

# SERVOTECH ENGINEERING INDUSTRIES LTD.

CIN : L28933MH1994PLC081857

REGD. OFF : 502, TRIVENI KRUPA, CARTER ROAD NO.3, OPP. AMBAJI MATA TEMPLE, BORIVALI (E), MUMBAI - 400 066.  
TEL : +91-22-2866 9600 / 2862 4357 / 58 • F: +91-22-2808 3296 • E.: info@servotech-india.com • W : www.servotechengineering.in

04<sup>th</sup> October, 2017

To,  
**Bombay Stock Exchange Limited**  
Dept. of Corporate Services,  
14<sup>th</sup> Floor, P. J. Tower, Dalal Street,  
Mumbai 400 001.

Sub.: Annual Report for the year ended 31<sup>st</sup> March, 2017.

Ref: Scrip Code : 531944

Scrip ID : SERVOTEC

Dear Sir,

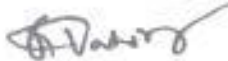
Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith copy of Annual Report for the year ended 31<sup>st</sup> March, 2017, approved and adopted by the members in the 22<sup>nd</sup> Annual General Meeting held on 29<sup>th</sup> September, 2017.

Kindly take the same on your records,

Thanking you,

Yours faithfully,

For Servotech Engineering Industries Limited



R.S. Lahoti  
Managing Director  
(DIN: 00755363)  
Encl: a/a.

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**22<sup>nd</sup>**

**ANNUAL REPORT**  
**2016 - 2017**

**SERVOTECH ENGINEERING INDUSTRIES LTD.**

CIN: L28933MH1994PLC081857

502, TRIVENI KRUPA CARTER ROAD NO. 3, OPP. AMBAJI MATA TEMPLE, BORIVALI (EAST),  
MUMBAI 400 066, MAHARASHTRA.

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**DIRECTORS**

R S LAHOTI	MG. DIRECTOR
RAM AWATAR LAHOTI	DIRECTOR
ROHIT T DOSHI	INDEPENDENT DIRECTOR
NARENDRA GUPTA	INDEPENDENT DIRECTOR
JYOTI VIKAS KASAT	DIRECTOR

**BANKERS**

STATE BANK OF INDIA  
SIR PM Road branch  
Fort, Mumbai- 400 001.

**REGISTERED OFFICE**

502, Triveni Krupa, Carter Road No.3,  
Opp Ambaji Mata Temple,  
Borivali (East), Mumbai 400 066.  
Maharashtra.  
CIN: L28933MH1994PLC081857

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Limited,  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai - 400 083

**SECRETARIAL AUDITOR**

CS. Jaiprakash Singh,  
Jaiprakash R. Singh & Associates,  
114, 1st Floor, Biry House, Perin Nairman Street,  
Fort, Mumbai - 400 001

**STATUTORY AUDITORS**

AMAR BAFNA & ASSOCIATES,  
201, Apollo Chambers, Mogra Village,  
Off Old Nagardas Road, Andheri (East),  
Mumbai- 400 069.

**STOCK EXCHANGE**

Bombay Stock Exchange Ltd,  
The Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

**INTERNAL AUDITOR**

M/s. Bhuwania & Agrawal Associates,  
503/505, J.S. Seth Road, 1st floor,  
Chira Bazar, Mumbai - 400 002

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**NOTICE OF TWENTY SECOND ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **Twenty Second Annual General Meeting** of the Members of **Servotech Engineering Industries Limited** will be held on Friday, the 29<sup>th</sup> day of September, 2017 at 10: 00 A.M. at the registered office of the Company at 502, Triveni Krupa, Carter Road No. 3, Opp. Ambajimata Temple, Borivali (East), Mumbai - 400066, Maharashtra.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2017 including the Audited Balance Sheet as at March 31st 2017 and the Statement of Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ramawtar Sitaram Lahoti (DIN: 00755163), who retires by rotation as per section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To Appoint Statutory Auditors of the Company, in place of the retiring auditors and to fix their Remuneration and to pass the following Resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to provision of Section 139 and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rule, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee of the Board, M/s. Amit & Disha Associates., Chartered Accountants having Registration No.119350W, Mumbai, be and are hereby appointed as Statutory Auditors of the Company (in place of retiring Statutory Auditors M/s. Amar Bafna & Associates Chartered Accountants, having registration No 114854W) who shall hold office from the conclusion of 22<sup>nd</sup> Annual General Meeting for a term of consecutive five years till the conclusion of 27<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and the Board be and is hereby authorised to fix the remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

**SPECIAL BUSINESS**4. **CHANGE IN NAME OF THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** pursuant to Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from "**Servotech Engineering Industries Limited**" to "**Servotech Industries Limited**" or any other name as may be approved by the Registrar of Companies, Maharashtra, Mumbai and other Regulatory Authorities, whether under the Companies Act, 2013 or any other Rules, Laws, Acts, Statutes or Regulations as may be applicable to the Company.

**FURTHER RESOLVED THAT** the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is **Servotech Industries Limited**

**FURTHER RESOLVED THAT** in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

**FURTHER RESOLVED THAT** the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.

Date: 02.09.2017  
Place: Mumbai

By Order of the Board  
Sd/-  
**Guddi Bajpai**  
(Company Secretary)



**NOTES**

1. The relative Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts of the notice, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy in order to be effective should be deposited at the registered office of the company duly completed and signed, not less than forty-eight (48) hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting.
3. Pursuant to the Provisions of section 105 of the Companies Act, 2013, A person can act as a proxy on behalf of not more than fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Members/proxies should bring the duly filled in Attendance Slip enclosed herewith to attend the meeting during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
5. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote only such joint holder who is higher in the order of names will be entitled to vote.
7. The Route Map showing directions to reach the venue of the AGM is annexed.
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
9. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
10. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships of Board Committees, disclosure of relationships between directors inter-se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Explanatory Statement forming part of the notice.
11. The Register of Members and the Share Transfer Books of the Company shall remain closed **from Wednesday, 20th September, 2017 to Thursday, 28th September, 2017 (both days inclusive)**, for the purpose of Annual General Meeting.
12. Members are requested to notify the change in their address, if any, immediately, so that all communications can be sent to the latest address. In case of members holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to Link Intime India Pvt Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
13. Members, who hold shares in electronic form, are requested to notify any change in their particulars like change in address, bank particulars etc. to their Depository Participants immediately.
14. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/Dop/CIR 05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transaction. In continuation of the said circular, it is hereby clarified that for securities market transactions and off-market/private transactions involving transfer of shares in listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to the Company / RTA for registration of such transfer of shares.
15. Copies of the Annual Report for the year ended 2017 are being sent by electronic mode only to those all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose email IDs are registered with the Company/Registrars i.e. to Link Intime India Pvt. Ltd. and have given consent for receiving communication electronically, copies of the Annual Report for the year ended 2017 are being sent by electronic mode only. For members who have not registered their email addresses, physical copies of the Annual Report for the year ended 2017 are being sent by the permitted mode.



16. The Notice of the 22<sup>nd</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose email addresses are registered with the Company/Depository Participants unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose email IDs are registered with the Company/ Registrars i.e. Link Intime India Pvt Ltd. given consent for receiving communication electronically, the Notice of the 22<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
17. Members may also note that the Notice of the 22<sup>nd</sup> Annual General Meeting and the Annual Report for the year ended 2017 will also be available on the Company's website <http://www.servotechengineering.in/> for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrar i.e. Link Intime India Pvt Ltd. C-101, 247 Park ,L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.

**18. Voting through Electronic means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the 22<sup>nd</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

**General Instructions:**

- (i) The voting period begins on 26<sup>th</sup> day, of September, 2017 (9.00 a.m. IST) and ends on 28<sup>th</sup> day, of September, 2017 (5:00 p.m. IST). During this period shareholders' of the Company holding shares, either in physical form or in dematerialized form, as on the cut off date 18<sup>th</sup> September-, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.  
*Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.*
- (ii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 18<sup>th</sup> September, 2017 which has been fixed as the cut off /record date for voting.
- (iii) Mr. Jaiprakash R. Singh, Practicing Company Secretary (Membership No.FCS7391 CP 4412), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (iv) The Scrutinizer shall, within a period not exceeding (3)three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least(2) two witnesses not in the Employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (v) Members who do not have access to e-voting facility may return the duly completed Ballot Form so as to reach the Scrutinizer at the Registered Office of the Company not later than Monday, 25<sup>th</sup> September, 2017 (6.00 p.m. IST).Ballot Forms received after this date will be treated as invalid.
- (vi) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both these modes, then voting done through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website<http://www.servotechengineering.in/>and on the website of CDSL [www.evotingindia.co.in](http://www.evotingindia.co.in) within two days of the passing of the resolutions at the 22<sup>nd</sup> Annual General Meeting of the Company on Friday29<sup>th</sup> September, 2017 and communicated to the BSE Limited where the shares of the Company is listed.

