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October 13, 2016

DGM – Deptt. of Corporate Services  
Bombay Stock Exchange Ltd.,  
Phiroze Jeejibhoy Towers, Dalal Street,  
Mumbai - 400 001

Scrip Code – 532723

Sub : Annual Report 2015-16 under Regulation 34 of  
SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report for the year 2015-16. The Annual General Meeting of the Company held on 30.09.2016.

You are requested to kindly take the above information on your records.

Thanking you,

Yours faithfully,  
for **MONNET PROJECT DEVELOPERS LIMITED**

A handwritten signature in blue ink, appearing to read "Gaurav Gupta", is written over a light blue horizontal line.

(GAURAV GUPTA)  
COMPANY SECRETARY

**Corporate Office:** Monnet House, 11 Masjid Moth Greater Kailash Part II, New Delhi-110048 (India) Phones : 011-2921 8542/43/44/45/46  
Fax : 011-2921 8541, E-mail : monnet@monnetgroup.com

**Regd. Off. :** Plot No. 216, Sec.-C, Urla Ind. Complex, Raipur-493 221 (Chhattisgarh) Ph. : (077) 2324249, 2324209, Fax : 077-2324049

CIN No. : L70102CT2002PLC015040

# **14<sup>th</sup>**

## **Annual Report**

### **2015-2016**



**MONNET PROJECT DEVELOPERS LIMITED**

# what's inside

**01**

Corporate Information

**02**

Director's Report

**22**

Management Discussion  
and Analysis Report

**24**

Corporate Governance  
Report

**41**

Standalone Financial

**59**

Consolidated Financial

# Corporate Information

## BOARD OF DIRECTORS

### Non-Executive Directors

Sandeep Kumar Jajodia  
Jagdamba Prasad Lath  
Rajiv Poddar  
Amitabh Sharma Mudgal  
Babika Goel

### Executive Directors

B.D. Bhardwaj

### Chief Financial Officer

Mohd. Arshad

### Company Secretary

Gaurav Gupta

## BOARD COMMITTEES

### Audit Committee

Rajiv Poddar	Chairman
J.P. Lath	Member
Amitabh S. Mudgal	Member

### Nomination and Remuneration Committee

Amitabh S. Mudgal	Chairman
Sandeep Kumar Jajodia	Member
Rajiv Poddar	Member

### Stakeholders Relationship Committee

Rajiv Poddar	Chairman
J.P. Lath	Member
Amitabh S. Mudgal	Member

## AUDITORS

O.P. Bagla & Co.

Chartered Accountants, New Delhi

## REGISTERED OFFICE

Monnet Marg, Mandir Hasaud,  
Raipur, 492101  
Chattisgarh

## INVESTOR SERVICES CENTRE

Monnet House, 11 Masjid Moth,  
Greater Kailash-II, New Delhi-110 048  
Phone: 011-29218542/ 43/ 44/ 45/ 46  
Fax: 011-29218541  
E-mail: [isc\\_mpd@monnetgroup.com](mailto:isc_mpd@monnetgroup.com)

## CORPORATE OFFICE

Monnet House, 11 Masjid Moth,  
Greater Kailash-II,  
New Delhi-110 048, India

## CORPORATE WEBSITE

[www.monnetgroup.com](http://www.monnetgroup.com)

## **DIRECTORS' REPORT**

### **To The Members,**

Your Directors are pleased to present the 14<sup>th</sup> Annual Report on the business and operation of the company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2016.

### **1. FINANCIAL RESULTS**

Particulars	Amount (Rs in lakhs.)		
	Standalone		Consolidated
	2015-16	2014-15	2015-16
Gross Revenue	281.09	267.83	891.62
Profit before tax (after Exceptional Item)	121.90	201.96	144.33
Tax Expenses (Including Deferred Tax)	25.33	42.40	17.89
Minority Interest and Share in Profit of Associates	-	-	-
Profit after Tax	97.53	159.56	126.43

### **2. COMPANY'S PERFORMANCE**

The financial statements of the company had been consolidated for the year 2015-16. At Consolidated level, the gross revenue from the operations was Rs. 891.62 lakhs and the operating profit before tax stood at Rs. 144.33 lakhs. The Net Profit for the year stood at Rs. 126.43 lakhs. At Standalone level, the gross revenue from operations stood at Rs. 281.09 lakhs as compared to previous year of Rs. 267.83 lakhs representing a growth of 4.04%. The profit after tax stood at Rs. 97.53 lakhs. (Previous Year Rs. 159.56 lakhs)

### **3. DIVIDEND**

In view of inadequate profits during the year, your directors do not recommended any dividend to the shareholders.

### **4. RESERVES**

In view of inadequate profits during the year under review, Company has not transferred any amount to the reserve during the year under review.

### **5. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments have taken place between the end of financial year of the Company to which balance sheet relates and date of report, which affects the financial position of the Company.

### **6. PUBLIC DEPOSITS**

Your Company has not accepted any deposits within the meaning of chapter V of the Companies Act, 2013

and Companies (Acceptance of Deposits) Rules, 2014.

### **7. SHARE CAPITAL**

There was no change in the Company's share capital during the year under review. The Company's paid up share capital is Rs. 7,41,25,240/- (Rupees Seven Crore Forty One Lac Twenty Five Thousand Two Hundred Forty Only) comprising of 74,12,524 (Seventy Four Lac Twelve Thousand Five Hundred Twenty Four) equity shares of Rs. 10/- (Rupees Ten Only) each.

### **8. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

Your Company has one associate company and pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 forms part of this Report and marked as **Annexure -1**

### **9. CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards viz. AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

### **10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

However, members' attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

## 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, the company has appointed Sh. Rajiv Poddar as an Additional Director w.e.f. 24.06.2015 and Sh. B.D. Bhardwaj has been appointed as a Whole-time Director of the Company w.e.f. 28.05.2015

In accordance with the provisions of the Section 152 of the Companies Act, 2013 and the company's articles of association, Sh. J.P. Lath, Director retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offer himself for re-appointment.

Shri Amitabh Sharma Mudgal and Ms. Babika Goel was appointed as Independent Directors by Board of Directors which is subject to the approval of the shareholders in ensuing AGM of the Company.

All independent directors have given declarations that they meet the eligible criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

Sh. Mohd. Arshad is the Chief Financial Officer and Sh. Gaurav Gupta is the Company Secretary of the Company.

Directors of the Company are not related to each other in accordance with section 2(77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014

## 12. STATEMENT ON INDEPENDENCE OF DIRECTORS

All independent directors have given declarations that they meet the eligible criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

As required under Regulation 26 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 the required details of directors appointed/reappointed in the 14<sup>th</sup> Annual General Meeting (AGM) of the Company is annexed with the Notice of said AGM.

## 13. AUDITORS

### i) Statutory Auditor

The Auditors report is without any qualifications and notes to the accounts as referred in the Auditors Report are self-explanatory and therefore, do not call for any further comments or explanations.

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, O.P. Bagla & Co, Chartered Accountants, Firm Registration No. 000018N were appointed as statutory auditors of the Company from the conclusion of the 12<sup>th</sup> annual general meeting (AGM) of the Company held on September 27, 2014 till the conclusion of the 15<sup>th</sup> AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

### ii) Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed M/s Sanjay Grover & Associates, Practicing Company Secretaries as its Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for FY 2015-2016. The Report of Secretarial Auditor (Form MR-3) for the FY 2015-2016 is annexed to the report as **Annexure 2**.

The Secretarial Audit Report for the financial year ended March 31, 2016 contains certain reservation and remarks which are given along with the management reply for the same:

- *Mr. Amitabh Sharma Mudgal was appointed as Independent Director w.e.f. 14th February, 2015 by the Board of Directors of the Company, however his appointment is yet to be approved by the Shareholders of the Company;*

In this regard, the Company wishes to inform that in the 14th Annual General Meeting of the Company appointment of Sh. Amitabh Sharma Mudgal is proposed to be approved by the Shareholders of the Company.

- *The Company appointed a Company Secretary (Key Managerial Personnel) on 23rd June, 2015 i.e. beyond a period of six months from the date of such vacancy i.e. 15th October, 2014.*

In this regard, the Company wishes to inform that the Company has appointed Sh. Gaurav Gupta as Company Secretary w.e.f. 23rd June, 2015.

### iii) Internal Auditor

Pursuant to section 138 of Companies Act, 2013, the Company had appointed M/S Krishan Rakesh & Co. (Firm registration No 009088N) as Internal Auditors of the Company for the financial year 2015-16.

#### 14. DIRECTOR'S RESPONSIBILITY STATEMENT

The Company has taken utmost care in its operations, compliance, transparency, financial disclosures and financial statements have been made to give a true and fair view of Company. As required under Section 134(5) and Section 134(3), and based upon the detailed representation, due diligence and inquiry thereof and your Board of Directors assures and confirms as under:

- a) In preparation of Annual Accounts for the financial year ended on March 31, 2016 the Applicable Accounting Standards have been followed and there are no material departures from the same;
- b) The selected accounting policies were applied consistently and the Directors made judgments and estimate that are reasonable and prudent so as to give a true and fair view of Company as at March 31, 2016 and the profit of the Company for that periods;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for the safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on 'going concern basis';
- e) The internal financial controls have been laid down by the company and such financial controls were adequate and operating effectively and;
- f) Proper systems have been devised in compliance with the provision of the all applicable laws and such systems were adequate and operating effectively.

#### 15. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s Krishan Rakesh & Co., Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal Control systems and suggests improvements to strengthen the same. The Company has a robust Management information System which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

#### 16. BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc. The performance evaluation of the Executive Directors and Non-Executive Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### 17. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 4(four) Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report which forms part of this Annual Report.

#### 18. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Delisting Committee
5. Finance Committee

The details of the Committees along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report. Further, during the year review, the board has accepted all the recommendations of the Audit Committee.



## 19. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Further, there have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements.

In this regard, disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 form part of the report as **Annexure-3**

As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.monnetgroup.com> and at the Weblink: [http://www.monnetgroup.com/pdfs/mpdl/policy/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://www.monnetgroup.com/pdfs/mpdl/policy/Policy_on_Related_Party_Transactions.pdf)

## 20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company, at present, does not fall in any of the criteria(s) as provided under section 135 of the Companies Act, 2013 and Rules made there under. Hence the provisions of Corporate Social Responsibility are not applicable on the Company.

## 21. LISTING OF SHARES

The Company's Equity Shares are presently listed at BSE Limited, Mumbai. Further, Company got its shares delisted from the Madhya Pradesh Stock Exchange on 23<sup>rd</sup> April, 2015.

The Listing Fees for the financial year 2016-17 has been paid to BSE Limited.

BSE Ltd.  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai – 400 001

The Further details in relation to listing of shares are given the Corporate Governance Report attached with the Board Report.

## 22. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreements with the Stock Exchange is annexed and forms integral part of this Report.

## 23. RISK MANAGEMENT POLICY

Your Company's Risk Management Policy is backed by strong internal control systems. The risk management

framework consists of policies and procedures framed at management level and strictly adhered to and monitored at all levels. The framework also defines the risk management approach across the enterprise at various levels. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risk and future action plans.

The internal audit team periodically visits the divisions and carries out audit. The findings are periodically reviewed by the Board and Audit Committee with emphasis on maintaining its effectiveness in dynamic business environment.

## 24. CORPORATE GOVERNANCE REPORT

Your Company has complied with requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on the Corporate Governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming compliance forms part of this report.

## 25. DISCLOSURES-

### EXTRACT OF ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013, the extract of the annual return in Form No. MGT – 9 is annexed as **Annexure-4** hereto and forms a part of this report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In accordance with the provisions of Section 134(3)(g) of the Companies Act, 2013, details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 for the year are given in the notes to the financial statements.

### NOMINATION AND REMUNERATION POLICY

The Board has framed a policy which lays down a framework on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013. The details of this policy are explained in the Corporate Governance Report.

### AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.



#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report. The same has also been displayed on the website of the Company and the link for the same is <http://www.monnetgroup.com>

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

The Company has in place a policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints pertaining to sexual harassment were received and/or disposed off during FY 2015-16.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1)/(2)/(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure-5**.

#### **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption are not applicable to the Company and hence have not been provided.

#### **ACKNOWLEDGEMENT**

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board  
**MONNET PROJECT DEVELOPERS LIMITED**

**(J.P. Lath)**  
Director  
DIN: 00380076

**(Braham Dutt Bhardwaj)**  
Whole Time Director  
DIN: 01779434

**Dated: 08.08.2016**  
**Place: New Delhi**

**FORM NO. AOC -1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in Respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	1
Name of subsidiary	NOT APPLICABLE
Reporting period for the subsidiary concerned if different from the holding Company's reporting period	
Reporting Currency and exchange rate as on last date of the relevant financial year in case of foreign subsidiaries	
Share capital	
Reserves and surplus	
Total asset	
Total liabilities	
Investments	
Turnover	
Profit before taxation	
Provision for taxation	
Profit after taxation	
Proposed Dividend	
% of shareholding	

Additional Disclosure	Name of the Subsidiaries
Subsidiaries yet to commence operations	NIL
Subsidiaries Liquidated or sold during the year	NIL

**Part "B": Associates/Joint ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures		Galaxy Monnet Infraheights Limited
1. Latest audited Balance Sheet Date		31.03.2016
2. Shares of Associate/Joint Ventures held by the company on the year end		
I. No.		15,00,000
II. Amount of Investment in Associates/Joint Venture		1,50,00,000
III. Extend of Holding %		50.00%
3. Description of how there is significant influence		N.A.
4. Reason why the associate/joint venture is not Consolidated		N.A.
5. Networth attributable to Shareholding as per latest audited Balance Sheet		3,61,29,920
6. Profit / Loss for the year		
i. Considered in Consolidation		29,00,840
ii. Not Considered in Consolidation		29,00,840
Total		58,01,680
	ADDITIONAL DISCLOSURE	NAME OF ASSOCIATES OR JOINT VENTURES
1. Names of associates or joint ventures which are yet to commence operations		NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year		NIL

For and on behalf of the Board  
**MONNET PROJECT DEVELOPERS LIMITED**

(J.P. Lath)  
Director  
DIN: 00380076

(Braham Dutt Bhardwaj)  
Whole Time Director  
DIN: 01779434

Date: 08.08.2016  
Place: New Delhi

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016

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

To,  
The Members,  
**Monnet Project Developers Limited**  
(CIN: L70102CT2002PLC015040)  
Plot No. 216, Sector – C,  
Urla, Industrial Complex, Raipur,  
Chhattisgarh- 493221

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

**We report that**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) 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.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015/ 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/ SEBI

- (Share Based Employee Benefits) Regulations, 2014;
- (e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable w.e.f. 01<sup>st</sup> December, 2015
- \* No event took place under these regulations during the Audit period.

