., to be held on Friday, the 28th day of September, 2018 at 10.00 A.M. at B-6/3,IDA, Uppal, Hyderabad - 500 039.

..... Member's / Proxy's Signature

**NOTE:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



Dear Member,

**Subject: Instructions for e-voting**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 48th Annual General Meeting to be held on Friday, September 28th, 2018 at 10.00 a.m. The Company has engaged the services of the National Securities Depository Limited(NSDL) to provide the e-voting facility. The Notice is displayed on the website of NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

The e-voting facility is available at the link, <https://www.evoting.nsdl.com>

**E-voting particulars**

EVEN (E-VOTING EVENT number)	User ID	Password
<<ID1>>	<<ID1>>	<<PWD>>

The e-voting facility will be available during the following voting period

Commencement of e-voting	End of e-voting
25-09-2018 at 9.00 am (IST)	27-09-2018 at 5.00 pm (IST)

Please read the following instructions before exercising your vote:

This details and instructions form an integral part of the Notice of the Annual General Meeting to be held on September 28, 2018

**Instructions for e-voting**

In compliance with Regulation 44, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108 and other applicable provisions of the Companies Act, 2013, read with related Rules, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members.

The instructions for e-voting are as follows:

Step 1: Log in to NSDL's e-voting system at <https://www.evoting.nsdl.com/>

Step2: Cast your vote electronically on NSDL's e-voting system.

Step 1:

How to log in to the NSDL e-voting website

1. Visit the e-voting website of NSDL by opening your web browser and typing the following URL either on a desktop computer/ laptop or on a mobile or scan the QR code using smart phone:

<a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>
---



## INCON ENGINEERS LIMITED

2. Once the homepage of the e-voting system is launched, click on the icon 'Login' available under 'Shareholders'
3. A new screen will open. You will have to enter your User ID, your password and a Verification Code as shown of the screen.

Alternatively, if you are registered for NSDL e-services, i.e. IDEAS, you can log in at <https://eservices.nsdl.com/> with your existing IDEAS log-in details. Once you log in to NSDL e-services using your log-in credentials, click on e-Voting and proceed to Step 2, i.e., cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares, i.e., Demat (NSDL or CDSL) or Physical	User ID
a) For members who hold shares In demat accounts with NSDL	8-character DP ID followed by 8-digit Client ID  For example, if your DP ID is IN300*** and Client ID is 12**** then your User ID is IN300*****12*****
b) For members who hold shares In demat account with CDSL	16-digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For members holding shares in Physical form.	EVEN, followed by Folio Number registered with the company  For example, if your EVEN is 109041, and Folio Number is 001*** then your User ID is 109041001**

5. Your password details are given below:
  - a) If you are already registered for e-voting then you can use your existing password to log in and cast your vote.
  - b) If you are using the NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which communicated to you. Once you retrieve your initial password', you need to enter the 'initial Password and change your password, as prompted by the system.
  - c) How to retrieve your initial password?
    - (i) If your email ID is registered in your demat account or with the company your 'initial'



password is communicated to you on your e-mail ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment (it will be a .pdf file). Open the file. The password to open the file is your 8-digit client ID for your NSDL account, or the 8 digits of your CDSL client ID, or folio number for shares held in physical form. The .pdf file contains User ID and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

**Note : Please note that the User id and Password for E-Voting are fixed on the third page of the Annual Report.**

6. If you have not received the 'initial password', or are unable to retrieve it, or have forgotten your password:
  - a) Click on the 'Forgot User Details / Password?' (for those holding shares in demat accounts with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) A Physical User Reset Password? (for those holding shares in physical mode) option is also available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
  - c) If you are unable to get your password following the aforesaid options, you can send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name, and your registered address.
7. After entering your password, agree to the terms and conditions by checking the box.
8. Next, click on the 'Login' button
9. After you click on the 'Login' button, the homepage of e-voting will open.

### Step 2

How to cast your vote electronically on the NSDL e-voting system?

1. After successfully logging in following Step 1, you will be able to see the e-voting homepage. Click on 'e-Voting' Then, click on 'Active Voting Cycles'.
2. Upon clicking on 'Active Voting Cycles', you will be able to see the 'EVEN' of all the companies in which you hold shares and whose voting cycles are in 'active' status.
3. Select the 'EVEN' of the company for which you wish to cast your vote.
4. Now you are on the voting page and ready for e-voting.
5. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote, and click on 'Submit'. Also click on 'Confirm' when prompted.
6. Upon confirmation, the message, 'vote cast successfully', will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Please remember that you are not allowed to modify your vote once you confirm your vote on a resolution.

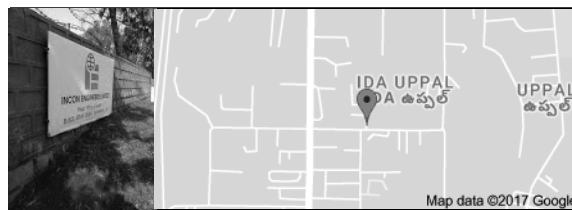


## INCON ENGINEERS LIMITED

### General guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **evoting@incon.in**, with a copy marked to **evoting@nsdl.co.in**
2. It is strongly recommended that you do not to share your password with any other person and take utmost care to keep your password confidential. Log in to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details / Password? Or the 'Physical User Reset Password? Option available on **www.evoting.nsdl.com**, to reset password
3. In case of any queries you may refer to the Frequently Asked Questions(FAQ) for shareholders and the e-voting user manual for shareholders available in the download section of **www.evoting.nsdl.com**, or call on the toll-free no: 1800-222-990 or contact Pallavi Mhatre, Assistant Manager, National Securities Depository Ltd., Trade world, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, at the designated email address: **Pallavid@nsdl.co.in/evoting@nsdl.co.in** or at telephone no+91 22 2499 4545 who will also address grievances connected with voting by electronic means.
4. The e-voting period commences on **25.09.2018 from 9 a.m and ends on 27.09.2018 (5.00 p.m)**. During this period, members of the Company holding shares either in physical or dematerialized form, as on the cut-off date **21.09.2018** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which a vote has already been cast. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice convening the AGM and up to the cut-off date i.e.**21.09.2018**, may obtain his login ID and password by sending a request at **evoting@nsdl.co.in**
5. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut off date i.e **21.09.2018**

### ROUTE MAP FOR AGM VENUE



Registered Office :

Address : Near Modern Bread, INCON Engineers Limited, IDA, Uppal, Hyderabad - 500039

Ph. : .27203943

**Printed Matter  
BOOK POST**

If undelivered, please return to :

**INCON ENGINEERS LIMITED**

B-6/3, IDA, Uppal,  
Hyderabad - 500 039.