**The procedure and instructions for the same are as follows:**

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders.
- iii. Now Enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- vi. If you are a first time user follow the steps given below:
- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for Servotech Engineering Industries Limited on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Note for Non-Individual Shareholders & Custodians:
  - § Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate and Custodians respectively.



- § A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- § After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- § The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdsl.com](mailto:helpdesk.evoting@cdsl.com) and on approval of the accounts they would be able to cast their vote;
- § A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Date: 02.09.2017

Place: Mumbai

By Order of the Board.

Sd/-

**Guddi Bajpai**

(Company Secretary)

### EXPLANATORY STATEMENT

#### PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

##### ITEM No. 3-

The explanatory statement for this item is being provided voluntarily though strictly not required as per Section 102 of the Companies Act, 2013 ("the Act").

The Members are informed that M/s. Amar Bafna & Associates, Chartered Accountants, Statutory Auditors of the Company are retiring at the conclusion of this 22<sup>nd</sup> Annual General Meeting. They have expressed their unwillingness to be re-appointed as Auditors of the Company from the conclusion of this Annual General Meeting of the Company.

The Board of Directors of the Company on the recommendation of Audit Committee have appointed M/s Amit & Disha Associates., Chartered Accountants (Firm Registration No. 119350W), Mumbai, as Statutory Auditors of the Company, subject to the approval of the members of the Company at this 22<sup>nd</sup> Annual General Meeting till the conclusion of 27<sup>th</sup> Annual General Meeting.

M/s. Amit & Disha Associates, Chartered Accountants, being eligible, have indicated their willingness to serve as Statutory Auditors of the Company, if appointed at this 22<sup>nd</sup> Annual General Meeting. Their appointment as Statutory Auditors, if approved, by the members of the Company, will take effect from the conclusion of this 22<sup>nd</sup> Annual General Meeting till the conclusion of 27<sup>th</sup> Annual General Meeting. Further, as required under the provisions of Sections 139 and 141 of the Act, M/s. Amit & Disha Associates., Chartered Accountants, have confirmed that their appointment, if made at this Annual General Meeting, shall be in accordance with the provisions of the Act and Chartered Accountants Act, 1949 and the rules and regulations made there under. None of the Promoters /Directors / Key Managerial Personnel of the Company / their respective relatives, are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the notice.

The Board recommends the ordinary resolution set forth at item no. 3 of the Notice, for the approval of the members of the Company.

##### ITEM No. 4-

The Board of Directors of the Company in its meeting held on 11th August 2017 decided to change the name of the Company from "**Servotech Engineering Industries Limited**" to "**Servoteach Industries Limited**" as the management has consulted the renowned numerology who suggested to add alphabet **a** in the word **Servotech** after alphabet **e** to read as **Servoteach** and remove the word **Engineering** from the existing name to pave the way for better growth of



the Company. Since, management believe in numerology which is part of Hindu mythology existing from olden days. Hence, management deems it fit and prudent to change the existing name from "**Servotech Engineering Industries Limited**" to "**Servoteach Industries Limited**".

The name "**Servoteach Industries Limited**" has been duly approved and made available for changing the name by the Registrar of Companies, Maharashtra, Mumbai vide its name approval letter dated 21st August , 2017 which is valid for 60 days.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Section 13 of the Companies Act, 2013, approval of the shareholders is required for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association of the Company by way of passing a Special Resolution.

Hence, the resolution is put up for shareholders approval. None of the directors, Key Managerial Personnel and their relatives are concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

By Order of the Board  
Sd/-  
**Guddi Bajpai**  
(Company Secretary)

Date: 02.09.2017  
Place: Mumbai

## PROFILE OF DIRECTOR

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE FORTHCOMING  
ANNUAL GENERAL MEETING AS PER REGULATION 36(3) of SEBI  
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Mr. Ramawtar Sitaram Lahoti	
Director Identification Number (DIN)	00755163	
Date of Birth	11/01/1957	
Date of Appointment	07/10/1994	
Qualification	B.Com	
Expertise in specific functional areas	25 years of industrial experience in Solvent Industry.	
Directorships, Memberships and Chairmanships of Committees of the Board, held in other listed companies	Nil	
Relationship between directors inter - se	Brother of Mr. Radheyshyam Lahoti.	
Shareholding of Non-executive Director	<u>Non-Executive Directors</u>	<u>No. of Shares Held</u>
	1) JYOTI VIKAS KASAT	Nil
	2) ROHIT TALAKCHAND DOSHI	Nil
	3) NARENDRA RAMESHCHANDRA GUPTA	Nil



**DIRECTORS' REPORT**

Dear Members,

The Board of Directors hereby submits the Report of the Business and Operations of your Company along with the Audited Financial Statements for the year ended 31st March, 2017.

**1. FINANCIAL PERFORMANCE**

The Summary of Financial Results of the Company for the year ended 31st March, 2017 is as under:

Rs. in Lakhs.

Particulars	For the year ended March 2017	For the year ended March 2016
Total Income	-	-
Total Expenditure	19.64	14.97
Profit Before Tax	(19.64)	(14.97)
Less: Provision of Taxation Including Deferred Tax	-	-
Profit After Tax (PAT)	(19.64)	(14.97)
Add: balance brought forward from previous year	(383.68)	(368.70)
Add: Excess / (Short) Provision for taxation for Earlier year written back <sup>1</sup>	-	-
Balance Carried to Balance Sheet	(403.32)	(383.68)

**2. COMPANY'S PERFORMANCE**

During the year under report, the company marked its income from operation by earning Rs. Nil as against of Rs. Nil in previous year due to unfavourable market conditions. The loss went up to Rs (19.64) Lacs in 2016-17 from Rs. (14.97) in 2015-16.

**3. AMOUNT TRANSFERRED TO RESERVE**

In view of the losses, occurred during the year, the Company has not transferred any amount to reserves.

**4. DIVIDEND**

Due to accumulated losses of the Company your Directors do not recommend any dividend for the year under review.

**5. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

Management Discussions and Analysis Report, forming part of the Directors' Report for the year under review, as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

**6. CHANGE IN THE NATURE OF THE BUSINESS**

During the year, there is no change in the nature of the business of the Company.

**7. FUTURE OUTLOOK**

Company is planning to restart activity, depending upon the arrangements of funds.

**8. RELATED PARTY TRANSACTIONS**

During the year, the Company has not entered into any Contracts/arrangements/transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The policy is available on the Company's website.

The Form AOC- 2 pursuant to section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure -A to this report.

**9. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established "Vigil Mechanism



Policy" for Directors and employees of the Company to report genuine concerns. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The said policy is available on the website of the Company at [www.servotechengineering.in](http://www.servotechengineering.in)

**10. RISK MANAGEMENT**

The Company has devised and implemented a mechanism for risk management which aims at enhancing Shareholder's values and providing an optimum risk - reward trade - off.

**11. PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The company has not provided any loan, guarantee and made investments under Section 186 of the Companies Act, 2013.

**12. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES**

The Company has no Subsidiary, Joint Venture or Associate companies during the year under review.

**13. RETIREMENT BY ROTATION AND SUBSEQUENT RE- APPOINTMENT**

In accordance with section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Ramawtar Lahoti (00755163), Director of the Company retires by rotation at the ensuing Annual General meeting and being eligible, offers himself for re-appointment. Your Board of Directors recommend for his re-appointment.