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

- (i) Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India applicable w.e.f. July 01, 2015, with which the Company has generally complied with.
- (ii) Listing Agreement entered into by the Company with BSE Limited (applicable upto 30<sup>th</sup> November, 2015),

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, except the followings-

- *Sh. Amitabh Sharma Mudgal was appointed as Independent Director w.e.f. 14<sup>th</sup> February, 2015 by the Board of Directors of the Company, however his appointment is yet to be approved by the Shareholders of the Company;*
  - *The Company appointed a Company Secretary (Key Managerial Personnel) on 23<sup>rd</sup> June, 2015 i.e. beyond a period of six months from the date of such vacancy i.e. 15<sup>th</sup> October, 2014.*
- (iii) The Company is engaged in the business of construction and selling residential, commercial and retails properties in NCT of Delhi and Haryana. As informed by the management, following are

some of the laws which are specifically applicable to the company:-

- Ø The Ancient Monuments and Archeological Sites and Remains Act, 1958;
- Ø Haryana Development & Regulation of Urban Areas Act, 1975;
- Ø Control of National Highways (Land & Traffic) Act, 1958;
- Ø Haryana Apartment Ownership Act, 1983.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company, which can be further strengthened.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to the herein above mentioned. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

**For Sanjay Grover & Associates  
Companies Secretaries  
Firm Registration No. P2001DE052900**

**08<sup>th</sup> August, 2016  
New Delhi**

**(Kumar Gaurav)  
Partner  
CP No.: 16188**

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a) Name(s) of the related party and nature of relationship	N.A
b) Nature of contracts/ arrangements/ transactions	
c) Duration of the contracts/ arrangements/ transactions	
d) Salient terms of the contracts or arrangements or transaction including the value, if any	
e) Justification for entering into such contracts or arrangements or transactions'	
f) Date of approval by the Board	
g) Amount paid as advances, if any	
h) Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

1. Details of material contracts or arrangements or transactions at arm's length basis

(a) Name(s) of related party and nature of relationship	N.A
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any:	

For and on behalf of the Board  
MONNET PROJECT DEVELOPERS LIMITED

(J.P. Lath)  
Director  
DIN: 00380076

(Braham Dutt Bhardwaj)  
Whole Time Director  
DIN: 01779434

Date: 08.08.2016  
Place: New Delhi

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2016**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L70102CT2002PLC015040
2.	Registration Date	22/03/2002
3.	Name of the Company	Monnet Project Developers Limited
4.	Category/Sub-category of the Company	Company Limited by shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	Plot No-216, Sector-C, Urla Industrial Complex, Raipur, Chhattisgarh - 493221 Ph:011-29218542/43, Fax:011-29218541
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited Address – F-65, First Floor, Okhla Industrial Area, Phase -1, New Delhi- 110020 Phone No.: 011-41406149 Fax : 011- 41709881

**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)

The Company is under implementation of its projects. Hence no income from main activity is generated.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY:**

S.No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Galaxy Monnet Infraheights Limited	U70100DL2010PLC207989	Associate	50.00	2(6)



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

##### Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% 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	16680	0	16680	0.23	327602	0.00	327602	4.42	4.19
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	5230128	0.00	5230128	70.56	5230128	0.00	5230128	70.56	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other (Directors/Pro moters & their Relatives & Friends)	310922	0	310922	4.19	0	0	0	0	(4.19)
<b>Sub-total (A) (1):-</b>	<b>5557730</b>	<b>0</b>	<b>5557730</b>	<b>74.98</b>	<b>5557730</b>	<b>0.00</b>	<b>5557730</b>	<b>74.98</b>	<b>0.00</b>
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Others- Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>5557730</b>	<b>0.00</b>	<b>5557730</b>	<b>74.98</b>	<b>5557730</b>	<b>0.00</b>	<b>5557730</b>	<b>74.98</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
1. Institutions									

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	420706	0.00	420706	5.68	420706	11880	432586	5.84	0.16
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	246023	0.00	246023	3.32	246023	0	246023	3.32	0.00
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>666729</b>	<b>0.00</b>	<b>666729</b>	<b>8.99</b>	<b>666729</b>	<b>11880</b>	<b>678609</b>	<b>9.15</b>	<b>0.16</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	376170	71880	448050	6.04	376763	60000	436763	5.89	(0.15)
ii) overseas	0	0	0	0	0	60000	60000	0.81	0.81
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	323298	69850	393148	5.30	339124	69730	408854	5.52	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	240032	0.00	240032	3.24	240032	0.00	240032	3.24	0.00
<b>c) Others (specify)</b>									
Hindu Undivided Families	17415	0.00	17415	0.23	0.00	0.00	0.00	0.00	(0.23)
Non Resident Indians	400	88860	89260	1.20	1676	28860	30536	0.41	(0.79)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Directors and their Relatives	160	0.00	160	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>957475</b>	<b>230590</b>	<b>1188065</b>	<b>16.03</b>	<b>957595</b>	<b>218590</b>	<b>1176185</b>	<b>15.87</b>	<b>(0.16)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1624204</b>	<b>230590</b>	<b>1854794</b>	<b>25.02</b>	<b>1624324</b>	<b>230470</b>	<b>1854794</b>	<b>25.02</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>7181934</b>	<b>230590</b>	<b>7412524</b>	<b>100.00</b>	<b>7182054</b>	<b>230470</b>	<b>7412524</b>	<b>100.00</b>	<b>0.00</b>

#### B) Shareholding of Promoter

S. N.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% change in shareholding during the year
		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 to total shares	
1	Cecil Webber Engineering Limited	1328267	17.92	0	1328267	17.92	0	0.00
2	Pavitra Commercial Limited	1199980	16.19	0	1199980	16.19	0	0.00
3	Monnet Properties Private Limited	17400	0.23	0	17400	0.23	0	0.00
4	Kamdheni Enterprises Ltd.	2563798	34.59	0	2563798	34.59	0	0.00
5	Mahendra Shipping Limited	12527	0.17	0	12527	0.17	0	0.00
6	Paras Traders Private Limited	2620	0.04	0	2620	0.04	0	0.00
7	Trustwell Holdings Limited	156	0.00	0	156	0.00	0	0.00
8	Harshwardhan Leasing Ltd.	870	0.01	0	870	0.01	0	0.00
9	Monnet International Limited	104510	1.41	0	104510	1.41	0	0.00
10	Sandeep Kumar Jajodia (HUF)	16680	0.23	0	16680	0.23	0	0.00

S. N.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% change in shareholding during the year
		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 to total shares	
11	Sandeep K. Jajodia	72236	0.97	0	72236	0.97	0	0.00
12	Seema Jajodia	33006	0.45	0	33006	0.45	0	0.00
13	Nikunj Jajodia	16680	0.23	0	16680	0.23	0	0.00
14	Nikita Jajodia	175800	2.37	0	175800	2.37	0	0.00
15	Mahendra Kumar Jajodia	1800	0.02	0	1800	0.02	0	0.00
16	Sudha Jajodia	11400	0.15	0	11400	0.15	0	0.00
	<b>Total</b>	<b>5557730</b>	<b>74.98</b>	<b>0</b>	<b>5557730</b>	<b>74.98</b>	<b>0</b>	<b>0.00</b>

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

S.N.	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
	At the beginning of the year	5557730	74.98	5557730	74.98
	Change in the promoters shareholding	0	0	0	0
	At the end of the year	5557730	74.98	5557730	74.98

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

S.N.	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	IFCI Ltd.	270706	3.65	270706	3.65
2	The Oriental Insurance Co. Ltd.	150000	2.02	150000	2.02
3	ICICI Bank Ltd.	150000	2.02	150000	2.02
4	Baba Commercial & Finvest Private Limited	103179	1.39	103179	1.39
5	Sangeetha S	92710	1.25	92710	1.25
6	Roger Engineering Private Limited	84230	1.14	84230	1.14
7	Life Insurance Corporation of India	62023	0.84	62023	0.84
8	Kismat Broadcasting Company Pvt Ltd	60000	0.81	60000	0.81
9	Vindhyachal Properties Private Limited	60000	0.81	60000	0.81
10	Hind Strategic Investments	60000	0.81	60000	0.81
	<b>TOTAL</b>	<b>1092848</b>	<b>14.74</b>	<b>1092848</b>	<b>14.74</b>

**E) Shareholding of Directors and Key Managerial Personnel:**

S.N.	Shareholding of Directors and each Key Managerial Personnel	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
<b>1.</b>	<b>Sandeep Kumar Jajodia</b>				
	At the beginning of the year	72,236	0.98	72,236	0.98
	Increase & decrease in shareholding during the year	NIL			
	At the end of the year	72,236	0.98	72,236	0.98
<b>2.</b>	<b>J.P. Lath</b>				
	At the beginning of the year	160	0.00	160	0.00
	Increase & decrease in shareholding during the year	NIL			
	At the end of the year	160	0.00	160	0.00

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	0.00	0.00	0.00	0.00
<b>Change in Indebtedness during the financial year</b>	0.00	0.00	0.00	0.00
* Addition	0.00	0.00	0.00	0.00
* Reduction	0.00	0.00	0.00	0.00
<b>Net Change</b>	0.00	0.00	0.00	0.00
<b>Indebtedness at the end of the financial year</b>	0.00	0.00	0.00	0.00
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	0.00	0.00	0.00	0.00

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		B.D. Bhardwaj	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(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		-
	Total	NIL	NIL
	Overall Ceiling as per the Act	As per companies Act, 2013	

### B. Remuneration to other directors

(Amount in ₹)

S.N.	Particulars of Remuneration	Name of Directors		Total Amount
		Rajiv Poddar		
1	Independent Directors			
	Fee for attending board committee meetings	3100		3100
	Commission			
	Others, please specify			
	Total (1)	3100		3100
2	Other Non-Executive Directors	Babika Goel	Sandeep Kumar Jajodia	
	Fee for attending board committee meetings	4000	4000	8000
	Commission	-	-	
	Others, please specify	-	-	
	Total (2)	4000	4000	8000
	Total=(1+2)	7100	4000	11100
	Total Managerial Remuneration	NIL	NIL	NIL

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

S.N.	Particulars of Remuneration	Key Managerial Personnel		
		Gaurav Gupta* (CS)	Mohd. Arshad (CFO)	Total
1	Gross salary	-	-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	198639	239137	437776
	(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	-	-	-
	<b>Total</b>	<b>198639</b>	<b>239137</b>	<b>437776</b>

\* Sh. Gaurav Gupta was appointed as Company Secretary w.e.f. 23rd June 2016.

**VII. Penalties / Punishment/ Compounding of Offences under the Companies Act, 1956 And Companies Act, 2013-NIL**

By Order of the Board  
For **Monnet Project Developers Limited**

(J.P. Lath)  
Director  
DIN: 00380076

(Braham Dutt Bhardwaj)  
Whole Time Director  
DIN: 01779434

Place: New Delhi  
Dated: 08.08.2016



**DISCLOSURES PURSUANT TO SECTION 197 (12) AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

Required Disclosures are as under:-

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

(Amount in ₹)

Sr. No.	Name	Designation	Remuneration of Director for financial year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1.	Jagdamba Prasad Lath	Director	NIL	N.A.
2.	Sandeep Kumar Jajodia	Director	NIL	N.A.
3.	Amitabh Sharma Mudgal	Director	NIL	N.A.
4.	Babika Goel	Director	NIL	N.A.
5.	Rajiv Poddar	Director	NIL	N.A.
6.	B.D. Bhardwaj	Whole Time Director	NIL	N.A.

- The median remuneration of employees of the Company was Rs. 2,75,122
- For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.
- Figures have been rounded off wherever necessary.

2. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Name	Designation	Remuneration of Director / KMP for financial year 2015-16	Ratio of remuneration of each Director/ KMP to median remuneration of employees*	% increase in Remuneration of each Director, chief executive officer, chief financial officer, company secretary
Jagdamba Prasad Lath	Director	NIL	N.A.	N.A.
Sandeep Kumar Jajodia	Director	NIL	N.A.	N.A.
Amitabh Sharma Mudgal	Director	NIL	N.A.	N.A.
Babika Goel	Director	NIL	N.A.	N.A.
Rajiv Poddar*	Director	NIL	N.A.	N.A.
B.D. Bhardwaj**	Whole Time Director	NIL	N.A.	N.A.
Mohd. Arshad***	Chief Financial Officer	239137	0.86	N.A.
Gaurav Gupta****	Company Secretary	198639	0.72	N.A.

\*Sh. Rajiv Poddar appointed as Director on 24.06.2015.

\*\*Sh. B.D. Bhardwaj was appointed as Whole Time Director w.e.f. 28.05.2015, hence the percentage increase can't be calculated.

\*\*\*Sh. Mohd. Arshad was appointed as CFO w.e.f. 14.02.2015, hence the percentage increase can't be calculated.

