

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

**1. FINANCIAL RESULTS:**

The Financial results are briefly indicated below:

(In Lakhs)

Description	Year ended 31.03.2019	Year ended 31.03.2018
<b>Total Income</b>	1723.51	915.27
<b>Total Expenditure</b>	1709.86	805.92
<b>Profit/(Loss) before Taxation</b>	13.65	109.35
<b>Profit/ (Loss) after Taxation</b>	10.01	79.49

**2. REVIEW OF OPERATION:**

During the financial year ended 31st March, 2019, the Company has recorded revenue of Rs. 1723.51 lakhs. The Company has earned profit of Rs 10.01lakhs during the year under review as compared to profit of Rs.79.49 lakhs- in the previous financial year. The Board of Directors are exploring various business opportunities for its future Development.

**3. DIVIDEND:**

Your Director regrets their inability to recommend Dividend in view of inadequacy of Profits and carry forward losses, in year under review.

**4. DEPOSITS:**

The Company has not accepted deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**5. TRANSFER TO RESERVES**

Being a profit, during the year, the Company has transferred amount to Reserve & Surplus Account.

**6. PARTICULARS OF EMPLOYEES:**

The particulars of employees required to be furnished pursuant to Section 197(12) of the Companies Act, 2013 read with sub-rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, forms part of this Report.

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of Section 135 of the Companies Act relating to Corporate Social Responsibility are not applicable as the Company is having Net worth less than rupees Five Hundred Crore, Turnover less than rupees One Thousand Crore and Net Profit less than rupees Five Crore.

**8. RELATED PARTY TRANSACTIONS:**

The details relating to related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure in Form AOC-2 and the same forms part of this report.

**9. NUMBER OF BOARD MEETINGS:**

Six Board Meetings were held during the financial year 2018-2019 on the following dates:

- (1) 29<sup>th</sup> May, 2018
- (2) 09<sup>th</sup> June, 2018
- (3) 11<sup>th</sup> August, 2018
- (4) 13<sup>th</sup> November, 2018
- (5) 13<sup>th</sup> February, 2019
- (6) 28<sup>th</sup> March, 2019

The Composition of the Board is as on 31.03.2019 was as under

Sr. No	Directors	Designation / Category of Directorship
1	Mahesh Jagdevrao Raut	Managing Director
2	Vidhi Dinesh Shambwani	Independent Director
3	Jaymin Piyushbhai Modi	Independent Director
4	Mohil Dilipkumar Khetani	Non-Executive Director

## 10. COMMITTEE MEETINGS:

### 1. AUDIT COMMITTEE:

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

Apart from all the matters provided in Regulation 18 of SEBI Regulations and Section 177 of the Companies Act, 2013, the Audit committee reviews reports of the Internal Auditor, meets Statutory Auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

The Audit Committee is duly constituted, during the Financial Year ended 31st March, 2019, 4 (Four) Meetings of the Audit Committee were held i.e. on 29th May, 2018, 11th August, 2018, 13th November, 2018, 13th February, 2019.

The Statutory Auditor, Internal Auditor and Executive Directors/Chief Financial Officer are invited to the meeting as and when required.

The Composition of the Audit Committee is as under

AUDIT COMMITTEE	
Vidhi Shambwani	Chairman & Independent Director
Jaymin Modi	Member & Independent Director
Mahesh Raut	Member & Managing Director

### 2. Nomination & Remuneration Committee:

The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors. The level and structure of appointment and remuneration of all Key Managerial personnel and Senior Management Personnel of the Company, as per the Remuneration Policy, is also overseen by this Committee.

The Nomination and Remuneration Committee is duly constituted, during the Financial Year under review the Nomination & Remuneration Committee meet once and was attended by all the Members.

The Composition of the Audit Committee is as under:

NOMINATION AND REMUNERATION COMMITTEE	
Vidhi Shambwani	Chairman & Independent Director
Jaymin Modi	Member & Independent Director
Mohil Khetani	Member & Non-Executive Director

### 3. Stakeholders' Relationship Committee:

The scope of the Shareholders/ investors Grievance Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

The Stakeholders' Relationship Committee is duly constituted, during the Financial Year ended on 31st March, 2019, 4 (Four) Meetings of the Stakeholders' Relationship Committee were held i.e. on 29th May, 2018, 11th August, 2018, 13th November, 2018, 13th February, 2019.

The Composition of the Committee is as under:

<b>STAKEHOLDER GRIEVANCE COMMITTEE</b>	
Vidhi Shambwani	Chairman & Independent Director
Jaymin Modi	Member & Independent Director
Mahesh Raut	Member & Managing Director

**BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, and Stakeholder's Relationship Committees.

**11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. RE-APPOINTMENT OF DIRECTOR:**

Mr. Mahesh Raut who retires by rotation being eligible offers himself for re-appointment at the ensuing Annual General meeting.

**B. INDEPENDENT DIRECTORS:**

Independent Directors on your Company's Board have submitted declarations of independence to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. None of the Directors of your Company is disqualified under Section 162 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

**C. APPOINTMENT & RESIGNATION OF DIRECTORS:**

No new Directors were appointed during the financial year 2018-19. Mr. Jayesh Rawal, Executive Director of the Company resigned from the Board during the FY 2018-19 w.e.f. 29.05.2018.

**D. KEY MANAGERIAL PERSONNEL:**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under

- (i) Mr. Mahesh Raut – Managing Director
- (ii) Ms. Neelam Tekwani – Company Secretary & Compliance Officer
- (iii) Mr. Mohil Khetani – Chief Financial Officer

**12. SUBSIDIARIES:**

Since the Company has no subsidiaries, provision of Section 129 (3) of the Companies Act, 2013 is not applicable.

**13. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors Responsibilities Statement, it is hereby confirmed:

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2019 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) that the Directors has selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year review.

- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- d) The Directors had prepared the accounts for the financial year ended 31st March, 2019 on a going concern basis.
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**14. AUDITORS & AUDITORS REPORT:**

The Board of Directors has appointed M/s. Koshal & Associates, Chartered Accountants, (Membership No- 043746) as the Statutory Auditors of the Company for a term of five years, in 22<sup>nd</sup> AGM to hold office till the conclusion of the 27<sup>th</sup> AGM to be held in the calendar year 2022 subject to ratification by members at every Annual General Meeting of the Company, if so required under the Law.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Ministry of Corporate Affairs have, vide its Commencement Notification dated 7<sup>th</sup> May 2018, inter alia, notified the commencement of section 40 of the Companies (Amendment) Act, 2017, which omitted the proviso to sub-section (1) of section 139 of the Companies Act, 2013, mandating the requirement of annual ratification for Auditors appointment by the Members at every Annual General Meeting.

In appreciation of the commendable performance by the Auditors during the year the Board has decided, to discontinue the practice of obtaining annual ratification of the shareholders for appointment of Statutory Auditors.

**15. INTERNAL AUDITORS :**

The Company has re-appointed Mr. Ashvin Thumar, Chartered Accountants, and Mumbai, as internal auditor of the Company for financial year 2019-20.

**16. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

Information in accordance with the provisions of Section 134 (3)(m) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is not applicable in case of your Company.

**17. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Your Company has policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Additional details on Internal Financial Controls and their adequacy are provided in the Management Discussion and Analysis Report, forming part of this Annual Report.

**18. SECRETARIAL AUDIT REPORT:**

As required under section 204 (1) of the Companies Act, 2013 and Rules made there under the Company has appointed Mrs. Urmila Bohra, Company Secretary as Secretarial Auditor of the Company for the financial Year 2018-19. The Secretarial Audit Report forms part of the Annual report as Annexure to the Board's Report.

The Copy of Secretarial Audit Report for the Financial Year 2018-19 issued by Mrs. Urmila Bohra, Company Secretary in Practice has been attached as annexure herewith. The

Secretarial Auditors' Report for the financial Year 2018-19 does not contain any major qualification, reservation or adverse remark.

**19. CHANGE IN NAME, OBJECTS AND LOCATION OF REGISTERED OFFICE THE COMPANY.**

The Board of Directors at their Board Meeting held on 09th June, 2018 has considered a proposal for diversification into areas which would be more profitable for the company as a part of diversification plans. The Board of Directors thought it prudent to engage in the construction business and Information technology activities. For this purpose the main object clause of the company which was restricted only its scope of commodity trading and distribution was required to be so made out to cover a wide range of activities in the areas of Construction Business and Information Technology activities and accordingly the main object was changed.

Accordingly the name of the Company was change from "Sinner Energy India Limited" to "Welcon International Limited" and the main object clause of the Company was altered to include the Object Clauses related to Construction business and Information Technology activities vide special resolution passed through postal ballot conducted pursuant to section 110 of the companies act, 2013, read with rule 22 of the companies (management and administration) rules, 2014.

During the year under review, the Company had shifted its Registered office of the Company from the State of Gujarat to the State of Maharashtra in Mumbai at F-24,1st Floor , Raghuleela Megha Mall, Behind Poisar Depot, S.V Road, Kandivali Mumbai 400067 Maharashtra effective from 28<sup>th</sup> Day of January, 2019.

**20. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure to the Board Report.

**21. IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Company has formulated a policy and process for risk management and has adequate risk management procedures, which are based upon business environment, operational controls and compliance procedures. The risk assessment is not limited to threat analysis, but also identifies potential opportunities. However management believes that the mitigation plans for identified risks are in place and may not threaten the existence of the Company.

**22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of loan, guarantee and investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the financial statements.

**23. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

Your Company gives prime importance to the dignity and respect of its employees irrespective of their gender or hierarchy and expects responsible conduct and behaviour on the part of employees at all levels. Providing a safe and congenial work environment for all employees is an integral part of the Company's Code of Conduct.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, your Company has adopted a policy for Prevention of Sexual Harassment at the Workplace and matters connected therewith.

There was no complaint of sexual harassment received during the financial year 2018-2019.

**24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

**25. COST RECORDS:**

The company is not required to maintain Cost Records as specified by the Central government under sub section (1) of section 148 of the Companies Act, 2013.

**26. WHISTLE BLOWER POLICY AND VIGIL MECHANISM:**

Your Company has in place a vigil mechanism for Directors and employees to report instances and concerns about unethical behavior, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases is provided to them.

**27. STOCK EXCHANGES:**

The Company's shares are listed on the following Stock Exchanges:  
(i) Bombay Stock Exchange Limited (BSE Ltd.)

**28. CORPORATE GOVERNANCE:**

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, report on Corporate Governance is not applicable as the Company is not falling within the prescribed ambit as mentioned there in hence it is not applicable to the Company.

**29. MANAGEMENT DISCUSSION ANALYSIS REPORT:**

The details forming part of Management Discussion and Analysis Report is annexed herewith as Annexure to the Board Report.

**30. ACKNOWLEDGEMENTS:**

Your Directors wish to express their sincere appreciation to all the Employees for their contribution and thanks to our valued clients, Bankers and shareholders for their continued support.

**Registered Office:**  
F-24,1st Floor , Raghuleela Megha  
Mall, Behind Poisar Depot,S.V Road,  
Kandivali, Mumbai-400067.

**Date: 13.08.2019**  
**Place: Mumbai**

**For Welcon International Limited**  
**(Formerly known as Sinner Energy India Limited)**

**Sd/-**  
**Mahesh Raut**  
**Chairman & Managing Director**  
**DIN: 00036179**