**14. COMPOSITION OF BOARD**

Name of Directors	Designation	Category	No. of Board Meeting held	No. of Board Meeting attended
Radheyshyam Lahoti	Mg. Director	Promoter Executive Director	8	8
Ramawtar Lahoti	Director	Promoter Non- Executive.	8	8
Narendra Gupta	Director	Non- Promoter Independent Director	8	8
Rohit Doshi	Director	Non- Promoter Independent Director	8	8
Jyoti Kasat	Director	Non- Promoter Non- Executive.	8	8

**15. BOARD OF DIRECTOR'S MEETINGS CONDUCTED DURING THE YEAR**

During the Year 2016-17, The Board of Directors met 8 times in accordance with the provisions of the Companies Act, 2013 and rules made there under. The dates on which these Board Meetings were held are 30/05/2016, 05/08/2016, 31/08/2016, 08/10/2016, 10/11/2016, 12/12/2016, 10/02/2017 and 20/03/2017 respectively. Additionally, during the financial year ended 31st March 2017, the Independent Directors held a separate meeting pursuant to the requirement of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

**16. AUDITORS AND AUDITORS' REPORT**

The Statutory Auditors, M/s Amar Bafna & Associates, Chartered Accountants,(Firm Registration No. 114854W) have successfully completed the first term of Five year and has intimated their unwillingness to be reappointed as the Statutory Auditors for the next term of the company.

In view of the above, the Audit Committee has considered the qualifications and experience of M/s. Amit & Disha Associates., Chartered Accountants (FRN.119350W) and proposed them as Statutory Auditors in place of retiring Auditors. The Board placed on record their appreciation for the contribution of M/s Amar Bafna & Associates, Chartered Accountant,retiring Auditors during their long association with the company.

Further, as required under the provisions of Sections 139 and 141 of the Act, M/s. Amit & Disha Associates, Chartered Accountants, have confirmed that their appointment, if made at this Annual General Meeting, shall be in accordance with the provisions of the Act and Chartered Accountants Act,1949 and the rules and regulations made there under.

**17. INTERNAL AUDITOR**

Pursuant to the Provisions of the Section 138 of the Companies Act, 2013 and rules made there under, M/ Bhuwania & Associates, Chartered Accountant in Practice were appointed as an Internal Auditor of the Company.



**18. SECRETARIAL AUDITOR AND AUDIT REPORT FOR THE PERIOD ENDED 31st MARCH, 2017**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed Mr. Jaiprakash R. Singh from M/s Jaiprakash R. Singh & Associate, a Practicing Company Secretary for conducting secretarial audit of the company for the year ended 31st March, 2017.

Secretarial Audit Report issued by Jaiprakash R. Singh, Practicing Company Secretary in Form MR - 3 forms part to this report **Annexure -B.**

**19. OBSERVATION OF STATUTORY AUDITOR AND SECRETARIAL AUDITOR IN RESPECT OF THEIR AUDIT REPORTS**

The Statutory Audit report and Secretarial Audit report does not contain any qualification, reservation or adverse remark requiring explanation or comments from the Board under Section 134 (3) (f) of the Companies Act, 2013. Except for renewal of registration certificate from BMC under The Bombay Shops and Establishments Act. 1948 in Secretarial Auditor report.

**20. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014, on conservation of energy and technology absorption are not applicable. Hence, no disclosure is being made in this regard. During the year, the Company has neither earned nor used any Foreign Exchange.

**21. CORPORATE GOVERNANCE**

As per Regulation 15(2)(a) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of -

(a) the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.

As our company does not have the paid up share capital exceeding Rs 10 Crores and Net worth exceeding Rs. 25 Crores, the Corporate Governance Report is not applicable.

**22. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS****[A] Audit Committee:**

Pursuant to the provisions of section 177(8) of the Companies Act, 2013, the Board hereby discloses the composition of the Audit Committee as under:

Name of Director	Category of Directorship	Designation	Number of meeting held	Number of meeting attended
Rohit Doshi	Independent Non-Executive	Chairman	4	4
Narendra Gupta	Independent Non-Executive	Member	4	4
Radheyshyam Lahoti	Executive Director	Member	4	4

During the year four meetings of Audit Committee were held i.e. 16th May, 2016, 28th July, 2016, 07th November, 2016 and 06th February, 2017.

**[B] Nomination And Remuneration Committee:**

The Board has in accordance with the provisions of sub-section (3) of section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

The said policy is available on company's website at [www.servotechengineering.in](http://www.servotechengineering.in)

Name of Director	Category of Directorship	Designation	Number of meeting held	Number of meeting attended
Rohit Doshi	Independent Non-Executive	Chairman	1	1
Narendra Gupta	Independent Non-Executive	Member	1	1
Radheyshyam Lahoti	Executive Director	Member	1	1



During the Financial Year ended on 31st March, 2016 the Nomination and Remuneration Committee met on 07th February, 2017.

**[C] Stakeholders Relationship Committee**

Pursuant to the provisions of section 178(5) of the Companies Act, 2013 Companies which consist of more than one thousand shareholders, debenture- holders, deposit – holders and any other security holders at any time during year shall constitute a Stakeholders Relationship Committee.

As there are no debenture- holders and deposit – holders with Company, Company does not require forming Stakeholders Relationship Committee.

As mentioned in point no. 21 above, Regulation 20 of SEBI (LODR) Regulations, 2015 is not applicable to the Company and therefore is exempted from the formation of the said Committee.

**23. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 of the Companies Act, 2013 (the "Act") with respect to Directors' Responsibility Statement, your Directors confirmed that:

- a. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year ended 31st March, 2017 and of profit of the Company for that year;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the Annual Accounts on a going concern basis.
- e. company has Proper internal financial control system and operating effectively.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**24. FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from public, shareholders and employees during the year under report.

**25. ROLL OUT OF GST MODEL LAW**

In view of Roll out of GST with effect from 1st July 2017, the company is gearing up to get itself to the tune of the new GST frame work which will not only lead to change in the indirect tax structure but shall also lead to the change in the business process/ functions. The Company has already obtained the provisional registration.

**26. PARTICULARS OF EMPLOYEES**

As there were no employees throughout the year under review who were in receipt of remuneration exceeding the prescribed limit in Companies Act, 2013 and its regulations and rules. Hence, no statement is attached herewith as required in terms of sections 134 and 197 of the Companies Act, 2013.

**27. ENVIRONMENT AND POLLUTION CONTROL**

The term relating to compliance with all relevant statutes relating to the environment and pollution control in the area of environment are presently not applicable.

**28. EXTRACT OF ANNUAL RETURN**

The detail forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith **Annexure C**.

**29. DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to regulation 16 (b) under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and the provisions of sub – section (7) of Section 149 of the Companies Act 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in section 149(6) of the Companies Act, 2013.

In accordance with Section 149(4) and other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013, the Company has 1/3rd of the total Directors as an Independent Directors, for a maximum period of 5 years and they are not liable to retire by rotation.



**30. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments affecting the financial position of the company which have occurred between March 31, 2017 and the date of this Report.

**31. APPOINTMENT OF M/S. LINK INTIME INDIA PVT LIMITED AS THE REGISTRAR & TRANSFER AGENT OF COMPANY**

Company has appointed M/S. Link Intime India Pvt. Ltd as Registrar & Transfer Agent (RTA) of the Company in place of M/S. System Support Services Ltd. due to merger between above mentioned Companies. M/S. Link Intime India Pvt. Ltd started to act as a RTA of the Company with effect from 15th December, 2016.

**32. CORPORATE SOCIAL RESPONSIBILITY**

Since, provision of section 135 of Companies Act 2013, is not applicable to the Company, due to loss incurred during last 3 Financial years. Hence details under Section 134(3)(0) of the Companies Act 2013 is not furnished. However, Company has formed CSR Policy in its Board of Directors meeting held on 30th May, 2017.

**33. BOARD EVALUATION**

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

**34. CEO - CFO CERTIFICATION AS PER REG. 17(8) OF SEBI (LODR) REGULATIONS, 2015**

As mentioned in point no. 21 above, Regulation 17(8) is not applicable to the Company. Hence, CEO- CFO Certification is not enclosed.

Mr. Vikas Dnyandeo Dalavi has resigned from the post of CFO w.e.f. 08th June, 2017. Shortly, the said vacancy will be filed in stipulated time.

**35. ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Government Authorities, Customers, Vendors, Advisors, Members and all concerned during the year under report. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff of the Company.