\*\*\*\*Sh. Gaurav Gupta was appointed as Company Secretary w.e.f. 28.05.2015, hence the percentage increase can't be calculated.

**3. The percentage increase in the median remuneration of employees in the financial year:**

During FY 2016, there was no increase in the median remuneration of employees as compared to previous year. During FY 2015-16 there was 4 employees and in the FY 2014-15 there was only 1 employee in the company for the full financial year.

**4. The number of permanent employees on the rolls of Company:**

There were 4 employees as on March 31, 2016

**5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There is no increase in remuneration of employees and Managerial Personnel as there was only 1 employee on payroll of the company for FY 2014-15 and there were 4 employees during the FY 2015-16

**6. Affirmation that Remuneration paid by the company is as per the Remuneration policy of the company.**

Yes, it is confirmed.

For and on behalf of the Board  
**MONNET PROJECT DEVELOPERS LIMITED**

**(J.P. Lath)**  
Director  
DIN: 00380076

**(Braham Dutt Bhardwaj)**  
Whole Time Director  
DIN: 01779434

**Date: 08.08.2016**

**Place: New Delhi**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management of Monnet Project Developers Limited is pleased to present its analysis report on its performance and future outlook.

### ❖ **INDUSTRY OVERVIEW**

#### **Structure**

Real Estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. It comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The Indian real estate market size is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's gross domestic product (GDP).

### ❖ **OPPORTUNITIES AND THREATS**

The Company is exploring through various means to utilize the opportunities available to carry on the objects for the growth of the Company.

### ❖ **SEGMENT WISE REPORTING**

During the year under review, Company has received the income interest from banks. Financial performance with respect to operational performance is as follows:-

The financial highlights are as under: -

(₹ in Lakhs)

<b>Sales for the year 2015-2016</b>	<b>281.09</b>
<b>Provision for taxation</b>	<b>25.33</b>
<b>Profit after tax</b>	<b>97.53</b>
<b>Paid up equity share capital as on 31<sup>st</sup> March, 2016</b>	<b>741.25</b>

### ❖ **OUTLOOK**

The real estate sector in India has provided ample opportunity with the liberalization of the economy. With the increased demand of commercial and residential property, the company is confident that the ever expanding market for the real estate shall provide a good business opportunity to the company to gain its share in the market.

### ❖ **RISKS AND CONCERNS**

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

### ❖ **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective.

### ❖ **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The Company is under process of implementing real estate projects. There fore, the income is not yet generated. However, during the year company has received interest income of ₹ 281.09 lakhs.

### ❖ **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The company recognizes the fact that manpower is the most vital resource for the real estate sector. The company ensures that its employees are provided the best working environment and compensated with attractive remunerations. Employees are encouraged to be innovative and involved to pursue their goals which are allied with

the larger interest of the company. Since the operations of the company are not going on large scale presently, therefore, only four employees are employed by the company.

❖ **DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statement of the company is prepared as per the prescribed accounting standards and reflects true & fair view of the business transactions and there is no division in the following the treatment prescribed in any accounting standard(AS) in the preparation of financial statements of the Company.

❖ **CAUTIONARY STATEMENT**

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

## **CORPORATE GOVERNANCE REPORT**

### **1. CORPORATE GOVERNANCE PHILOSOPHY**

Monnet believes in conducting its affairs in a fair and professional manner and in maintaining the high standards. The Company is committed to following good Corporate Governance practices through a series of measures which include having professional Directors on the Board, adopting pragmatic policies and effective systems and procedures, sharing of information with shareholders on a regular basis through newspapers, audits and checks.

The policies and actions of the Company, while being in full compliance of applicable laws and regulations, are dictated by the underlying objective of maximizing shareholder value on a long-term basis.

For better corporate governance, the Securities and Exchange Board of India (hereinafter referred as 'SEBI') has come up with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") replacing Listing Agreement with Stock Exchange(s) (hereinafter referred as "Listing Agreement"). All the provisions of the Listing Regulations were enforced as on 01<sup>st</sup> December 2015. The Company is in full compliance with all the mandatory requirements of Listing Agreement with Stock Exchange and Listing Regulations.

### **2. BOARD OF DIRECTORS:**

The Company has a strong and a broad-based Board consisting of six Directors with adequate blend of Professionals, Executive, Non-Executive, Independent Directors and Women Director. Independent Directors fulfill all the conditions for being Independent to the Company, as stipulated under Regulation 16(1)(b) of Listing Regulations and the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, from time to time.

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment is disclosed on the website of the Company i.e. [www.monnetgroup.com](http://www.monnetgroup.com).

**The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies, as on March 31, 2016 is as follows:**

Name	Category	Designation	No. of Directorships in other Companies	No. of Committee Memberships in other Companies (excluding Private Companies, Section 8 & Foreign Companies)	
				As Member	As Chairman
<b>Shri Sandeep Kumar Jajodia</b> (DIN 00082869)	Promoter Non-Executive	Director	5	0	0
<b>Shri Amitabh S. Mudgal*</b> (DIN 00468084)	Independent Non-Executive	Director	5	1	0
<b>Shri J. P. Lath</b> (DIN 00380076)	Non-Independent Non-Executive	Director	5	2	3
<b>Ms. Babika Goel</b> (DIN 07060202)	Professional Non-Executive	Director	2	0	0
<b>Shri Rajiv Poddar**</b> (DIN 00171063)	Independent Non-Executive	Director	2	1	1
<b>Shri Braham Dutt Bhardwaj***</b> (DIN 01779434)	Professional Executive	Whole Time Director	2	1	0

- \* Sh. Amitabh Sharma Mudgal was appointed as Independent Director w.e.f. 14th February, 2015 by the Board of Directors of the Company.
  - \*\* Sh. Rajiv Poddar appointed w.e.f 24.06.2015
  - \*\*\* Sh. B.D. Bhardwaj appointed w.e.f 28.05.2015
- 1) Other Directorships and Committee Memberships, based on the disclosures received from the directors, are as on 31st March, 2016.
  - 2) Directorships in other Companies exclude Private Limited Companies, Foreign Companies, Membership of Associations etc./Professional Bodies and Alternate Directorship.
  - 3) Committee Membership is in respect of Audit Committee and Stakeholder's Relationship Committee of Indian Public Limited Companies.
  - 4) None of the directors is a member of more than ten committee or acts as the chairman of more than five committees in all Public companies in which they are directors.
  - 5) There is no relationship between directors inter-se.

## BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries or associates. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

In the Financial year 2015-16, the Board met four times. The meetings were held on May 28, 2015, August 13, 2015, November 07, 2015 and February 10, 2016. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

The last Annual General Meeting was held on 30<sup>th</sup> September 2015. Following are the details of attendance of Directors in the Board Meetings and at the Annual General Meeting held during the year:—

Name of the Director	No. of Board Meetings held during the year 2015-16	No. of Board Meetings attended during the year 2015-16	Attendance at the last AGM
Shri Sandeep Kumar Jajodia	4	4	No
Shri Amitabh S. Mudgal	4	4	No
Shri J. P. Lath	4	4	Yes
Shri Rajiv Poddar*	3	3	No
Ms. Babika Goel	4	4	No
Shri B.D. Bhardwaj**	3	3	No

\*Sh. Rajiv Poddar appointed w.e.f. 24.06.2015

\*\* Sh. B.D. Bhardwaj appointed w.e.f. 28.05.2015

## FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company has also formulated familiarization programmes to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc. The details of such familiarization programmes are also available on the website of the Company i.e. [www.monnetgroup.com](http://www.monnetgroup.com).

## **INTER-SE RELATIONSHIPS BETWEEN DIRECTORS**

Directors do not have any inter-se relationship.

## **NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS**

Except Non-Executive Directors of Company i.e. Sh. Sandeep Kumar Jajodia and Sh. J.P. Lath holds 72,236 and 160 shares, respectively, no other Director including Non-Executive Director of the Company hold any shares or convertible instruments in the Company during the financial year ended 31st March 2016.

## **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Other Committees formed under The Companies Act, 2013. A set of evaluation factors was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders etc. Schedule IV of the Companies Act 2013 states that performance evaluation of Independent Directors shall be done by the entire Board, excluding the director being evaluated. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the directors who are subject to evaluation had not participated.

## **3. BOARD COMMITTEES**

The Board has constituted the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Executive Committee and Delisting Committee. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees. Recommendations/decisions of the committee are submitted to the Board for approval. The quorum for meetings is either two members or one third of the members of the committees, whichever is higher.

### **i) AUDIT COMMITTEE**

#### **COMPOSITION:-**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of Listing Regulations read with Section 177 of the Companies Act, 2013.

All members of the Audit Committee are financially literate and have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. As on March 31, 2016 the Audit Committee consists of three directors i.e. Sh. Rajiv Poddar (Non-Executive Independent Director), Chairman, Sh. J.P. Lath (Non-Executive Non Independent Director) and Sh. Amitabh S. Mudgal (Non-Executive Independent Director) as its members. The Company Secretary of the Company acts as Secretary to the Committee.

#### **MEETINGS AND ATTENDANCE:-**

The audit committee met four times during the financial year 2015-16. The maximum gap between two meetings was not more than 120 days. The committee met on 28<sup>th</sup> May, 2015, 13<sup>th</sup> August 2015, 07<sup>th</sup> November, 2015 and 10<sup>th</sup> February, 2016. The necessary quorum was present for all meetings.

The Table below provides the Attendance of the Audit Committee members:



Sr. No.	Name of Directors	Position	Category	No. of Meetings Attended
1.	Sh. Rajiv Poddar*	Chairperson	Non-Executive Independent	4 of 3
2.	Sh. J.P. Lath	Member	Non Independent Non Executive	4 of 4
3.	Sh. Amitabh S. Mudgal	Member	Non-Executive Independent	4 of 4
4.	Ms. Babika Goel**	Member	Non- Executive Non Independent	1 of 4

\* Sh. Rajiv Poddar appointed w.e.f 24<sup>th</sup> June, 2016.

\*\* Ms. Babika Goel was Appointed as the Member of the Committee 14<sup>th</sup> February, 2015 and resigned w.e.f. 24<sup>th</sup> June, 2015.

#### **BRIEF DESCRIPTION OF CHARACTER / TERMS OF REFERENCE OF AUDIT COMMITTEE:-**

The brief Description of Charter/terms of reference of Audit Committee are broadly as under:

- Overview of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (GAAP).
- Review the investments made by the Company.

#### **INTERNAL CONTROLS AND GOVERNANCE PROCESSES**

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

#### **RISK MANAGEMENT**

The Company is not mandatorily required to constitute Risk Management Committee. Further, the Audit Committee and the Board of Directors review the risks involved in the Company and appropriate measures to minimize the same from time to time. The Board of the Company has also adopted a risk management policy for the Company.

#### **ii) NOMINATION AND REMUNERATION COMMITTEE**

##### **COMPOSITION:-**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Board has constituted its "Nomination and Remuneration Committee".

As at 31<sup>st</sup> March, 2016 the Nomination and Remuneration Committee consists of three directors i.e. Sh. Amitabh S. Mudgal (Non-Executive Independent Director), Chairman, Sh. Rajiv Poddar (Non-Executive Independent Director) and Sh. Sandeep Kumar Jajodia (Non-Executive Non Independent Director) as its members. The Company Secretary of the Company acts as Secretary to the Committee.

## MEETINGS AND ATTENDANCE:-

The Nomination and Remuneration Committee met twice year during the year on 28<sup>th</sup> May, 2015 and 07<sup>th</sup> November, 2015. The necessary quorum was present for the Meeting. The Table below provides the Attendance of the Nomination and Remuneration Committee members:

Sr. No.	Name of Directors	Position	Category	No. of Meetings Attended
1.	Sh. Amitabh S. Mudgal	Chairperson	Non-Executive Independent	2 of 2
2.	Sh. SandeepJajodia	Member	Non-Executive Promotor	2 of 2
3.	Sh. Rajiv Poddar*	Member	Non-Executive Independent	2 of 1
4.	Ms. Babika Goel**	Member	Non- Executive Non Independent	1 of 2

\* Sh. Rajiv Poddar appointed w.e.f 24.06.2015

\*\* Ms. Babika Goel was appointed as the Member of the Committee 14<sup>th</sup> February, 2015 and resigned w.e.f. 24<sup>th</sup> June, 2015.

## TERMS OF REFERENCE:-

The Board has framed the Nomination and Remuneration Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

## NOMINATION AND REMUNERATION POLICY:

The Board of the Company has also adopted the Nomination and Remuneration Policy for the Company in compliance with Schedule II, Part-D of Listing Regulations and the applicable provisions of the Companies Act, 2013. The said policy of the Company is available on the website of the company i.e.<http://www.monnetgroup.com> and accessed through following weblink ; “[http://www.monnetgroup.com/pdfs/others/mpdl/Policy\\_Nomination\\_Remuneration\\_and\\_Board\\_Diversity.pdf](http://www.monnetgroup.com/pdfs/others/mpdl/Policy_Nomination_Remuneration_and_Board_Diversity.pdf)”

### The Objective and Purpose of this policy is as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors

(Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of Directors, Key Managerial Personnel and other employees.

- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the real estate industry.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustain ability of talented managerial persons and create competitive advantage.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The Nomination and Remuneration policy of the Company lays down the criteria for Directors'/Key Managerial Personnel's appointment and remuneration including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-Executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Companies Act, 2013 and the Listing Regulations as well as the performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

#### DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2016

As on March 31, 2016, the company had one Executive Director and five Non-Executive Directors. Sitting Fee paid to Non-Executive Directors is as given below:-

Directors	Sitting Fees (₹)	ESOP granted (No of shares)
Sh. Sandeep Kumar Jajodia	4000	NIL
Sh. Rajiv Poddar*	3100	NIL
Sh. Amitab S. Mudgal	NIL	NIL
Ms. Babika Goel**	4000	NIL
Sh. J. P. Lath	NIL	NIL

\* Sh. Rajiv Poddar appointed w.e.f 24<sup>th</sup> June, 2015.

#### CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS INCLUDING ALL PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS

The Non-Executive Independent Directors are not paid any remuneration other than the sitting fee for attending meetings of the Board and the Committees thereof as approved by the Board.

There has been no pecuniary relationship or transactions of the Non-Executive Directors' vis-à-vis the Company during the year except the sitting fees, consultancy fees and Remuneration paid to them as detailed above.

#### REMUNERATION OF EXECUTIVE DIRECTORS

The appointment and remuneration of Executive Directors including Whole-time Director is governed by the recommendation of the Nomination & Remuneration Committee, through resolutions passed by the Board of Directors read with the terms and conditions of Appointment as approved by the Shareholders of the Company.

During the year no remuneration was paid to the Executive Director(s) of the Company.

#### SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

The Non-Executive Director has disclosed their shareholding in the Company. Details of their shareholding are as follows:

Shri. Sandeep Kumar Jajodia holds 72,236 shares

Shri. J.P. Lath holds 160 shares

#### EMPLOYEE STOCK OPTION SCHEME

The Company does not have any employee stock option scheme for its employees and Directors.

#### iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE

##### COMPOSITION AND ATTENDANCE

The Stakeholders' Relationship Committee consists of three directors. Sh. Rajiv Poddar, Non-executive Independent Director is Chairperson of this committee. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

Sr. No.	Name of Directors	Position	Category	No. of Meetings Attended
1.	Sh. Rajiv Poddar*	Chairperson	Non-Executive Independent	4 of 3
2.	Sh. J.P. Lath	Member	Non Independent Non Executive	4 of 4
3.	Sh. Amitabh S. Mudgal	Member	Non-Executive Independent	4 of 4
4.	Ms. Babika Goel**	Member	Non Independent Non Executive	1 of 4

\* Sh. Rajiv Poddar appointed w.e.f 24<sup>th</sup> June, 2015.

\*\* Ms. Babika Goel was appointed as the Member of the Committee 14<sup>th</sup> February, 2015 and resigned w.e.f. 24<sup>th</sup> June, 2015.

The Company Secretary of the Company acts as Secretary to the Committee.

##### TERMS OF REFERENCE

The Board has clearly defined the terms of reference for this committee, which generally meets once in a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;

- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The committee met four times during the last year on 28<sup>th</sup> May, 2015, 13<sup>th</sup> August 2015, 07<sup>th</sup> November, 2015 and 10<sup>th</sup> February, 2016; The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

#### NAME AND DESIGNATION OF COMPLIANCE OFFICER

Sh. Gaurav Gupta, Company Secretary, is the compliance officer of the Company (w.e.f. 03<sup>rd</sup> July, 2015). He can be contacted at:

**Address:** Monnet House, 11 Masjid Moth, Greater Kailash-II, New Delhi-110 048

**Phone:** 011-29218542/ 43/ 44/ 45/ 46

**Fax:** 011-29218541

**E-mail:** isc\_mpd@monnetgroup.com

#### DETAILS OF THE SHAREHOLDER'S COMPLAINTS/QUERIES/REQUESTS RECEIVED, REDRESSED/PENDING DURING THE FINANCIAL YEAR 2015-2016

The Total number of complaints resolved and received for the year ended March 31, 2016 was three. There were no complaints outstanding as on March 31, 2016. The details of total number of complaints/queries/requests received; resolved/pending during the financial year 2015-2016 is as follows:

Opening	Received during the year	Number not solved to the satisfaction of	Resolved during the year	Closing
Nil	3	3	3	Nil

**Note:** The above table also includes Complaints received from SEBI SCORES by the Company.

The complaints are handled by Company's Registrars and Share Transfer Agent, MCS Share Transfer Agent Ltd., New Delhi. The committee monitors the complaints and other activities and also helps in resolving grievances wherever needed. A firm of Practicing Company Secretaries conducts the audit on quarterly basis and submits Capital Reconciliation Audit Report.

#### iv. EXECUTIVE COMMITTEE:

The Executive Committee was formed to deal with urgent matters requiring immediate action of the Board of Directors before a meeting of the Board could be convened. The Composition of executive committee of directors consists of Sh. B.D. Bhardwaj as the Chairman and Sh. J.P. Lath as Member of the Committee. During the year, 3 meetings of Executive Committee were held on 27<sup>th</sup> July, 2015, 17<sup>th</sup> August, 2015 and 07<sup>th</sup> November, 2015 which was attended by both the Committee members.

**v. DELISTING COMMITTEE:**

The Delisting Committee was formed to deal with the matters relating to delisting of the Company from regional Stock Exchanges. However, no meeting of Delisting Committee was held during the Financial Year.

**vi. INDEPENDENT DIRECTOR'S MEETING**

During the year under review, the Independent Directors met on 13<sup>th</sup> August, 2015, inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and time lines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for this Meeting.

**4. GENERAL BODY MEETINGS**

The details of last three Annual General Meetings and Special Resolution passed thereat are as given below:

Date & Time	General Meeting	Venue	Details of Special Resolution Passed
30 <sup>th</sup> September 2015 01:30 P.M.	13 <sup>th</sup> AGM	Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh- 492101	No Special Resolution Passed
27 <sup>th</sup> September 2014 01:30 P.M.	12 <sup>th</sup> AGM		No Special Resolution Passed
30 <sup>th</sup> September 2013 01:00 P.M.	11 <sup>th</sup> AGM		No Special Resolution Passed

**5. DISCLOSURES RELATED TO POSTAL BALLOT**

During the Financial year ended 31st March, 2016 the Company has not passed any Resolution through Postal Ballot. Further, till the date of signing of this report, no Special Resolution is proposed to be conducted through postal ballot.

**6. PROCEDURE OF POSTAL BALLOT**

Resolutions, if required, shall be passed by Postal Ballot during the year ending on 31st March, 2017, as per the prescribed procedure under the Companies Act, 2013 and Listing Regulations.

**7. MEANS OF COMMUNICATION**

Monnet pursues the policy of timely disclosure of information. The company publishes quarterly results and circulates the same to stock exchanges and sends the annual report to all the shareholders. The company also posts quarterly results, entire annual report and shareholding pattern on the website of the company besides sending complete annual report to the shareholders.

**Name of the newspapers wherein financial results are normally published**

The quarterly and annual financial results are normally published in "Pioneer" (English Language) and "Raj Express" (Vernacular Language).

The Company also ensures that financial results are promptly and prominently displayed on Company's Website

The Company also ensures that the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting

and handling investor grievances, details of agreements entered into with media companies and/or their associates are promptly and prominently displayed on its Website [www.monnetgroup.com](http://www.monnetgroup.com). Company did not disclose official news release on its website.

## 8. **OTHER DISCLOSURES**

### **MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS AND RELATED PARTY POLICY**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under the Note No. 26 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. [http://www.monnetgroup.com/pdfs/mpdl/policy/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://www.monnetgroup.com/pdfs/mpdl/policy/Policy_on_Related_Party_Transactions.pdf)

### **DETAILS OF NON COMPLIANCE BY THE COMPANY, PENALTIES, AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS.**

The Company has complied with all requirements Specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

### **WHISTLE BLOWER POLICY AND AFFIRMATION THAT NO PERSONNEL HAVE BEEN DENIED ACCESS TO THE AUDIT COMMITTEE**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website and link of the is given below;

[http://www.monnetgroup.com/pdfs/others/mpdl/Policy\\_Vigil\\_Mechanism.pdf](http://www.monnetgroup.com/pdfs/others/mpdl/Policy_Vigil_Mechanism.pdf)

### **MATERIAL SUBSIDIARY POLICY**

As the Company has no subsidiary, it is not required to maintain the policy for Determining Material Subsidiaries of the Listing Regulations.

### **COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements of Listing Regulations. The Company has not adopted any non-mandatory requirement of the Listing Regulations.

### **CODE OF CONDUCT**

The Board has laid down a code of conduct for all Board members and Senior Management of the Company. All Board members and Senior Management Personnel have complied with the Code of Conduct. Declaration to this effect signed by the Director is enclosed with the Annual Report.

The Code of Conduct is available on Company's website [www.monnetgroup.com](http://www.monnetgroup.com)

All the members of the Board and Senior Management Personnel have affirmed compliance to the code as on 31st March, 2016.



A Declaration of Whole Time Director regarding compliance with Code of Conduct by Directors and Senior Management Personnel is enclosed with the Annual Report.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

The Financial statement of the Company is prepared as per the prescribed Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance and there is no deviation in following the treatment prescribed in any Accounting Standards (AS) in the preparation of financial statements of the Company.

#### **CEO/CFO CERTIFICATION**

As required by Regulation 17 of Listing Regulations, 2015, the certificate signed by Whole-time Director and Non-Executive Director was placed before the Board of Directors.

#### **DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46 OF LISTING REGULATIONS**

The Company has complied with the applicable provisions of Listing Regulations including Regulation 17 to 27 and Regulation 46. The Company submits a quarterly compliance report on corporate governance signed by Compliance officer to the Stock Exchange within 15 days from the close of every quarter. Such quarterly compliance reports on corporate governance are also posted on the Company's website.

Compliance of the Conditions of Corporate Governance has also been audited by Practicing Company Secretary. After being satisfied of the above compliances, they have issued a compliance certificate in this respect. The said certificate is reproduced in below point for ready reference of the members of the Company. This certificate will be forwarded to the Stock Exchanges alongwith the Annual Report of the Company, which is annexed to this report.

#### **PREVENTION OF INSIDER TRADING CODE**

In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the connected persons as per Code of Conduct to Regulate, Monitor and Report Trading by Insiders who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company has appointed Sh. Gaurav Gupta Company Secretary of the Company as Compliance officer under the said regulations.

### **9. GENERAL SHAREHOLDERS INFORMATION**

#### **ENSUING ANNUAL GENERAL MEETING**

Day, Date & Time: Friday, 30<sup>th</sup> September, 2016 at 01:30 P.M.

Venue: Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh-492101.

#### **FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE)**

The Company follows the period of 1<sup>st</sup> April to 31<sup>st</sup> March as the Financial Year

Financial year ending	: 31 <sup>st</sup> March
Audited Annual Results	: 27 <sup>th</sup> May, 2016
First Quarter Results	: on or before 14 <sup>th</sup> August, 2016
Half Yearly Results	: on or before 14 <sup>th</sup> November, 2016
Third Quarter Results	: on or before 14 <sup>th</sup> February, 2017.
Fourth Audited Annual Results	: on or before 30 <sup>th</sup> May, 2017

**DIVIDEND PAYMENT** : No dividend has been recommended for the Financial Year 2015-16

**Date of Book Closure:**

23<sup>rd</sup> day of September, 2016 to 30<sup>th</sup> day of September, 2016 (both days inclusive)

**REGISTERED OFFICE & WORKS**

: Plot No. 216, Sector – C, Urla Industrial Complex,  
Raipur-493221, Chhattisgarh

**LISTING OF SHARES ON STOCK EXCHANGES**

: The equity shares of the Company are listed on BSE Ltd. Mumbai.  
Annual listing fee for the year 2016-2017 has been paid to BSE Ltd. The Company got itself De-Listed from Madhya Pradesh Stock Exchange w.e.f. 23<sup>rd</sup> April, 2015

**Details of Stock Exchange:**

BSE Ltd.  
PhirozeJeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**STOCK CODE:**

Scrip Code, BSE : 532723  
ISIN No. in NSDL & CDSL : INE493H01014

**REGISTRAR & TRANSFER AGENT**

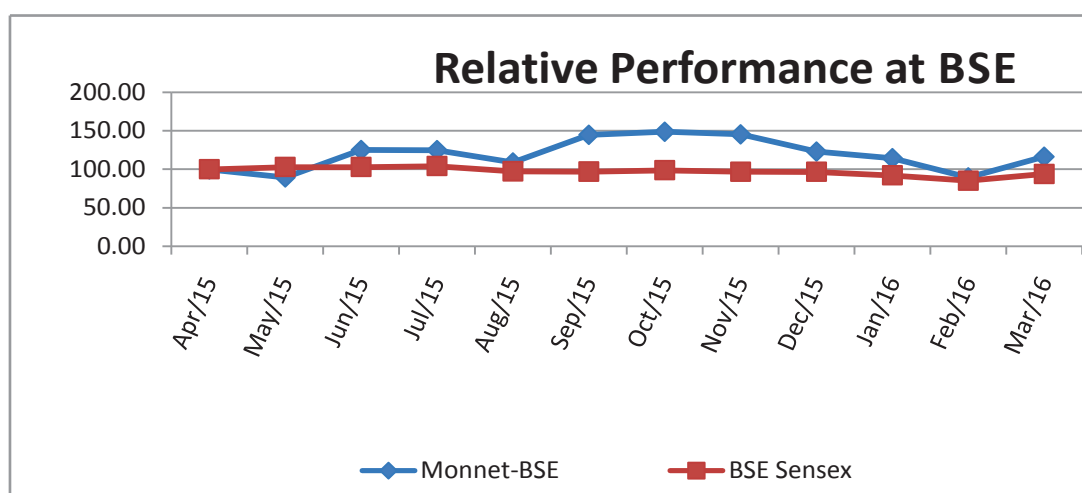
MCS Share Transfer Agent Ltd.  
F-65, Okhla Industrial Area, Phase-I,  
New Delhi – 110 020  
Tel. : 011- 41406149 , Fax : 011- 41709881  
Email Address: admin\_mcsdel.com

**STOCK PRICE DATA (FOR THE PERIOD APRIL, 2015 TO MARCH, 2016)**

Year	Month	BSE High (Rs.)	BSE Low (Rs.)	Monthly Volume (Rs.)
2015	April	16.04	10.96	50,282
2015	May	12.73	10.75	41,026
2015	June	17.85	11.8	1,37,455
2015	July	20.6	16.15	1,09,158
2015	August	17.5	13.95	87,423
2015	September	19.42	15.33	2,141
2015	October	20	16.7	7,843
2015	November	20.85	18.9	18,017
2015	December	20.45	16.5	19,226
2016	January	19.1	15.25	2,15,119
2016	February	14.6	12	16,436
2016	March	15.6	11.4	37,105

## STOCK PERFORMANCE:

The performance of the Company's share relative to the BSE Sensex Index (on closing rates at the end of each month in BSE Ltd.) considering 100 as the base is given in the Chart below:



## DISTRIBUTION OF SHAREHOLDING AS AT 31<sup>ST</sup> MARCH, 2016:

Category	No. of Folios	No. of Shares	% of Shareholders	% of Shares
1 - 500	1379	188528	86.6206	2.5434
501 - 1000	104	76513	6.5327	1.0322
1001 - 2000	34	50691	2.1357	.6839
2001-3000	22	59302	1.3819	.8000
3001 - 4000	6	21371	.3769	.2883
4001 - 5000	4	18358	.2513	.2477
5001 - 10000	7	51876	.4397	.6998
10001-50000	20	408446	1.2563	5.5102
50001-100000	7	491199	.4397	6.6266
And Above	9	6046240	.5653	81.5679
<b>TOTAL</b>	<b>1592</b>	<b>7412524</b>	<b>100.00</b>	<b>100.00</b>

## SHARE TRANSFER SYSTEM

Physical Shares sent for transfer are duly transferred within 15-20 days of receipt of documents, if found in order. Shares under objection are in general returned within 15 days. Share Transfer Agents have been authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests.