Place : Mumbai

By Order of the Board

By Order of the Board

Date : 02.09.2017

Sd/-  
Ramawatar Lahoti  
Director  
DIN: 00755163

Sd/-  
R.S.Lahoti  
Mg. Director  
DIN: 00755363



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****(a) INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Indian Process Engineering industry is serving as a major contributor to the Indian Economy, through its export earning and employment generation potential. The 1980s saw the transition phase of the Industry from being a supplier of process engineering goods to an exporter of high standard and quality engineering products and value added products and 1990s witnessed implementation of long term program implemented by Government provided the required fillip for the Industry.

**(b) OPPORTUNITIES & THREATS:**

The long term growth prospects of Industry continue to remain grim. The threats to the Company's products Includes severe competition both in domestic market through increased Inflation, labor cost, Interest rates, etc.

**(c) SEGMENT - WISE OR PRODUCT - WISE PERFORMANCE.**

Your Company operates in only one segment.

**(d) RISKS & CONCERNS:**

The risk management function is integral to the Company and its objectives include ensuring that critical risk are identified continuously, monitored, and managed effectively in order to protect the company's business. Top management of the company is well acquainted with risk inherent to the business and strategic decision taken by the Board.

Directors and officer's liability are risks arising out of their commitment, statement and decision, which may result in legal liability.

**(e) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company is working on to establish framework of Internal Controls to safe guard and protect the loss from unauthorized use of assets. The Board, through the Audit Committee, reviews the key issues like timely and accurate recording of financial transactions and adherence to applicable Accounting Standards, optimum utilization and safety of assets, an effective management information system and Compliance with applicable laws, regulations, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Management Policies.

**(f) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

Your company is committed to offer the most competitive price with the overall parameters set by the general market conditions. Your director perceives that the business of the company stands on a normal ground & hope to improve in the coming years.

**(g) MATERIAL DEVELOPMENTS HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

Human Resource is the most valuable asset in any organization. The Company efforts to strengthen positive work Culture and environment which promotes innovation and excellence as also mutual trust between all the personnel and the company. It lays strong emphasis on training and developing the technical and behavioral skills of the employees at each level so as to upgrade the competence and remove all level of inefficiency.

Date: 02.09.2017  
Place: Mumbai

By Order of the Board  
Sd/-  
**R. S. Lahoti**  
Mg. Director  
DIN: 00755363



## Annexure-A

## Form No. AOC - 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto- Not Applicable

1. Details of contracts or arrangements or transactions not at arm's length basis. -N.A
  - (a) Name(s) of the related party and nature of relationship. -N.A
  - (b) Nature of contracts/arrangements/transactions. -N.A
  - (c) Duration of the contracts / arrangements/transactions. -N.A
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: -N.A
  - (e) Justification for entering into such contracts or arrangements or transactions. -N.A
  - (f) Date(s) of approval by the Board. -N.A
  - (g) Amount paid as advances, if any: -N.A
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188. -N.A
2. Details of material contracts or arrangement or transactions at arm's length basis -N.A
  - (a) Name(s) of the related party and nature of relationship. -N.A
  - (b) Nature of contracts/arrangements/transactions. -N.A
  - (c) Duration of the contracts / arrangements/transactions. -N.A
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: -N.A
  - (e) Date(s) of approval by the Board, if any: -N.A
  - (f) Amount paid as advances, if any: -N.A

By Order of the Board

Sd/-

**R.S. Lahoti**

Mg. Director

DIN: 00755363

Date: 02.09.2017

Place: Mumbai



Form No. MR- 3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

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

To,  
The Members  
Servotech Engineering Industries Limited  
502, Triveni Krupa, Carter Road No. 3,  
Opp. Ambajimata Temple,  
Borivali East, Mumbai – 400066.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SERVOTECH ENGINEERING INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **SERVOTECH ENGINEERING INDUSTRIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company ( books and papers) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SERVOTECH ENGINEERING INDUSTRIES LIMITED** ("The Company") for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made hereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made hereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - IV. Foreign Exchange Management Act,1999 and Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.- No transaction during the year.
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) as amended till date to the extent applicable to the Company:-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; N A
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; N A
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; N A



(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- N A

VI. Other applicable laws as informed to us by Company:

a) Bombay Shops and Establishment Act, 1948

No renewal was made.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with the BSE Limited.

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

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I have relied on the representation made by the Company and its various heads for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

During my audit, it was observed that, the licence under Shop and Establishment Act has been Expired. The Company has not applied for renewal of licence under shop and Establishment Act during the year 2016 - 2017.

2. I further report that the Company has, in my opinion, complied with the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members;
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 21<sup>st</sup> Annual General Meeting was held on 30<sup>th</sup> September 2016;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director;
- k) payment of remuneration to Directors including the Managing Director;
- l) appointment and remuneration of Auditors ;
- m) declaration and payment of dividends;

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

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. As per exemption available under Regulation 15(2) of SEBI (LODR) Regulation 2015 for appointment of one half of Board strength as independent Director in the Board



where chairman of the Board is executive. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through and none of the members have expressed their dissent.

4. I further report that:

Based on the information received and records maintained, there are adequate systems and processes for reporting to the Board, and appropriate internal controls commensurate with the size and operations of the Company, to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

5. I further report that:

On examining the record of the Company it was found that Company had received a letter for inspection under section 206(5) and 207 of the Companies Act 2013 from the office of Regional Director Mumbai issued under the name of Regional Director. The above letter of inspection was initiated by Regional Director on the complaint received from Mr. Anilkumar Poddar a shareholder. The Company has responded to all the notices in detail and received acknowledgement.

6. I further report that:

During the audit period, the Company has following events / actions having major bearing:

- The Company is presently a non operating Company. However the Company seems to be compliant Company.
- Section 135 of the Companies Act, 2013 for Corporate Social Responsibility is not applicable due to insufficient profit.

Place: Mumbai

Date: 02/09/2017

Sd/-

**CS Jaiprakash Singh**  
Jaiprakash R Singh & Associates  
FCS No.:7391  
Encl: Annexure A  
C P No.:4412

Enclosure

'ANNEXURE 1



2016-17

**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

**ENCLOSURE**

**ANNEXURE 1 TO SECRETARIAL AUDIT REPORT**

To,

The Members

**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

502, Triveni Krupa, Carter Road No 3,

Opp. Ambajimata Temple,

Borivali East, Mumbai – 400066.

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**FCS Jaiprakash Singh**

Practicing Company Secretary

Jaiprakash R Singh & Associates

FCS No.:7391

C P No.:4412

Place : Mumbai

Date : 02/09/2017



## FORM NO. MGT.9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i. CIN:- L28933MH1994PLC081857
- ii. Registration Date: 07/10/1994
- iii. Name of the Company: SERVOTECH ENGINEERING INDUSTRIES LIMITED
- iv. Category / Sub-Category of the Company: Public Company/ Limited by shares
- v. Address of the Registered office and contact details:  
502, Triveni Krupa, Carter Road No. 3, Opp. Ambaji Mata Temple, Borivali (East) Mumbai - 400066 Maharashtra.
- vi. Whether listed company: Yes, with BSE Limited
- vii. Name, Address and Contact details of Registrar and Transfer Agent:  
Link Intime India Pvt Limited  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai - 400 083  
Tel No. : +91 22 49186270 Fax: +91 22 49186060  
E-mail id: rnt.helpdesk@linkintime.co.in  
Website : www.linkintime.co.in

**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:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Supply of Machinery Equipments & Parts of Solvent Extraction Plant, Vanaspati Plant, Refinery Plant, Feed Plant and Steel & Iron	11201	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
NA					



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
IV (I). Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a. Individual / HUF	576562	500	577062	11.246	576562	500	577062	14.687	(3.441)
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt. (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	658400	00	658400	12.831	658400	00	658400	16.757	(3.926)
e. Banks/FI	-	-	-	-	-	-	-	-	-
f. Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	1234962	500	1235462	24.077	1234962	500	1235462	31.445	(7.367)
(2) Foreign									
a. NRIs-Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	1234962	500	1235462	24.077	1234962	500	1235462	31.445	(7.367)
<b>B. Public Shareholding</b>									
(1) Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks/FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign	-	-	-	-	-	-	-	-	-

Maharashtra.

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i. Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
a. Bodies Corp.									
i) Indian	140360	258100	398460	7.765	125813	245400	371213	9.448	(1.683)
ii) Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	980408	1758210	2738618	53.370	949328	966810	1916138	48.769	4.601
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	129460	604400	733860	14.301	153018	195500	348518	8.870	5.431
Others (specify)									
(1) Trusts	-	-	-	-	-	-	-	-	-
(2) Directors & their Relatives	-	-	-	-	-	-	-	-	-
(3) Foreign Nationals	-	-	-	-	-	-	-	-	-
(4) Non Resident Indians	20000	0	20000	0.390	20000	0	20000	0.509	(0.119)
(5) NRI Individuals (Non Rep)	0	5000	5000	0.097	0	5000	5000	0.127	(0.03)
(5) Hindu Undivided Families	0	0	0	0	29138	0	29138	0.742	(0.742)
(6) Clearing Member	0	0	0	0	3531	0	3531	0.090	(0.090)
<b>Sub-total (B)(2)</b>	<b>1270228</b>	<b>2625710</b>	<b>3895938</b>	<b>75.923</b>	<b>1280828</b>	<b>1412710</b>	<b>2693538</b>	<b>68.555</b>	<b>7.368</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>1270228</b>	<b>2625710</b>	<b>3895938</b>	<b>75.923</b>	<b>1280828</b>	<b>1412710</b>	<b>2693538</b>	<b>68.555</b>	<b>7.368</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2505190</b>	<b>2626210</b>	<b>51,31,400</b>	<b>100.00</b>	<b>2515790</b>	<b>1413210</b>	<b>3929000</b>	<b>100</b>	<b>-</b>



## IV (ii) Shareholding of Promoters

SR. No.	Shareholding at the beginning of the year (01.04.2016)				Share holding at the end of the year (31.03.2017)			% change in share holding during the year
	Shareholder's Name	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered total shares	
1	Lahoti Exports Private Limited	3,65,600	7.12	00	3,65,600	9.31	0	(2.19)
2	Quality Products Marketing Private Limited	2,92,800	5.71	00	292800	7.45	0	(1.74)
3	Radheshyam Sitaram Lahoti	516962	10.17	00	60100	1.53	0	(3.09)
4	Ramewtar Sitaram Lahoti	60100	1.17	00	60100	1.53	0	(0.36)
	Total	1235462	24.07	00	1235462	31.45	0	(7.38)

## IV (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1235462	24.07	1235462	31.45
2	Purchase of Shares in open market.	No transaction during year			
3	At the End of the year	1235462	24.07	1235462	31.45



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

SR. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Deven Jitendra Mehta	97,500	1.91	97,500	2.4815
2	Pals Overseas Pvt. Ltd	59,500	1.16	59,500	1.5144
3	Shree Adeshwar Securities Pvt. Ltd	44,500	0.87	44,500	1.1326
4	Shabbir Rangwala	44,000	0.86	44,000	1.1199
5	Suresh Kanakraj Lodha	39,100	0.76	39,100	0.9952
6	Radheshyam Shriniwas Manihar	32,860	0.64	32,860	0.8386
7	Ketan Kavindra Shah	30,000	0.58	30,000	0.7636
8	P Kulkarni	30,000	0.58	30,000	0.7636
9	Deven J Mehta	27,500	0.54	27,500	0.6999
10	Ashok Humad	24,000	0.47	24,000	0.6108

## IV (v) Shareholding of Directors and Key Managerial Personnel:

SR. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
1.	Radheshyam Sitaram lahoti				
	At the beginning of the year	516962	10.07	516962	10.07
	Date wise Increase / Decrease in shareholding during the year	NIL			
	At the End of the year	516962	10.07	516962	13.16
2.	Ramawtar Sitaram Lahoti				
	At the beginning of the year	60100	1.17	60100	1.17
	Date wise Increase / Decrease in shareholding during the year	NIL			
	At the End of the year	60100	1.17	60100	1.53



## V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction				
<b>Net Change</b>	-	-	-	-
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:

SRL no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Radheyshyam S. Lahoti (MD)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	3,60,000	3,60,000
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify	-	-
	<b>Total (A)</b>	3,60,000	3,60,000
	Ceiling as per the Act	Within the limit as per Sch V & provisions of section 197 & 198 of Companies Act	Within the limit as per Sch V & provisions of section 197&198 of Companies Act



## B. Remuneration to other directors: -

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	-	-	-	-
	• Fee for attending board committee meetings	-	-	-	-
	• Commission				
	• Others, please specify				
	Total (1)	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-
	• Fee for attending board/ committee meetings				
	• Commission				
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

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

SR. no.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer (CFO)	Company Secretary (CS)	Total Amount
1.	Gross salary	71441/-	2,30,623/-	302064/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- as % of profit- others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total	71441/-	2,30,623/-	3,02,064/-







**Independent Auditors' Report**

To

The Members of

**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **SERVOTECH ENGINEERING INDUSTRIES LIMITED**. ("The Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, its Loss and its cash flows for the year ended on that date.



**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, to the extent applicable.
2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company does not have any pending litigations which would impact its financial position except as stated otherwise.
    - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii. Since, there has been no occasion during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise.
    - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer No. 29 to the standalone financial statements.

FOR AMAR BAPNA &amp; ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No: 114854W

20-

Mumbai Grand

(Partner)

Membership No: 155297

Place: Mumbai

Date: 30/05/2017



**Independent Auditors' Report to the Members of  
SERVOTECH ENGINEERING INDUSTRIES LIMITED.**

**Annexure- "A"**

**(Annexure referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements "of Our Report of Even Date.)**

On the basis of such checks as we considered appropriate areas according to the information and explanation given to us during the course of our audit, we state that:

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on verification.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, the company does not have any immovable property. Thus, paragraph 3(ic) of the Order is not applicable to the company.
- ii) According to information and explanations given to us, the Company does not have any inventory during the year; therefore the requirements of Clause (ii) of the paragraph 3 of said Order are not applicable.
- iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the said Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security to the extent applicable to it.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
- vi) To the best of our knowledge and as explained, Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for the products of the Company. Therefore, the provision of clause 3(vi) of the Order is not applicable to the Company.
- vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues to the extent applicable to it.  
  
According to the information and explanations given to us and based on the records of the company examined by us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us there are no dues of income-tax, sales-tax, wealth tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute except a sum of Rs. 2,12,960/- on account of Provident Fund.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any loans from banks, financial institutions, government or has not issued debentures during the year.
- (ix) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised any money from any Public Issue / follow-on offer. Therefore, the provision of clause 3(ix) of the Order is not applicable to the Company.



**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

- (x) 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.
- (xi) According to the records of the company examined by us and as per the information and explanations given to us, the company has not paid/provided managerial remuneration. Therefore, the provision of clause 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by applicable accounting standard. (Refer to Note no. 28)
- (xiv) The Company has not made any preferential allotment or private placement of shares or partly or fully convertible debentures during the year, therefore reporting under clause 3(xiv) is not applicable.
- (xv) According to the information and explanations given to us, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR AMAR BAFNA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No: 114854W

Sd/-

Mahaveer Chand

(Partner)

Membership No: 159297

Place: Mumbai

Date: 30/05/2017



**Independent Auditors' Report to the Members of  
SERVOTECH ENGINEERING INDUSTRIES LIMITED.**

**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")**

In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of **Servotech Engineering Industries Limited**. ("the Company").

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

The Respective Board of Directors of the Company are 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") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 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 on the Company's internal financial controls system over financial reporting.

**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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



# SERVOTECH ENGINEERING INDUSTRIES LIMITED

## 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 2017, 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 ICAI.

FOR AMAR BAFNA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No: 114854W

Sd/-

Maitaveer Chand

(Partner)

Membership No: 159297

Place: Mumbai

Date: 30/05/2017

43 of the

ended 31 March  
Industries Limited.

Financial controls  
Internal components  
issued by the  
and maintenance  
conduct of its  
of frauds and  
Internal information,

based on our  
over Financial  
be prescribed  
controls, both  
at we comply  
adequate internal  
in all material

controls system  
including included  
Internal weakness  
Internal risk. The  
Internal of the

Internal opinion on

Internal regarding  
Internal guidance with  
Internal those policies  
Internal reflect the  
Internal recorded as  
Internal s, and that  
Internal ment and  
Internal authorized  
Internal ts.