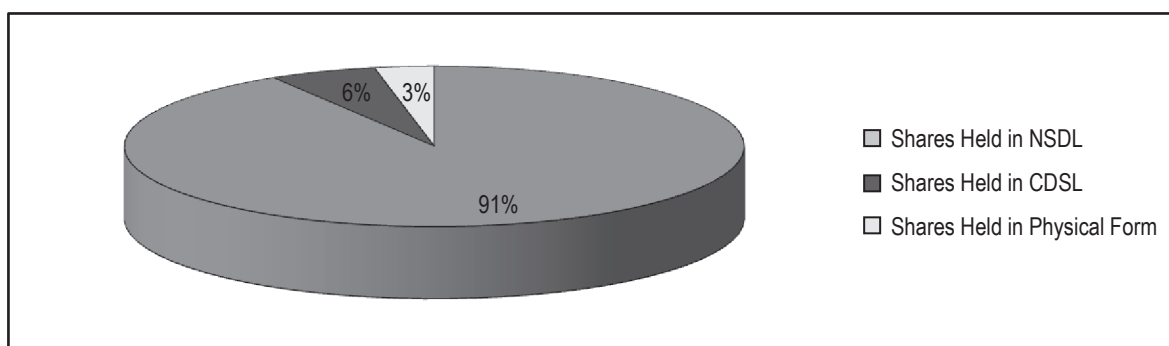
In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

## DEMATERIALIZATIONS OF SHARES AND LIQUIDITY

96.89 % of Equity Shares of the Company are in dematerialized form as on 31st March, 2016. The shares of the Company are available for dematerialization with both the depositories i.e. NSDL and CDSL vide ISIN No. INE 493H01014.

Normally, request of dematerialization of shares are processed and confirmed with in 15 days of receipt to NSDL and CDSL. Details of which are as follows;

Particulars	No. of Shares	% of Shares
Shares Held in NSDL	6767891	91.02
Shares Held in CDSL	414163	5.98
Shares Held in Physical Form	230470	3.10
<b>Total</b>	<b>7412524</b>	<b>100.00</b>



#### SHARES HELD IN ELECTRONIC FORM

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

#### SHARES HELD IN PHYSICAL FORM

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. MCS Share Transfer Agents Limited, Delhi.

#### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The company has not done any kind of activates related to the Commodity price risk or foreign exchange risk and hedging.

#### OUTSTANDING CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has no outstanding convertible instruments.

#### RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

#### SHAREHOLDING PATTERN:

Shareholding pattern for the year ending as on 31<sup>st</sup> March, 2016 for purpose of reporting in the Annual Report of the Company for the year 2015-16 is given as under:

Sr. No.	Category	As On 31.03.2016	
		No. of Equity Shares	%
<b>(A)</b>	<b>Promoter Holding</b>		
	a) Individuals	327602	4.42
	b) Bodies Corporates	5230128	70.56
	<b>Sub Total (A)</b>	<b>5557730</b>	<b>74.98</b>
<b>B)</b>	<b>Public Shareholding</b>		
	<b>1. Institutions</b>		
	a) Financial Institutions/ Banks	432586	5.84
	b) Insurance Companies	246023	3.319
	<b>Sub Total (B)(1)</b>	<b>678609</b>	<b>9.15</b>
	<b>2. Non Institutions</b>		
	a) Bodies Corporates		
	(I) Indian	436763	5.90
	(ii) Overseas Corporate Bodies	60000	0.80
	b) Individuals		
	i) Individual Shareholders Holding nominal share capital upto Rs. 2 lac	434776	5.86
	ii) Individual Shareholders Holding nominal share capital in excess of Rs. 2 lac	214110	2.89
	c) Non Resident Individuals	30536	0.42
	<b>Sub Total (B)(2)</b>	<b>1176185</b>	<b>15.90</b>
<b>(C)</b>	<b>Shares Held by custodians and against which depository receipts have been issued</b>	<b>NIL</b>	<b>NIL</b>
	<b>Grand Total (A+B+C)</b>	<b>7412524</b>	<b>100.00</b>

#### DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of Listing Regulation, the details of the shares in the Suspense Account are as follows:

Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
(1)	(2)	(3)	(4)	(5)
NA	NA	NA	NA	NA

**PLANT LOCATION:** N.A

#### ADDRESS FOR CORRESPONDENCE

Monnet House  
11, Masjid Moth, Greater Kailash Part-II,  
New Delhi-110048.  
Phone: 011-29218542-46  
Fax : 011-29218541  
e-mail : isc\_mpd@monnetgroup.com

#### Disclaimer :

The information furnished above is certified by Monnet Project Developers Limited to be true, fair and accurate (except in respect of errors in or omissions from documents filed electronically that result solely from electronic transmission errors beyond our control and in respect of which we take corrective action as soon as it is reasonably practicable after becoming aware of the error or the omission). SEBI, the Stock Exchanges or the NIC do not take any responsibility for the accuracy, validity, consistency and integrity of the data entered and updated by it.

**(Gaurav Gupta)**

Company Secretary

## CERTIFICATE

To The Members of  
**MONNET PROJECT DEVELOPERS LIMITED,**

We have examined the compliance of regulations of Corporate Governance by **MONNET PROJECT DEVELOPERS LIMITED** for the year ended March 31, 2016, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned and Listing Regulations.

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

**Rahul Aggarwal**  
Company Secretary

Place: New Delhi  
Date: 08.08.2016

(Membership No. F4005)  
C.P. No. 7052

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## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

It is hereby declared that all board members and senior management personnel have affirmed compliance with the code of conduct within 30 Days for and from the beginning of current Financial Year.

For Monnet Project Developers Limited

(B.D. Bhardwaj)  
Whole Time Director  
DIN:01779434  
Address: M-25, Street No.13,  
Brahampuri, Delhi

## Independent Auditors' Report

### TO THE MEMBERS OF MONNET PROJECT DEVELOPERS LIMITED NEW DELHI

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MONNET PROJECT DEVELOPERS LIMITED**, ("theCompany"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 31st March 2016, and its profit, 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', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order.



As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) We are enclosing herewith a report in Annexure II for our opinion on adequacy of internal financial controls system in place in the company and the operating effectiveness of such controls.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed impact of pending litigations on its financial position as referred in Note no 18 and 24
  - ii. The Company did not have any long-term contracts including derivative

contracts for which there were any material foreseeable losses.

- iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 000018N

PLACE : NEW DELHI  
DATED : 27.05.2016

(RAKESH KUMAR)  
PARTNER  
M. No. 087537

## **ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- i) In respect of its fixed assets:
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As in informed to us no material discrepancies were noticed on such physical verification.
  - c) Title deeds In respect of all immovable properties are held in the name of the company.
  - ii) As explained to us physical verification has been conducted by the management at reasonable intervals in respect of inventories of project work in progress. We were explained that no material discrepancies have been noticed on physical verification.
  - iii) As informed to us the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act 2013. In respect of such loans we have been informed that:
    - a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
    - b) the schedule of repayment of principal and payment of interest is not stipulated. Therefore no comments are offered on whether the repayments or receipts are regular.
    - c) no amount is overdue as at the end of the year.
  - iv) According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186, wherever applicable, in respect of

loans, investments and guarantees given by the company. We are informed that the company has not provided any security during the year.

- v) According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under.
- vi) In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 read with rules framed thereunder of the Companies Act 2013.
- vii) a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) There are no disputed tax demands as specified in clause as at the end of the year which are not deposited on account of dispute.
- viii) Since there are no loans or borrowings from the financial institution, banks and Government and the company has not issued any debentures clause 3(viii) of the Order related to default in repayment is not applicable during the year.
- ix) The company has not raised any money during the year by way initial or further public offer or by way of term loans. Therefore clause 3(ix) of the Order is not applicable.
- x) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported

during the course of our audit for the year ended 31.03.2016.

- xi) According to information and explanations given to us, the managerial remuneration paid and provided by the company during the year is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
- xii) The provisions of clause 3 (xii) of the Order are not applicable as the company is not a Nidhi Company as specified in the clause.
- xiii) According to information and explanations given to us we are of the opinion that all related party transactions are in compliance with the Section 177 and 188 of Companies Act 2013. Necessary disclosures has been made in the financial statements as required by the applicable accounting Standards.
- xiv) According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
- xv) According to information and explanations given to us the Company has not entered into any non-cash transaction with the director or any person connected with him during the year.
- xvi) According to information and explanations read with Note No 31 in the Notes on Accounts, the company is a core investment company and is not required to be registered under section 45IA of Reserve Bank of India Act 1934.

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 000018N

PLACE : NEW DELHI  
DATED : 27.05.2016

(RAKESH KUMAR)  
PARTNER  
M. No. 087537

## **ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

We have audited the internal financial controls over financial reporting of **MONNET PROJECT DEVELOPERS LIMITED** ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal 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 I/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 authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

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

**For O. P. BAGLA & CO.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 000018N

PLACE : NEW DELHI  
DATED : 27.05.2016

(RAKESH KUMAR)  
PARTNER  
M. No. 087537

## BALANCE SHEET AS AT 31ST MARCH, 2016

(Amt. in ₹)

PARTICULARS	Note	AS AT 31.03.2016	AS AT 31.03.2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	74,125,240	74,125,240
Reserves and surplus	3	496,645,414	486,891,765
		570,770,654	561,017,005
<b>Current liabilities</b>			
Other current liabilities	4	386,736,033	400,225,379
Short-term provisions	5	1,160,739	1,564,854
		387,896,772	401,790,233
<b>TOTAL</b>		<b>958,667,426</b>	<b>962,807,238</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	6	389,150	186,530.00
Non-current investments	7	217,013,800	201,600,000
Long-term loans and advances	8	26,687,333	96,687,333
Other Non current assets	9	4,723,534	13,283,788
		248,813,817	311,757,651
<b>Current assets</b>			
Inventories	10	293,987,100	280,148,193
Cash and bank balances	11	35,401,476	32,388,329
Short-term loans and advances	12	377,624,080	336,171,819
Other current assets	13	2,840,953	2,341,246
		709,853,609	651,049,587
<b>TOTAL</b>		<b>958,667,426</b>	<b>962,807,238</b>

### SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes form an integral part of these financial statements.

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial

Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company

Secretary

M. No. ACS-39118

**STATEMENT OF PROFIT AND LOSS FOR  
THE YEAR ENDED 31ST MARCH, 2016**

(Amt. in ₹)

PARTICULARS	NOTE	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
<b><u>Revenue</u></b>			
Other income	14	28,109,366	26,783,643
<b>Total Revenue</b>		<u>28,109,366</u>	<u>26,783,643</u>
<b><u>Expenses</u></b>			
Construction Expenses		13,838,907	2,330,308
Changes in Inventories	15	(13,838,907)	(2,330,308)
Employee benefits expense	16	10,045,924	3,374,864
Depreciation		13,380	292,279
Administration & other expenses	17	5,859,998	2,920,137
<b>Total expenses</b>		<u>15,919,302</u>	<u>6,587,280</u>
<b>Profit before exceptional and extraordinary items &amp; tax</b>		12,190,064	20,196,363
<b>Tax expense:</b>			
<b><u>CURRENT TAX</u></b>			
CURRENT YEAR		2,485,000	4,240,000
ADJUSTMENT OF EARLIER YEAR		48,585	108
<b>Profit for the year from continuing operation</b>		<u>9,753,649</u>	<u>15,956,471</u>
<b>Earnings per Share</b>		1.32	2.15

**SIGNIFICANT ACCOUNTING POLICIES**

1

The accompanying notes form an integral part of these financial statements.