CIN: L28933MH1994PLC081857  
BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	NOTES NO.	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Share Holders Funds</b>			
a Share Capital	3	42,296,000	40,456,166
b Reserve & Surplus	4	(40,332,328)	(38,368,520)
<b>2 Share Application Money (Pending Alotment)</b>		-	-
<b>3 Non-Current Liabilities</b>			
a Long-term borrowings	5	-	-
<b>4 Current Liabilities</b>			
a Trade Payables	6	213,017	280,547
b Other Current Liabilities	7	240,628	213,366
	<b>Total</b>	<b>2,417,317</b>	<b>2,581,559</b>
<b>II ASSETS</b>			
<b>1 Non-current Assets</b>			
a Fixed Assets	8		
i Tangible Assets		19,427	19,427
b Non Current Investment	9	-	-
c Long term Loan & Advances	10	785,587	780,587
d Other Non Current Assets		-	-
<b>2 Current Assets</b>			
a Cash & Cash Equivalents	11	968,723	114,038
b Trade Receivables	12	615,797	615,797
c Short term Loan & Advance	13	-	1,000,000
d Other Current Assets	14	27,783	51,710
	<b>Total</b>	<b>2,417,317</b>	<b>2,581,559</b>

Corporate Information

1

Accounting Policies &amp; Notes on Accounts

2

As per our report of even date  
FOR AMAR BAFNA & ASSOCIATES  
Chartered Accountants

For and On Behalf of the Board of Directors

Sd-  
**Mahaveer Chand**  
(Partner)  
Membership No. 159297  
Firm Reg. No. 114854W

Sd-  
**R. S. LAHOTI**  
(Mg. Director)  
DIN-00755363

Sd/-  
**R. A. LAHOTI**  
(Director)  
DIN 00755163

Place : Mumbai  
Date : 30/05/2017

Sd-  
**Guddi Bajpai**  
(Company Secretary)  
(M. No. A41335)



2016-17

2016-17

## SERVOTECH ENGINEERING INDUSTRIES LIMITED

CIN: L28933MH1994PLC081857

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

As at 31.03.2016 Rupees	PARTICULARS	NOTES NO.	Year Ended 31.03.2017 Rupees	Year Ended 31.03.2016 Rupees
	I Revenue from Operation	15	-	-
	II Other Income	16	-	-
40,456,166	III <b>Total Revenue (I + II)</b>		-	-
38,368,520)	IV <b>Expenses</b>			
	Cost of Material Consumed	17	-	-
	Employees' Benefits Expenses	18	939,149	710,377
	Financial Costs	19	1,472	1,144
	Depreciation & amortisation expenses	8	-	-
	Other Expenses	20	1,023,186	770,002
280,547	<b>Total Expenses</b>		1,963,807	1,481,523
213,366	V Profit before exceptional and extraordinary Items and Tax (III - IV)		(1,963,807)	(1,481,523)
<b>2,581,559</b>	VI Exceptional Items	-	-	-
	VII Profit before extraordinary Items & tax (V - VI)		(1,963,807)	(1,481,523)
19,427	VIII Extraordinary Items	-	-	-
	IX Profit before Tax (VII - VIII)		(1,963,807)	(1,481,523)
780,587	X Tax Expenses			
	(1) Deferred Tax	-	-	-
	(2) Prior Period Exp	-	-	-
	XI Profit (Loss) for the period from continuing Operation		(1,963,807)	(1,481,523)
114,038	XII Profit (Loss) form Discontinuing operations	-	-	-
615,797	XIII Tax Expenses of Discontinuing operations	-	-	-
1,000,000	XIV Profit (Loss) for the discontinuing Operations (After Tax)	-	-	-
51,710	XV Profit (Loss) for the period (XI + XIV)		(1,963,807)	(1,481,523)
<b>581,559</b>	XVI Earning per Share			
	(1) Basic		(0.38)	(0.29)
	(2) Diluted		(0.38)	(0.29)

Corporate Information

1

Accounting Policies and Notes on Accounts

2

As per our report of even date

FOR AMAR BAFNA &amp; ASSOCIATES

Chartered Accountants

Sd/-

Wahaveer Chand

(Partner)

Membership No. 159297

Firm Reg. No. 114854W

For and On Behalf of the Board of Directors

Sd/-

R. S. LAHOTI

(Mg. Director)

DIN-00755363

Sd/-

R. A. LAHOTI

(Director)

DIN 00755163

Sd/-

Guddi Bajpai

(Company Secretary)

(M. No. A41335)

Place : Mumbai

Date : 30/05/2017



CIN: L28933MH1994PLC081857

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Sr. No.	Particulars	Year Ended 31.03.2017 Rupees	Year Ended 31.03.2016 Rupees
<b>A.</b>	<b>CASH FLOW OPERATING ACTIVITIES</b>		
	Net profit / (loss) before taxation	(1,963,807)	(1,481,523)
	<u>Adjustment For :</u>		
	Depreciation & Amortisation	-	-
	Preliminary/Prior period / Share issue exp. W/off	-	(16,459)
	Operating profit/(loss) before working Capital Changes	(1,963,807)	(1,497,982)
	<u>Adjustment for :</u>		
	(Increase) Decrease in Inventories	-	-
	( Increase ) Decrease in Trade Receivables	-	-
	( Increase ) Decrease in Loans & Advance- Long term	(5,000)	2,950,000
	( Increase ) Decrease in Loans & Advance-Short term	1,000,000	-
	( Increase ) Decrease in Current Assets	23,927	(3,165)
	Increase ( Decrease ) in Short term Borrowings	-	-
	Increase ( Decrease ) in other Current Liabilities	27,262	(24,600)
	Increase ( Decrease ) in Trade Payables	(67,530)	(1,472,084)
	Income Tax		
	<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(985,148)</b>	<b>(47,831)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Investments	-	-
	purchase of Fixed assets	-	-
	Increase (Decrease) in Capital W-I-P	-	-
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(985,148)</b>	<b>(47,831)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of share capital	-	-
	Share application Money Received / Adjusted	1,839,833	-
	Increase (Decrease) in Unsecured loans	-	-
	Increase (Decrease) in Secured loans	-	-
	Increase (Decrease) in Investments	-	-
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>1,839,833</b>	<b>-</b>
<b>D.</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
	<b>Net Increase/ Decrease in Cash &amp; Cash Equivalents</b>	<b>854,685</b>	<b>(47,831)</b>
	Cash & Cash equivalents at the beginning of the year	114,038	161,869
	Cash & Cash equivalents at the end of the Year	<b>968,723</b>	<b>114,038</b>

As per our reports of even date attached  
**FOR AMAR BAFNA & ASSOCIATES**  
Chartered Accountants

Sd/-  
**Mahaveer Chand**  
(Partner)  
Membership No. 159297  
Firm Reg. No. 114854W

Place: Mumbai  
Date: 30/05/2017

**For and On Behalf of the Board of Directors**

Sd/-  
**R. S. LAHOTI**  
(Mg. Director)  
DIN-00755363

Sd/-  
**R. A. LAHOTI**  
(Director)  
DIN-00755163

Sd/-  
**Guddi Bajpai**  
(Company Secretary)



**SERVOTECH ENGINEERING INDUSTRIES LIMITED****(CIN: - L28933MH1994PLC081857)****NOTES FORMING PART OF FINANCIAL STATEMENT****1. Corporate Information**

Servotech Engineering Industries Ltd. (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its share are listed on Bombay Stock Exchange Ltd. The Company is engaged in the trading & supply of turnkey projects of Solvent Extraction plants, Castor Oil Plants, Edible Oil plants, Oil Refinery Plants, Vanaspati Plants, and Dairy & food Processing Plants, Chemical/ Petrochemical, Pharmaceutical Plants etc. Distilleries & its all type of equipment's, Accessories, Spare parts & Components.

**2. SIGNIFICANT ACCOUNTING POLICIES :****2.1 Accounting Concepts :**

The Company follows the mercantile system of accounting and recognized Income and Expenditure on accrual basis. The accounts are prepared on historical cost convention and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted Accounting Principles.

**2.2 Fixed Assets**

Fixed Assets are stated at cost (including other expenses related to acquisition and installation). Less accumulated Depreciation

**2.3 Depreciation**

Depreciation has been provided under W. D. V. method at useful lives specified in the Schedule II of the Companies Act, 2013.