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial  
Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company  
Secretary

M. No. ACS-39118

## CASH FLOW STATEMENT FOR 2015-2016

	2015-2016 (Amount in Rs.)	2014-2015 (Amount in Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extra Ordinary Items	12,190,064	20,196,363
Adjusted for :		
Depreciation	13,380	292,279
Preliminary Expenses/Misc.Expenditure	0	0
Interest Received	(28,109,366)	(26,783,643)
Interest Paid	0	0
Profit / Loss on Sale of Fixed Assets	0	183,233
Dividends Received	0	0
	(28,095,986)	(26,308,131)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	(15,905,922)	(6,111,768)
Adjusted for :		
Trade & Other Receivables	28,048,032	(19,971,657)
Inventories	(13,838,907)	(2,330,308)
Trade Payable	(12,331,540)	8,672,312
	1,877,585	(13,629,653)
<b>CASH GENERATED FROM OPERATIONS</b>	(14,028,337)	(19,741,421)
Interest Paid	0	0
Direct Taxes Paid	(4,335,421)	(2,678,079)
Deffered Tax		
Cash Flow before Extraordinary Items		
Extraordinary Items	0	0
	(4,335,421)	(2,678,079)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(18,363,758)	(22,419,500)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(216,000)	0
C.W.I.P.	0	0
Sale of Fixed Assets	0	421,586
Capital Reconst. Reserve as per Scheme of Arrangement	0	0
Other Reserves	0	0
Purchase of Investments	(15,413,800)	0
Sale of Investments	0	0
Increase/Decrease in Non current cash & bank balances	6,446,050	(5,358,851)
Interest Received	28,109,366	26,783,643
Dividend Received	0	0
	18,925,616	21,846,378
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	18,925,616	21,846,378
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital		
Calls in Arrears	0	0
Share Application Money	0	0
Proceeds from Long Term Borrowings	0	0
Proceeds from Short Term Borrowings	0	0
Repayment of Finance Lease Liabilities	0	0
Dividend & Dividend Taxes Paid	0	0
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	0	0
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	561,858	(573,121)
Cash and Cash Equivalents as at beginning of the year	281,121	854,242
Cash and Cash Equivalents as at end of the year	842,979	281,121

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial  
Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company  
Secretary

M. No. ACS-39118



**Note No 1**

**SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Accounting**

The Company has prepared its financial statements on historical cost basis in accordance with generally accepted accounting principles and also in accordance with the requirements of the Companies Act, 2013 and accounting standards as specified in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rule 2014.

2. **Income and Expenditure**

Accounting of Income & Expenditure is done on accrual basis. The company follows Percentage of completion method for revenue recognition in real estate project. According to the method revenue is recognized on the basis of completion of project upto a certain level which is considered 30% of total estimated cost of project excluding land cost.

3. **Fixed Assets & Depreciation**

- a) Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in the acquisition, construction & installation.
- b) Depreciation is charged on Straight Line Method on the basis of useful life provided in Schedule II of the Companies Act 2013.

4. **Investments**

Long term investments are stated at original cost of acquisition. Dividend on Investment is accounted for in the year of declaration.

5. **Inventories**

Inventories of land and development cost has been valued at cost. Incidental expenses directly related to the real estate development project cost has been included in cost of project

6. **Employee Benefits**

In view of miniscule number of employees in the company liability for employee benefits has been provided on arithmetical basis on gross liability on balance date for which the employee is eligible on last drawn salary.

7. **Contingent Liabilities**

Contingent Liabilities are determined on the basis of available information and are disclosed by way of notes to the accounts.

8. **Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

9. Unless specifically stated to be otherwise, these policies are consistently followed.



PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
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## **Note No. 2**

### **SHARE CAPITAL**

Equity Share Capital

### **AUTHORISED**

2,25,00,000 shares of par value of Rs.10/- each (Previous year 2,25,00,000 shares of par value of Rs.10/- each)	225,000,000	225,000,000
	<u>225,000,000</u>	<u>225,000,000</u>

### **ISSUED, SUBSCRIBED AND FULLY PAID-UP**

74,12,524 shares of par value of Rs.10/- each (Previous year 74,12,524 shares of par value of Rs10/- each)	74,125,240	74,125,240
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<b>Total</b>	<b>74,125,240</b>	<b>74,125,240</b>
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### **NOTES:**

- a) During the year, the company has not issued or bought back any Equity shares . Following is the reconciliation of number of shares outstanding as at the beginning of the year and end of the year

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
Number of shares outstanding as at the beginning of the year	7,412,524	7,412,524
Number of shares outstanding as at the closing of the year	<u>7,412,524</u>	<u>7,412,524</u>

- b) The company has only one class of shareholder i.e. equity shares. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company.

- c) There are no holding or subsidiary companies of the company.

- d) Following share holders held more than 5% shares in the company as at the end of the year:

S. NO.	Particulars	31.03.2016 No of shares (%)	31.03.2015 No of shares (%)
1	PAVITRA COMMERCIALS LTD	1199980 (16.19)	1199980 (16.19)
2	KAMDHENU ENTERPRISES LTD	2563798 (34.59)	2683798 (36.21)
3	CECIL WEBBER ENGINEERING LTD	1328267 (17.92)	1328267 (17.92)

- e) The company has not issued shares for a consideration other than cash or bonus shares during the immediately preceding 5 years.

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
<b>Note No. 3</b>		
<b>RESERVES AND SURPLUS</b>		
<u>Capital Reserve : As per last balance sheet</u>		
Reconstruction Reserve	36,752,292	36,752,292
Share Forfeited Account	734,483	734,483
	<u>37,486,774</u>	<u>37,486,774</u>
<u>Securities premium Account</u>		
As per last Balance Sheet	220,875,720	220,875,720
	<u>220,875,720</u>	<u>220,875,720</u>
<u>Surplus</u>		
As per last balance sheet	228,529,270	212,572,799
Add: Profit for the year from Statement of Profit & Loss	9,753,649	15,956,471
	<u>238,282,919</u>	<u>228,529,270</u>
<b>Total</b>	<b>496,645,414</b>	<b>486,891,765</b>

**Note No. 4**  
**OTHER CURRENT LIABILITIES**

Provision for Expenses	1,086,638	628,024
Statutory Dues Payable	398,085	23,407
Advances from customers	1,913,000	0
Other liabilities	383,338,310	399,573,948
<b>Total</b>	<b>386,736,033</b>	<b>400,225,379</b>

**Note No. 5**  
**SHORT TERM PROVISIONS**

Provision for Earned Leave Liability		
As per last balance sheet	2,933	358,500
Additions during the year	1,157,806	(355,567)
	<u>1,160,739</u>	<u>2,933</u>
Provision for current tax		
As per last balance sheet	1,561,921	0
Additions during the year	0	4,240,000
Amounts adjusted/paid during the year	1,561,921	0
Adjustment of Income Tax Paid	0	2,678,079
	<u>0</u>	<u>1,561,921</u>
<b>Total</b>	<b>1,160,739</b>	<b>1,564,854</b>

Note No. 6

FIXED ASSETS

TANGIBLE ASSETS

DESCRIPTION	Gross Block			Depreciation/Amortisation				Net Block	
	As at	Additions	Deductions/	As at	Upto	For	Deductions/	Upto	As at
	01.04.2015		Adjustments	31.03.2016	31.03.2015	the year	Adjustments	31.03.2016	31.03.2015
Land :									
(including development expenses)									
Freehold	186,530			186,530	0	0		0	186,530
Furniture and fixtures	452,584	216,000		668,584	452,584	13,380	0	465,964	202,620
Vehicles	1,220			1,220	1,220	0		1,220	0
Office Equipment	1,459,765			1,459,765	1,459,765	0		1,459,765	0
Office Renovation	2,639,239			2,639,239	2,639,239	0		2,639,239	0
EDP, WP machines	1,848,368			1,848,368	1,848,368	0		1,848,368	0
Current Year	6,587,706	216,000	0	6,803,706	6,401,176	13,380	0	6,414,556	389,150
Previous year	7,537,855	0	950,149	6,587,706	6,454,227	292,279	345,330	6,401,176	1,083,628

PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
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#### **Note No. 7**

#### **NON CURRENT INVESTMENTS**

Other, Non-Trade

#### **Equity Instruments (fully paid up-unless otherwise stated)**

#### **Unquoted**

1058880 (1007500) Equity Shares of Cambridge Construction (Delhi) Ltd @ Rs. 10/- per share\* 202,013,800 201,500,000

\* Pending transfer of shares in name of the company holding is not considered for the purpose of ascertaining the status as subsidiary/associate.

#### **In Associate**

1500000 (10000) Equity Shares of Galaxy Monnet Infraheights Ltd @ Rs.10/- per share 15,000,000 100,000

<b>Total</b>	<b>217,013,800</b>	<b>201,600,000</b>
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#### **Unquoted Investments**

Book Value 217,013,800 201,600,000

a) Non-Current investments have been valued considering the significant accounting policy no.4 disclosed in Note no. 1 to these financial statement.

b) Previous year figures of number of shares are reported in brackets

#### **Note No. 8**

#### **LONG TERM LOANS AND ADVANCES**

(Unsecured Considered good, unless otherwise stated)

#### **DEPOSITS**

Security Deposits 124,800 124,800

#### **CAPITAL ADVANCES**

Others 26,562,533 96,562,533

<b>Total</b>	<b>26,687,333</b>	<b>96,687,333</b>
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#### **Note No. 9**

#### **OTHER NON CURRENT ASSETS**

Advance tax deposit & tax deducted at source 6,009,730 3,187,645  
Less Income Tax Provision (2,485,000) 0  
Non Current bank deposits maturing beyond twelve months 1,198,804 10,096,143  
(Pledged with the bank against bank guarantee)

<b>4,723,534</b>	<b>13,283,788</b>
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PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
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**Note No. 10**

**INVENTORIES**

(As taken value and certified by the management)

Land	152,798,000	152,798,000
Work in Progress	141,189,100	127,350,193
	<u>293,987,100</u>	<u>280,148,193</u>

- a) Inventories have been valued considering the significant accounting policy no.5 disclosed in Note no. 1 to these financial statement.

**Note No. 11**

**CASH & BANK BALANCES**

**CASH & CASH EQUIVALENTS**

Balances with banks	832,988	146,147
Cash on hand	9,991	134,973
	<u>842,979</u>	<u>281,121</u>

**OTHER BANK BALANCES:**

Bank deposits in escrow account/pledged as margin against bank guarantee with original maturity of less than 3 months

34,558,497	32,107,208
<u>34,558,497</u>	<u>32,107,208</u>

<b>Total</b>	<b>35,401,476</b>	<b>32,388,329</b>
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**Note No. 12**

**SHORT TERM LOANS AND ADVANCES**

(Considered good, unless otherwise stated)

**LOANS**

To a related party*	331,964,180	319,031,260
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**ADVANCES**

Others	45,659,900	17,140,559
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<b>Total</b>	<b>377,624,080</b>	<b>336,171,819</b>
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\* Disclosure of related party transaction is done in Note No. 26

**Note No. 13**

**OTHER CURRENT ASSETS**

Interest accrued :

Term deposits with banks	1,984,199	2,326,145
Service Tax Receivable	841,841	0
Prepaid Expenses	14,913	15,101

<b>Total</b>	<b>2,840,953</b>	<b>2,341,246</b>
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PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
<b>Note No. 14</b>		
<b>OTHER INCOME</b>		
Interest		
From Banks deposits	3,183,899	3,554,465
From Loan to related party	24,925,467	23,229,178
<b>Total</b>	<b>28,109,366</b>	<b>26,783,643</b>

**Note No. 15**

**CHANGES IN INVENTORIES**

<b>AS AT THE BEGINNING OF THE YEAR</b>		
LAND	152,798,000	152,798,000
WORK IN PROGRESS	127,350,193	125,019,885
	<b>280,148,193</b>	<b>277,817,885</b>
<b>AS AT THE END OF THE YEAR</b>		
LAND	152,798,000	152,798,000
WORK IN PROGRESS	141,189,100	127,350,193
	<b>293,987,100</b>	<b>280,148,193</b>

**Note No. 16**

**EMPLOYEE BENEFITS EXPENSES**

Salaries and wages*	10,036,424	3,345,452
Staff welfare expenses	9,500	29,412
<b>Total</b>	<b>10,045,924</b>	<b>3,374,864</b>

\* Includes:

Director's Remuneration	0.00	2,726,211
Remuneration to Key Managerial Person	239,137.00	154,229

**Note No. 17**

**ADMINISTRATION & OTHER EXPENSES**

Electricity & Water charges	5,716	4,986
Rent	72,000	102,000
Repairs & maintenance Others	18,071	17,366
Insurance	15,319	20,206
Rates and taxes	850,429	7,874
Communication expenses	102,651	65,605
Travelling expenses & Conveyance	236,725	180,404
<u>Auditors' Remuneration</u>		
-- As Audit fee	125,000	140,450
-- For Tax Audit, Certification & Tax Representations	22,500	16,854
-- For Other services	95,750	132,023
Internal Audit Fee	10,000	11,236
Advertisement, publicity & Sales Promotion Expenses	2,006,033	753,160
Legal charges and consultancy fees	1,224,248	469,123
Printing and stationery	414,376	76,085
Vehicle Running & Maintenance	304,515	178,557
Director's Sitting Fee	11,100	8,000
Loss on sale of fixed assets	0	183,233
Bank charges	40,335	13,990
Bad Debts written off	0	252,347
Miscellaneous expenses	305,230	286,638
<b>Total</b>	<b>5,859,998</b>	<b>2,920,137</b>

(₹ In Lacs)

	Current Year	Previous Year
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18. **Contingent Liabilities:**

In respect of show cause notice/orders received from Excise Deptt. For Mollases /Press mud/Bagasse pending before higher authorities

**NIL** 12.37

19. **Commitments:**

Pending amount of capital contract remaining to be executed(Net of Advances)

**539.63** 539.63

Liability on account of Enhanced external development Charges

**54.65** 54.65

Outstanding bank guarantees

**11.35** 11.35

20. The company has obtained a license from The Director, Town & Country Planning, Haryana, to develop a commercial colony on the land acquired under collaboration arrangement. The company has started preliminary activities related to architectural designing, excavation of land etc for the project. Cost paid for the land alongwith other directly related costs including internal/external development charges paid to the Authorities are carried over as Inventory in financial statements. During the year amount received towards booking of area in project is carried forward as advance from customers.