**2.4 Revenue Recognition**

Revenue from Sales represented invoice value of goods sold excluding of sales tax, insurance, packing & forwarding charges etc. Sales of goods is recognized on transfer of property of goods as per agreed terms.

**2.5 Retirement Benefits**

These are accounted for as and when paid.

**2.6 Investments**

Investments are valued at cost.

**2.7 Earning per Share**

The earnings considered in ascertaining the company's EPS comprise the net profit or (loss) for the period after tax and extra ordinary items. The Basis EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The Number of Share for computation of diluted EPS comprise of weighted average number of equity shares considered for deriving basic EPS.

Year Ended  
31.03.2016  
Rupees

481,523)

-

(16,459)

497,982)

-

950,000

-

(3,165)

-

(24,600)

472,084)

47,831)

-

-

-

47,831)

161,869

14,038

Directors

DTI

163



CIN: L28933MH1994PLC081857

## NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
<b>3 : SHARE CAPITAL</b>		
AUTOHRISED		
60,00,000 Equity Shares of Rs. 10 Each	60,000,000	6,00,00,000
ISSUED,SUBSCRIBED & PAID UP		
39,29,000 Equity Shares of 10/- each (Previous Year 51,31,400)		
Fully paid up	39,290,000	
Add : *Forfeited Share	3,006,000	
	42,296,000	40,456,166
*(Number of Shares forfeited 1202400 @ Rs. 2.5/- each)	42,296,000	40,456,166
*(Amout Originally Paid Up)		
a. The details of Equity Shareholders holding more than 5% shares:		
S.No. Name of Shareholders		
1 Radheyshyam Lahoti	516462	-
	13.14	-
2 Lahoti Exports Pvt Ltd.	365600	365600
	9.31	7.12
3 Quality Products Mkt P Ltd.	292800	292800
	7.45	5.71
Out of the 5131400 Ordinary Equity Shares		
1. 1202400 Shares of Face Value of Rs. 10 each represent share forefeited due to non payment of Calls in arrears.		
2. 3929000 Shares of face value of Rs. 10/- each represent shares are fully paid up		
<b>4 RESERVES &amp; SURPLUS</b>		
Opening Balance	(38,368,521)	(36,870,538)
Add : Profit (Loss) for the year	(1,963,807)	(1,497,982)
Balance Net surplus	(40,332,328)	(38,368,520)
Net surplus in the statement of Profit & Loss	(40,332,328)	(38,368,520)
<b>5 LONGTERM BORROWINGS</b>		
Unsecured	-	-
<b>6 TRADE PAYABLES</b>		
Sundry Creditors for Goods	-	-
Sundry Creditors for Expenses	213,017	280,547
	213,017	280,547
<b>7 OTHER CURRENT LIABILITIES</b>		
Other Statutory Liabilities	240,628	213,366
Other Liabilities	-	-
	240,628	213,366



2016-17

## SERVOTECH ENGINEERING INDUSTRIES LIMITED

CIN: L28933MH1994PLC081857

## NOTES FORMING PART OF FINANCIAL STATEMENT

## 8: FIXED ASSETS

SR. NO	ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS At 01.04.16	Addi- tion	As at 31.03.17	Up to 01.04.16	For the Year	Total up to 31.03.17	As At 31.03.17	As At 31.03.16
	<b>TANGIBLE</b>								
1	COMPUTERS	837180	-	837,180	822,486	-	822,486	14,694	14694
2	SCOOTER	25,362	-	25,362	24,094	-	24,094	1,268	1,268
3	TELEPHONE SYSTEM	50,309	-	50,309	47,794	-	47,794	2,515	2,515
4	FAX MACHINE	19,000	-	19,000	18,050	-	18,050	950	950
	Total 2016-17	931851	-	931,851	912,424	-	912,424	19,427	19427
	Total 2015-16	931851	-	931,851	912424	-	912,424	19,427	19427

PARTICULARS	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
<b>9 OTHER NON CURRENT INVESTMENT</b>	-	-
<b>10 LONGTERM LOANS &amp; ADVANCES</b>		
Other Loans	650,000	645,000
Security Deposits	135,587	135,587
	785,587	780,587
<b>CURRENT ASSETS</b>		
<b>11 CASH AND BANK BALANCES</b>		
a) Cash in Hand	113,472	102,934
b) With Scheduled Banks in Current Accounts	855,250	11,103
	968,722	114,037
<b>12 TRADE RECEIVABLES</b> (Unsecured )		
Debts Outstanding for a Period exceeding Six Months	615,797	615,797
Other Debts (Considered Good)	-	-
	615,797	615,797
<b>13 LOANS &amp; ADVANCES (Short Term)</b> (Unsecured)		
Loans & Advances	-	1,000,000
	-	1,000,000
<b>14 OTHER CURRENT ASSETS</b>		
TDs Receivables	-	11,177
Prepaid Expenses	2,564	9,910
Sales Tax Refundable	25,219	30,623
	27,783	51,710



CIN: L28933MH1994PLC081857

## NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	Year Ended 31.03.2017 Rupees	Year Ended 31.03.2016 Rupees
<b>15 REVENUE FROM OPERATION</b>		
Net Sales	-	-
<b>16 OTHER INCOME</b>		
Rebate & Discount	-	-
<b>17 MATERIALS CONSUMED</b>		
Purchase (Net) during the year	-	-
<b>18 EMPLOYEES' REMUNERATION AND BENEFITS</b>		
Salaries,Wages, Allowances Gratuity & Bonus	579,149	170,377
Remuneration to Director	360,000	540,000
	939,149	710,377
<b>19 FINANCIAL COSTS</b>		
Bank Charges	1,472	1,123
Interest on late payment of TDS	-	21
	1,472	1,144
<b>20 OTHER EXPENSES</b>		
Travelling & Conveyance Exepenses	-	2,228
Advertisement Expenses	63,784	80,202
Professional Charges	405,500	52,366
Legal and Other Charges	34,400	41,100
Membership fees	59,541	33,628
Postage charges	53,647	187,994
Listing Fees paid to BSE	230,000	224,720
Auditors Remuneration	45,000	32,809
Printing & Stationery	42,522	36,960
Office Expenses	16,793	15,173
Service Tax	616	-
Profession Tax	2,500	2,500
PT Return filing fees	-	1,000
Share Registrar Charges	68,883	59,322
	1,023,186	770,002



**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

(CIN: - L28933MH1994PLC081857)

**NOTES FORMING PART OF FINANCIAL STATEMENT | Continued****21. Taxes on Income**

Tax expenses for the year comprises of current tax and deferred tax. Current taxes are measured at the current rate of tax in accordance with provision of the Income Tax Act, 1961.

Deferred Tax Assets & Liabilities are recognized for future tax consequences attributable to the timing differences that results between taxable profit & the profit as per the financial statement. Deferred tax Assets & liabilities are measured using the tax rate and tax laws that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred tax assets are recognized on unabsorbed depreciation & carry forward losses under tax law to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The effect of deferred tax assets & liabilities of a change in tax rate is recognized in the Profit & Loss account in the year of Change.

**22. Contingent Liabilities**

Contingent liabilities are determined on the basis of available information and are disclosed by way of Notes to Accounts.

23. All Balances of sundry Debtors, Creditors, Loan & Advances are subject to confirmations.

24. Auditors Remuneration consists of:

	<u>Current Year</u>	<u>Previous Year</u>
	Rs.	Rs.
Audit Fees	45,000/-	30,000/-
<b>TOTAL</b>	<b>45,000/-</b>	<b>30,000/-</b>

25. No Provision has been made for Income tax due to carry forward losses.

26. In order to comply with the requirement of the Micro, Small and Medium Enterprises Development Act 2006, as the company has not received any memorandum (as required by to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act 2006) claiming their status as micro or medium enterprises the information as required to be given above is considered to be NIL.

27. During the year, the Company has forfeited **1202400 equity shares of Rs. 10/-** each due to Non-payment of calls in arrears – Amount of forfeiture of **Rs. 30,06,000/-**-(Amount Originally Paid up)

28. In accordance with the Accounting Standard on "Related Party Disclosure"(AS-18),the disclosure in respect of transactions with the company's related parties are as follows :

a) Associate company	:	NA
b) Key Managerial Person	:	R S Lahoti (M. Director)
c) Material Transaction with related Party	:	NIL
d) Director Remuneration to Mr. R S Lahoti	:	3.60 Lakhs
1) <u>Party</u>		<u>Relationship</u>
a) Lahoti Exports Pvt. Ltd.	:	Director's interest
b) Ultracut Tools Pvt. Ltd.	:	Director's interest

2) The Following transaction were carried out with related party in the ordinary course of business.

Nature of Transaction	Related party referred to in 1
-----------------------	--------------------------------

Year Ended  
31.03.2016  
Rupees

-  
-  
-  
-  
-  
-  
-

170,377  
540,000  
710,377

1,123  
21  
1,144

2,228  
80,202  
52,366  
41,100  
33,628  
87,994  
24,720  
32,809  
36,960  
15,173  
-  
2,500  
1,000  
59,322  
70,002



- a) Loan Received : Nil  
 b) Loan repaid : Nil  
 c) Outstanding payable to : Nil

29. The details of specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 by Servotech Engineering Industries Ltd, as provided and as prescribed in the MCA notification, G.S.R. 308(E), dated March, 31, 2017 is the given below:

(As prepared and certified by the Management)

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.16	-	23,172	23,172
(+) Permitted receipts	-	1,00,000	1,00,000
(-) Permitted payments	-	-	-
(-) Amount deposited in Bank	-	-	-
Closing cash in hand as on 30.12.2016	-	1,23,172	1,23,172

30. In the opinion of the Board of Directors all the current assets, Loans & Advances are approximately of the value stated in the balance sheet as at 31<sup>st</sup> March, 2017 if, realized in the ordinary course of business. The provision for depreciation and all known liabilities has been made and is adequate and not in excess of amount reasonably required.
31. No provision has been considered necessary by the management in respect of Loans and Advances of Rs. 6.50 Lacs (in Previous Year Rs. 6.45 Lacs) given to a party, as the company has taken the necessary steps for the recovery of the same including filling of suit and the Management is hopeful of the recovery of the same.
32. There are no earnings in foreign exchange during the current year as well as in previous year.

**NOTES FORMING PART OF FINANCIAL STATEMENT | Continued**

33. In view of Accounting Standard -22 "Accounting for Taxes on Income", deferred tax Assets has been considering lack of virtual certainty of its realization of losses.
- I) Value of Imports : Rs. Nil (Previous year Rs. Nil)  
 II) Expenditure in foreign currency : Rs. Nil (Previous year Rs. Nil)  
 III) Earnings in foreign Exchange : Rs. Nil (Previous year Rs. Nil)  
 IV) Amount remitted during the year in foreign currencies on account of dividend : Rs. Nil (Previous year Rs. Nil)
34. Previous year figures have been regrouped and rearranged, wherever necessary.

As Per Our Report of even date

**For AMAR BAFNA & ASSOCIATES.**  
 CHARTERED ACCOUNTANTS.

Sd-  
**Mahaveer Chand**  
 (Partner)  
 Membership No. 159297  
 Firm Reg. No. 114854W

Place : Mumbai  
 Date : 30/05/2017

**For and On Behalf of the Board of Directors**

Sd-  
**R. S. LAHOTI**  
 (Mg. Director)  
 DIN-00755363

Sd/-  
**R. A. LAHOTI**  
 (Director)  
 DIN 00755163

Sd-  
**Guddi Bajpai**  
 (Company Secretary)  
 (M. No. A41335)



**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

CIN: L28933MH1994PLC081857

Regd. Office: 502, Triveni Krupa, Carter Road No. 3, Opp. Ambaji mata Temple,  
Borivali East, Mumbai – 400 066

Tel No: 28624357/58,

Email Id: info@servotech-india.com, Website: www.servotechengineering.in

**ATTENDANCE SLIP**

Registered Folio/ DP ID & Client ID	
No. of Shares held	
Name and Address of the Shareholder	

- I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Company to be held on Friday, 29th September, 2017 at 10:00 a.m. 502, Triveni Krupa, Carter Road No. 3, Opp. Ambajimata Temple, Borivali (East), Mumbai – 400066
- Signature of the Shareholder/Proxy Present
- Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
- Shareholder /Proxy holder desiring to attend the meeting may bring his/her copy of Annual Report for reference at the meeting.

.....cut here.....

**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

CIN: L28933MH1994PLC081857

Regd. Office: 502, Triveni Krupa, Carter Road No. 3, Opp. Ambajimata Temple, Borivali East, Mumbai 400 066

Tel No: 022-28624357/58, Email Id: info@servotech-india.com, Website: www.servotechengineering.in

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio. No/ DP Id /Client Id :	

I/We, being the member (s) of the above named company and holders of \_\_\_\_\_ shares hereby appoint:

- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-Mail-ID: \_\_\_\_\_ Signature: \_\_\_\_\_ Or failing him/her
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-Mail-ID: \_\_\_\_\_ Signature: \_\_\_\_\_ Or failing him/her
- Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-Mail-ID: \_\_\_\_\_ Signature: \_\_\_\_\_ Or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on Friday, 29th September, 2017 at 10:00 a.m at 502, Triveni Krupa, Carter Road No. 3, Opp. Ambajimata Temple, Borivali (East), Mumbai – 400066 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2017 including the Audited Balance Sheet as at March 31 <sup>st</sup> 2017 and the Statement of Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.		
2	To appoint a director in place of Mr. Ramawtar Sitaram Lahoti (DIN: 00755163), who retires by rotation as per section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
3	To Appoint Statutory Auditors of the Company, in place of the retiring auditors and to fix their Remuneration.		
<b>Special Business</b>			
4	To Consider and Approve name change of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

AFFIX  
REVENUE STAMP

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 22<sup>nd</sup> Annual General Meeting of the Company



## BALLOT FORM

Name:

Registered Address: of the sole/first named Shareholder

Name (s) of the Joint Shareholder (s) if any:

Registered Folio/DPID &amp; Client ID No:

No. of Shares held:

**SERVOTECH ENGINEERING INDUSTRIES LIMITED**

(CIN: L28933MH1994PLC081857)

Registered office 502, Triveni Krupa, Carter Road No. 3, Opp. Ambajimata Temple, Borivali East, Mum  
400066Tel No: 022-28624357/58, Email Id: [info@servotech-india.com](mailto:info@servotech-india.com),Website: [www.servotechengineering.in](http://www.servotechengineering.in)(In lieu of E- voting) 22<sup>nd</sup> Annual Report 2016-2017

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Not of Twenty Second Annual General Meeting of the Company schedule on Friday 29<sup>th</sup> September 2017, by conveying assent or dissent to the said Resolution(s) by placing the tick (Ö)mark at appropriate box below.

Item No.	Description	No. of equity Shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)	Abstain
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2017 including the Audited Balance Sheet as at March 31 <sup>st</sup> 2017 and the Statement of Profit and Loss Account for the year ended on that date along with the Reports of the Directors and Auditors thereon.				
2	To appoint a director in place of Mr. Ramawtar Sitaram Lahoti (DIN: 00755163), who retires by rotation as per section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.				
3	To Appoint Statutory Auditors of the Company, in place of the retiring auditors and to fix their Remuneration.				
4	To Consider and Approve name change of the Company.				

Place:

Date:

Signature of Shareholder

Note: Kindly read the instruction printed overleaf before filling the form. Valid Ballot Forms received by the Scrutiniser 6.00 p.m. on 25<sup>th</sup> September 2017 shall only be considered.



**INSTRUCTIONS**

1. Members may fill the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutiniser, Mr. Jaiprakash R. Singh, Practicing Company Secretary.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. E- voting and Ballot Form, votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by CDSL and that of members holding shares in physical form is verified as per the records of the shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Link Intime India Pvt. Ltd.) Members are requested to keep the same updated.
7. The voting rights shall be reckoned on the basis of the number of equity shares held by the members as on September 18, 2017 (Cut-off date for the purpose as per 20(4)(vii) of the Companies (Management and Administration) Rules, 2014. as Amended).
8. There will be only one Ballot Form for every Folio/DP ID irrespective of the number of joint members.
9. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by the other joint holders.
10. Where the Ballot Form has been signed by an authorized representative of the body corporate, Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.



ROUTE MAP OF A G M VENUE