21. Balance confirmations have not been received from some of the parties showing debit/credit balances.

## 22.

<u>Particulars of Sales and Stocks</u>	Current Year Value	Previous Year Value
<b>Opening Stock</b>		
Land & Development Cost	<b>2801.48</b>	2778.18
<b>Incurred During The Year</b>		
Land & Development Cost	<b>138.39</b>	23.30
<b>Closing Stock</b>		
Land & Development Cost	<b>2939.87</b>	2801.48

23. The Company has during the year not received any information from any vendor regarding their status being registered under Micro, Small and Medium Enterprises Development Act, 2006.

24. Claim against the company not acknowledged as debt (Rs. In lacs)
- 8.65 23.03

25. In the opinion of the Management the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet except stated otherwise.

26. Related Party Disclosures:

Related party disclosures in terms of AS 18 on Related Party Transactions:

A. Relationships

Key Management Personnel : Sh. J P Lath Director (in FY 2014-15)  
Sh. Mohd. Arshad, Chief Finance Officer

Associates : Galaxy Monnet Infraheights Ltd.

B. The following transactions were carried out with related parties in the ordinary course of business :-

Amount in Rs.				
	31.03.2016		31.03.2015	
	Associates	Key Managerial Personnel	Associates	Key Managerial Personnel
Remuneration Paid				
Sh. J P Lath		NIL		27,26,211
Sh. Mohd. Arshad		2,39,137		1,54,229
Closing Balance Loan/Capital Advance	33,19,64,180		31,90,31,260	
Interest Received	2,49,25,467		2,32,29,178	

27. Pending settlement with the a party underSlump sale arrangement of the erstwhile Sugar Division of the company in earlier years, a sum of Rs344.58lacs (Previous Year Rs320.07lacs)is deposited in escrow account as fixed deposit in bank as shown in Other Bank balances in Note 11.The company is recognizing interest income thereon.

28. Tax Expense is the aggregate of current year income tax and deferred tax charged to the Profit and Loss Account for the year.

a) Current Year Charge:

Income Tax provision of Rs 24.85Lacs(Previous Year Rs. 42.00 lacs) has been made towards MAT u/s 115JB and no tax is payable on regular income.

b) Deferred Tax

Deferred tax asset and liability are recognized on the timing differences between book records and income tax records in accordance with the provisions of AS 22 of Taxes on Income. Keeping in view the uncertainty of future profits for setting off the deferred tax asset the same are not recognized in the books during the year.

29. Disclosure of interest in joint ventures under AS 27 of '**Financial Reporting of Interest in Joint Ventures:**

**Name of Joint venture: Galaxy Monnet Infra heights Ltd**

**Proportion of ownership interest: 50%**

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2016 and income and expenses for the year in respect of joint venture entities based on unaudited accounts are given below:



(₹ In Lacs)		
Assets	2015-16	2014-15
· Non-current Assets	5.36	14.82
· Current Assets	6774.28	5151.36
<b>Liabilities</b>		
· Non current Liabilities*	NIL	NIL
· Current Liabilities	4979.06	5361.41
<b>Income</b>	687.93	9.28
<b>Expenses*</b>	587.82	173.48

**\*After elimination of loan received from the company**

**Amount reported for 2014-15 are not changed for the changes occurred in audited accounts as compared to unaudited reported figures above.**

**Operations:** The joint venture entity is in the business of real estate development and has taken up a project in Gurgaon. Construction of the project is in progress as at 31.3.2016.

30. Earning per share (EPS)—The numerators and denominators used to calculate Basic and Diluted Earning per share :

	Year Ended 31.03.2016	Year Ended 31.03.2015
Profit attributable to the Equity Shareholders (A) (Rs in Lacs)	9753649	15956471
Basic / Weigh ted average number of Equity Shares outstanding during the year (B)	7412524	7412524
Nominal value of Equity Shares (Rs)	10	10
Basic/ Diluted Earning Per Share (Rs) - (A)/(B)	1.32	2.15
<b>Calculation of Profit attributable to Shareholders:</b>		
Profit Before Tax (Rs. in Lacs)	12190064	20196363
Income Tax/Adjustments	2533585	4240108
Deferred Tax	0	0
Profit attributable to Shareholders	9753649	15956471

31. The company is a core investment company by virtue of directions issued by Reserve Bank of India vide notification number DNBS (PD) 219/CGM (US)-2011 dated 5th January, 2011 and regulatory framework issued along with the notification for such core investment companies. Pursuant to para (i) of notification number DNBS (PD) 220/CGM (US)-2011 dated 5th January, 2011 issued by Reserve Bank of India along with aforesaid directions, the provisions of section 45-IA of RBI Act related to registration as NBFC with the bank are not applicable on the company.

32. Previous period figures have been regrouped or recasted wherever considered necessary.

**FOR O.P. BAGLA & CO**  
**CHARTERED ACCOUNTANTS**  
 FRN 000018N  
**(Rakesh Kumar)**  
 Partner  
 M. No. 087537  
**PLACE : NEW DELHI**  
**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**  
 Director  
 DIN: 01779434  
**(Mohd. Arshad)**  
 Chief Financial  
 Officer

**(J. P. Lath)**  
 Director  
 DIN: 00380076  
**(Gaurav Gupta)**  
 Company  
 Secretary  
 M. No. ACS-39118

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONNET PROJECT DEVELOPERS LIMITED NEW DELHI

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MONNET PROJECT DEVELOPERS LIMITED** (hereafter referred as the parent company) and its Joint Venture Company (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the Consolidated 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 Parent company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of Consolidated Financial Statements by

the directors of the Parent company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements. The financial statements of the joint venture entity are unaudited.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31<sup>st</sup> March 2016, and its consolidated profit, and its consolidated cash flows for the year ended on that date.

### Other Matters

We have relied on the unaudited financial statements/financial information of the Joint Venture Company whose financial statements group's share of total assets of Rs. 40.91crores as at 31st March 2016, total revenue of Rs. 7.13crores and cash flows amounting to Rs.(-) 0.22 crores for the year ended on that date. These unaudited financial statements/financial information have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect this Joint Venture Company are our report in terms of sub-section 3 and 11 of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities are based solely on such unaudited financial statements/financial information. In our opinion the financial statement as referred above are material to the group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of Other Matters as referred above.

### Report on Other Legal and Regulatory Requirements

1. Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable on Consolidated Financial Statements as referred in proviso to para 2 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account

as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of parent company as on 31st March, 2016 taken on record by the Board of Directors of Parent company none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) We are enclosing herewith a report in Annexure I for our opinion on adequacy of internal financial controls system in place and the operating effectiveness of such controls.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have any pending litigations which may have impact on its financial position.
  - ii. According to the information and

explanations provided to us, the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent company wherever applicable.

**For O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 000018N**

**PLACE : NEW DELHI**  
**DATED : 27/05/2016**

**(RAKESH KUMAR)**  
**PARTNER**  
**M. No. 087537**

## **ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of **MONNET PROJECT DEVELOPERS LIMITED** (hereinafter referred to as "the Parent company") and its Joint Venture Company (collectively referred to as "the Group"), which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the of the Parent company and its Joint Venture Company which are companies incorporated in India, 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 the respective 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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Group'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 the 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 authorisations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal

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

### **Opinion**

In our opinion, the Parent company (refer para "Other Matters" hereunder which is company incorporated in India, have, 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting do not include comment on the adequacy and operating effectiveness of the internal financial controls of Joint venture company, which is company incorporated in India, as unaudited financial statements/financial information of Joint venture are consolidated.

**For O. P. BAGLA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No. 000018N**

**PLACE : NEW DELHI**  
**DATED : 27/05/2016**

**(RAKESH KUMAR)**  
**PARTNER**  
**M. No. 087537**

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

(Amt. in ₹)

PARTICULARS	Note	AS AT 31.03.2016
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	2	74,125,240
Reserves and surplus	3	499,699,767
		573,825,007
<b>Non Current liabilities</b>		
Deferred Tax Liabilities (net)	4	0
<b>Current liabilities</b>		
Short term borrowings	5	168,855,644
Trade Payables	6	10,384,325
Other current liabilities	7	432,153,553
Short-term provisions	8	1,600,824
		612,994,345
<b>TOTAL</b>		1,186,819,351
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets		
Tangible assets	9	668,289
Intangible assets	9A	207,723
Non-current investments	10	202,062,800
Long-term loans and advances	11	26,687,333
Other Non current assets	12	15,828,932
		245,455,077
<b>Current assets</b>		
Inventories	13	666,236,742
Cash and bank balances	14	36,611,137
Short-term loans and advances	15	229,394,052
Other current assets	16	9,122,344
		941,364,274
<b>TOTAL</b>		1,186,819,351

### SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes form an integral part of these financial statements.

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial  
Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company  
Secretary

M. No. ACS-39118



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amt. in ₹)

PARTICULARS	NOTE	YEAR ENDED 31.03.2016
<b>Revenue</b>		
Revenue from operations		
Sales of area		71,335,653
Other income	17	17,827,181
<b>Total Revenue</b>		<b>89,162,833</b>
<b>Expenses</b>		
Project Cost, Construction and Allied Expenses		161,523,401
Changes in Inventories	18	(122,484,343)
Employee benefits expense	19	10,045,924
Depreciation & amortisation	9 & 9A	157,688
Administration & other expenses	20	25,487,111
<b>Total expenses</b>		<b>74,729,782</b>
<b>Profit before exceptional and extraordinary items &amp; tax</b>		14,433,051
<b>Tax expense:</b>		
<u>CURRENT TAX</u>		
CURRENT YEAR		2,925,085
MAT CREDIT ADJUSTMENT/ENTITLEMENT		276,780
ADJUSTMENT OF EARLIER YEAR		48,585
DEFERRED TAX		(1,364,110)
<b>Profit for the year from continuing operation</b>		<b>12,643,882</b>
<b>Earnings per Share</b>		1.71

### SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes form an integral part of these financial statements.

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial  
Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company  
Secretary

M. No. ACS-39118

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

(Amt. in ₹)

	2015-2016 (Amount in Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax and Extra Ordinary Items	14,433,051
Adjusted for :	
Depreciation	157,689
Interest Received	(17,827,181)
Dividends Received	0
	(17,669,492)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	(3,236,441)
Adjusted for :	
Trade & Other Receivables	104,117,450
Inventories	(122,460,644)
Trade Payable	12,111,541
	(6,231,653)
<b>CASH GENERATED FROM OPERATIONS</b>	(9,468,094)
Direct Taxes Paid	(4,335,421)
Extraordinary Items	0
	(4,335,421)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(13,803,515)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets	(249,270)
Purchase of Investments	(513,800)
Increase/Decrease in Non current cash & bank balances	(4,936,128)
Interest Received	17,827,181
Dividend Received	0
	12,127,983
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	12,127,983
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Share Capital	0
Proceeds from Long Term Borrowings	0
Proceeds from Short Term Borrowings	0
Dividend & Dividend Taxes Paid	0
	0
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	0
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(1,675,532)
Cash and Cash Equivalents as at beginning of the year	3,728,172
Cash and Cash Equivalents as at end of the year	2,052,640

In terms of our report of even date annexed

**FOR O.P. BAGLA & CO**

CHARTERED ACCOUNTANTS

FRN 000018N

**(Rakesh Kumar)**

Partner

M. No. 087537

**PLACE : NEW DELHI**

**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**

Director

DIN: 01779434

**(Mohd. Arshad)**

Chief Financial  
Officer

**(J. P. Lath)**

Director

DIN: 00380076

**(Gaurav Gupta)**

Company  
Secretary

M. No. ACS-39118



## NOTE- 1

### **SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT & LOSS**

#### **1. Principles of Consolidation**

The consolidated financial results of Monnet Project Developers Ltd ("the Company") and its Joint Venture Company have been prepared on the following basis:-

- a) The financial statements of the Company and its Joint Venture Company have been consolidated in proportion of the holding by the parent company on a line-by-line basis by adding together with the book value of like items of assets, liabilities and after eliminating the inter Joint Venture balances in accordance with Accounting Standard (AS) 27-“ Financial Reporting of Interests in Joint Ventures”.
- b) As far as possible the consolidated financial statement have been prepared using uniform accounting policies for like transactions and in similar circumstances and are presented to the extent possible in the same manner as the company's separate financial statements.
- c) Particulars of Joint Venture Company considered in the consolidated financial statements are :

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest
Galaxy Monnet Infraheights Ltd	India	50%

#### **2. Basis of Accounting**

The Company has prepared its financial statements on historical cost basis in accordance with generally accepted accounting principles and also in accordance with the requirements of the Companies Act, 2013 and accounting standards as specified in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rule 2014.

#### **3. Income and Expenditure**

Accounting of Income & Expenditure is done on accrual basis. The company follows Percentage

of completion method for revenue recognition in real estate project. According to the method revenue is recognized on the basis of completion of project upto a certain level which is considered a reliable % of total estimated cost of project excluding land cost.

#### **4. Fixed Assets & Depreciation**

- a) Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in the acquisition, construction & installation.
- b) Depreciation is charged on Straight Line Method on the basis of useful life provided in Schedule II of the Companies Act 2013.

#### **5. Investments**

Long term investments are stated at original cost of acquisition. Dividend on Investment is accounted for in the year of declaration.

#### **6. Inventories**

Inventories of land and development cost has been valued at cost. Incidental expenses directly related to the real estate development project cost has been included in cost of project.

#### **7. Employee Benefits**

In view of miniscule number of employees in the company liability for employee benefits has been provided on arithmetical basis on gross liability on balance date for which the employee is eligible on last drawn salary.

#### **8. Contingent Liabilities**

Contingent Liabilities are determined on the basis of available information and are disclosed by way of notes to the accounts.

#### **9. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

10. Unless specifically stated to be otherwise, these policies are consistently followed.

PARTICULARS	AS AT 31.03.2016
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**Note No. 2**  
**SHARE CAPITAL**  
**Equity Share Capital**  
**AUTHORISED**

2,25,00,000 shares of par value of Rs.10/- each	225,000,000
	<u>225,000,000</u>

**ISSUED, SUBSCRIBED AND FULLY PAID-UP**

74,12,524 shares of par value of Rs.10/- each	74,125,240
Total	<u>74,125,240</u>

**NOTES:**

- a) During the year, the parent company has not issued or bought back any Equity shares . Following is the reconciliation of number of shares outstanding as at the beginning of the year and end of the year

PARTICULARS	AS AT 31.03.2016
Number of shares outstanding as at the beginning of the year	7,412,524
Number of shares outstanding as at the closing of the year	7,412,524

- b) The company has only one class of shareholder i.e. equity shares. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company.
- c) There are no holding or subsidiary companies of the parent company.
- d) Following share holders held more than 5% shares in the parent company as at the end of the year:

S. NO.	Particulars	31.03.2016 No of shares (%)
1	PAVITRA COMMERCIALS LTD	1199980 (16.19)
2	KAMDHENU ENTERPRISES LTD	2563798 (34.59)
3	CECIL WEBBER ENGINEERING LTD	1328267 (17.92)

- e) The company has not issued shares for a consideration other than cash or bonus shares and has not bought back any share during the immediately preceding 5 years.

PARTICULARS	AS AT 31.03.2016
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### **Note No. 3**

#### **RESERVES AND SURPLUS**

##### Capital Reserve : As per last balance sheet

Reconstruction Reserve	36,752,292
Share Forfeited Account	734,483

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37,486,774

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##### **Securities premium Account**

As per last Balance Sheet	220,875,720
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220,875,720

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##### **Surplus**

As per last balance sheet	228,693,390
Add: Profit for the year from Statement of Profit & Loss	12,643,882

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241,337,272

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<b>Total</b>	<b>499,699,767</b>
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### **Note No. 4**

#### **DEFERRED TAX LIABILITY**

- As at beginning of the year	1,364,110
- Additional adjustment for the current period	(1,364,110)

<b>Total</b>	<b>0</b>
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### **Note No. 5**

#### **SHORT TERM BORROWINGS**

From Related Parties*	168,855,644
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\* Share of company in loans obtained by Joint Venture Entity

<b>Total</b>	<b>168,855,644</b>
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PARTICULARS	AS AT 31.03.2016
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**Note No. 6**

**TRADE PAYABLES**

For Goods & Services \* 10,384,325

<b>Total</b>	<b>10,384,325</b>
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\*There is no amount payable to Micro and Small Enterprises under MSMED Act 2006 as at the end of the year.

**Note No. 7**

**OTHER CURRENT LIABILITIES**

Provision for Expenses	1,091,951
Statutory Dues Payable	3,907,852
Advances from customers	43,815,441
Other liabilities	383,338,310

<b>Total</b>	<b>432,153,553</b>
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**Note No. 8**

**SHORT TERM PROVISIONS**

Provision for Earned Leave Liability

As per last balance sheet	2,933
Additions during the year	1,157,806

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1,160,739

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**Provision for current tax**

As per last balance sheet	2,002,006
Amounts adjusted/paid during the year	1,561,921

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440,085

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<b>Total</b>	<b>1,600,824</b>
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**Note No. 9****FIXED ASSETS****TANGIBLE ASSETS**

DESCRIPTION	Gross Block			Depreciation/Amortisation				Net Block		
	As at 01.04.2015	Additions	Deductions/ Adjustments	As at 31.03.2016	Upto 31.03.2015	For the year	Deductions/ Adjustments	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
Land :										
(including development expenses)										
Freehold	186,530	0	0	186,530	0	0	0	0	186,530	186,530
Furniture and fixtures	588,177	249,270	0	837,447	505,476	36,251	0	541,727	295,720	82,701
Vehicles	29,786	0	0	29,786	2,233	5,349	0	7,582	22,203	27,553
Office Equipment	1,788,317	0	0	1,788,317	1,592,113	54,147	0	1,646,260	142,056	196,204
Office Renovation	2,639,239	0	0	2,639,239	2,639,239	0	0	2,639,239	0	0
EDP, WP machines	1,981,640	0	0	1,981,640	1,938,234	21,627	0	1,959,861	21,779	43,406
Current Year	7,213,688	249,270	0	7,462,958	6,677,295	117,374	0	6,794,669	668,289	536,393

**Note No. 9A****FIXED ASSETS****INTANGIBLE ASSETS**

DESCRIPTION	Gross Block			Depreciation/Amortisation					Net Block	
	As at 01.04.2015	Additions	Deductions/ Adjustments	As at 31.03.2016	Upto 31.03.2015	For the year	Deductions/ Adjustments	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
Comuter Softwares	268,765	0	0	268,765	20,728	40,315	0	61,042	207,723	248,037
Current Year	268,765	0	0	268,765	20,728	40,315	0	61,042	207,723	248,037

PARTICULARS	AS AT 31.03.2016
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#### **Note No. 10**

#### **NON CURRENT INVESTMENTS**

#### **Other, Non-Trade**

#### **Equity Instruments (fully paid up-unless otherwise stated)**

#### **Unquoted**

1058880 Equity Shares of Cambridge Construction (Delhi)  
Ltd @ Rs. 10/- per share\* 202,013,800

\* Pending transfer of shares in name of the parent company holding is not  
considered for the purpose of ascertaining the status as subsidiary/associate.

9800 Equity Shares of Magnum Maintenance Services Pvt Ltd 49,000

@ Rs.10/- per share\*

\*represents value to the extent of share in joint venture entity

<b>Total</b>	<b>202,062,800</b>
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Unquoted Investments  
Book Value 202,062,800

- a) Non-Current investments have been valued considering the significant accounting policy no.4  
disclosed in Note no. 1 to these financial statement.

#### **Note No. 11**

#### **LONG TERM LOANS AND ADVANCES**

#### **(Unsecured Considered good, unless otherwise stated)**

#### **DEPOSITS**

Security Deposits 124,800

#### **CAPITAL ADVANCES**

Others 26,562,533

<b>Total</b>	<b>26,687,333</b>
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#### **Note No. 12**

#### **OTHER NON CURRENT ASSETS**

Advance tax deposit & tax deducted at source 7,472,982

Less Income Tax Provision (2,485,000)

Non Current bank deposits maturing beyond twelve months 10,533,991

(Pledged with the bank against bank guarantee)

Mat Credit Entitlement 306,960

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15,828,932

PARTICULARS	AS AT 31.03.2016
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**Note No. 13**

**INVENTORIES**

(As taken value and certified by the management)

Land	152,798,000
Work in Progress	513,438,742
	<u>666,236,742</u>

- a) Inventories have been valued considering the significant accounting policy no.5 disclosed in Note no. 1 to these financial statement.

**Note No. 14**

**CASH & BANK BALANCES**

**CASH & CASH EQUIVALENTS**

Balances with banks	1,650,564
Cash on hand	402,076
	<u>2,052,640</u>

**OTHER BANK BALANCES:**

Bank deposits in escrow account/pledged as margin against bank guarantee with original maturity of less than 3 months	34,558,497
	<u>34,558,497</u>

<b>Total</b>	<b>36,611,137</b>
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**Note No. 15**

**SHORT TERM LOANS AND ADVANCES**

(Considered good, unless otherwise stated)

**LOANS**

To a related party*	165,982,090
*represents share of the company to the extent of other shareholding in joint venture entity	

**ADVANCES**

Employees	55,000
Others	63,356,962

<b>Total</b>	<b>229,394,052</b>
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\* Disclosure of related party transaction is done in Note No. 26

**Note No. 16**

**OTHER CURRENT ASSETS**

Interest accrued :	
Term deposits with banks	3,384,199
Service Tax Receivable	5,723,232
Prepaid Expenses	14,913

<b>Total</b>	<b>9,122,344</b>
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PARTICULARS	YEAR ENDED 31.03.2016
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**Note No. 17**

**OTHER INCOME**

Interest

From Banks deposits

5,364,447

From Loan to related party\*

12,462,734

\* to the extent of share in Joint venture entity held by others

**Total**

**17,827,181**

**Note No. 18**

**CHANGES IN INVENTORIES**

AS AT THE BEGINNING OF THE YEAR

LAND

152,798,000

WORK IN PROGRESS

390,954,400

543,752,400

AS AT THE END OF THE YEAR

LAND

152,798,000

WORK IN PROGRESS

513,438,742

666,236,742

122,484,343

**Note No. 19**

**EMPLOYEE BENEFITS EXPENSES**

Salaries and wages\*

10,036,424

Staff welfare expenses

9,500

**Total**

**10,045,924**

\* Includes:

Remuneration to Key Managerial Person

239,137



PARTICULARS	YEAR ENDED 31.03.2016
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**Note No. 20**

**ADMINISTRATION & OTHER EXPENSES**

Electricity & Water charges	5,716
Rent	2,471,988
Repairs & maintenance Others	477,878
Insurance	15,319
Rates and taxes	1,247,791
Communication expenses	185,554
Travelling expenses & Conveyance	398,434
<u>Auditors' Remuneration</u>	
-- As Audit fee	125,000
-- For Tax Audit, Certification & Tax Representations	22,500
-- For Other services	95,750
Internal Audit Fee	10,000
Advertisement, publicity & Sales Promotion Expenses	2,516,609
Legal charges and consultancy fees	1,901,498
Printing and stationery	476,189
Vehicle Running & Maintenance	312,327
Director's Sitting Fee	11,100
Bank charges	55,321
Other Project Expenses	5,194,300
Commission & Brokerage	8,947,485
Miscellaneous expenses	1,016,354

<b>Total</b>	<b>25,487,111</b>
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**OTHER NOTES ON ACCOUNTS**

(₹ In Lacs)

PARTICULARS	Current Year
<b>21. Contingent Liabilities:</b>	<b>NIL</b>
<b>22. Commitments:</b>	
Pending amount of capital contract remaining to be executed(Net of Advances)	<b>539.63</b>
Liability on account of Enhanced external development Charges	<b>54.65</b>
Outstanding bank guarantees	<b>11.35</b>
<b>23. Balance confirmations have not been received from some of the parties showing debit/credit balances.</b>	

24.

(₹ In Lacs)

Particulars of Sales and Stocks	Current Year Value
<b>Opening Stock</b>	
Land & Development Cost	5437.52
<b>Incurred During The Year</b>	
Land & Development Cost	1615.23
<b>SALES</b>	
Sales of Area	713.36
<b>Closing Stock</b>	
Land & Development Cost	6662.37

25. The Company has during the year not received any information from any vendor regarding their status being registered under Micro, Small and Medium Enterprises Development Act, 2006.

26. Claim against the company not acknowledged as debt (Rs. In lacs) 8.65

27. In the opinion of the Management the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet except stated otherwise.

28. Related Party Disclosures:

Related party disclosures in terms of AS 18 on Related Party Transactions:

A. Relationships

Key Management Personnel : Sh. J P Lath Director (in FY 2014-15)  
Sh. Mohd Arshad, Chief Finance Officer  
Joint Venture : Galaxy Monnet Infraheights Ltd.  
Associates : Emkay Appliances Pvt. Ltd.  
Wave Buildwell Pvt. Ltd.  
Omnia Appliances Pvt Ltd

B. The following transactions were carried out with related parties in the ordinary course of business :-

PARTICULARS	31.03.2016		
	Joint Venture (To the extent not eliminated)	Associates	Key Managerial Personnel
Remuneration Paid			
Sh. Mohd Arshad			2.39
Amount Borrowed	64.66	93.81	
Closing Balance		1688.56	
Loan/Capital Advance	1659.82		
Interest Received	124.63		

29. Pending settlement with the a party under Slump sale arrangement of the erstwhile Sugar Division of the parent company in earlier years, a sum of Rs344.58lacs is deposited in escrow account as fixed deposit in bank as shown in Other Bank balances in Note 14. The company is recognizing interest income thereon.

**30.** Tax Expense is the aggregate of current year income tax and deferred tax charged to the Profit and Loss Account for the year.

**a) Current Year Charge:**

Income Tax provision of Rs 24.85Lacs has been made towards MAT u/s 115JB and no tax is payable on regular income.

**b) Deferred Tax**

Deferred tax asset and liability are recognized on the timing differences between book records and income tax records in accordance with the provisions of AS 22 of Taxes on Income. Keeping in view the uncertainty of future profits for setting off the deferred tax asset the same are not recognized in the books during the year.

**31.** Earning per share (EPS)–The numerators and denominators used to calculate Basic and Diluted Earning per share :

PARTICULARS	YEAR ENDED 31.03.2016
Profit attributable to the Equity Shareholders –(A) (Rs in Lacs)	126.44
Basic / Weighted average number of Equity Shares outstanding during the year (B)	7412524
Nominal value of Equity Shares (Rs)	10
Basic/ Diluted Earning Per Share (Rs)-(A) (B)	1.71
<b>Calculation of Profit attributable to Shareholders:</b>	
Profit Before Tax (Rs. in Lacs)	144.33
Income Tax/Adjustments	-32.50
Deferred Tax	13.64
Profit attributable to Shareholders	126.44

**32.** Being this is first consolidated financial statements of the company previous year's figures are not given.

**FOR O.P. BAGLA & CO**  
CHARTERED ACCOUNTANTS  
FRN 000018N

**(Rakesh Kumar)**  
Partner  
M. No. 087537

**PLACE : NEW DELHI**  
**DATED : 27.05.2016**

**For and on the behalf of Board**

**(B.D. Bhardwaj)**  
Director  
DIN: 01779434

**(Mohd. Arshad)**  
Chief Financial  
Officer

**(J. P. Lath)**  
Director  
DIN: 00380076

**(Gaurav Gupta)**  
Company  
Secretary  
M. No. ACS-39118

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