



## 12<sup>th</sup> Annual Report 2012-2013

# Corporate Information

## Board of Directors

Mr. Surender Kumar Tuteja	Independent Chairman
Dr. Ashok Kumar	Independent Director
Mr. Amit Mittal	Managing Director
Mrs. Dipali Mittal	Whole Time Director

## Chief Executive Officer

Mr. Ashok Kumar Saini

## President Finance & Acting Chief Financial Officer

Mr. Manoj Khetan

## Statutory Auditors

Walker, Chandio & Co.  
Chartered Accountants

## Company Secretary cum Compliance Officer

Mr. Atul Kumar Agarwal

## Registrar & Transfer Agent

M/s Alankit Assignments Limited  
Alankit House,  
2E/21, Jhandewalan Extension  
New Delhi - 110 055  
Ph.: +91 11 42541234, 23541234  
Fax: +91 11 23552001

## Registered Office

O-116, 1st Floor, DLF Shopping Mall,  
Arjun Marg, DLF Phase I, Gurgaon-122002  
Haryana (India)

## Corporate Office

Plot No. B-38, Institutional Area,  
Sector -32, Gurgaon-122001  
Haryana (India)  
website: [www.a2zgroup.co.in](http://www.a2zgroup.co.in)

## Bankers

1. State Bank of Patiala
2. State Bank of India
3. State Bank of Mysore
4. State Bank of Hyderabad
5. State Bank of Travancore
6. Standard Chartered Bank
7. IDBI Bank Limited
8. ICICI Bank Limited
9. Axis Bank Limited
10. DBS Bank Limited
11. Allahabad Bank
12. Union Bank of India
13. ING Vysya Bank Limited
14. IndusInd Bank Limited
15. The Hongkong and Shanghai Banking Corporation Limited
16. YES Bank Limited

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PLEASE NOTE THAT NO GIFT SHALL BE GIVEN IN THE ANNUAL GENERAL MEETING

## Notice

To  
The Members,  
A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

Notice is hereby given that the Twelfth Annual General Meeting of the members of M/s. A2Z Maintenance & Engineering Services Limited will be held on Saturday, the 28<sup>th</sup> day of September, 2013 at 10.30 A.M at HSIIDC Hall, Udyog Vihar, Phase-V, Gurgaon-122016, Haryana, India to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2013 and the Profit & Loss Account for the year ended on that date alongwith the Report of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Surender Kumar Tuteja, who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint the Auditors, M/s Walker, Chandio & Co., Chartered Accountants, New Delhi as Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Board of directors to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-  

“RESOLVED THAT Dr. Ashok Kumar, who was co-opted by the Board as an Additional Director effective from 1<sup>st</sup> May, 2013 and who hold office upto the date of the ensuing Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary

### Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, and Memorandum and Articles of Association of the Company, the Board of Directors be and is hereby authorized to appoint Branch auditors for any branch office(s) of the Company opened or to be opened by the Company in India or abroad, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditor(s) within the provisions of Section 228 of the Act and to fix their remuneration.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement with the Stock Exchange(s), the Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the “SEBI Guidelines”), and other rules and regulations / guidelines prescribed by Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India, or any other relevant authority, from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanction of any authorities as may be required, and subject to such terms, conditions or modifications as may be prescribed or imposed by any of such authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorised to accept, consent of the Company be and is hereby accorded to the Board to introduce and implement A2Z Employee Stock Option Plan, 2013

("A2Z ESOP-2013" or "Plan") and to create, grant, offer, issue and allot, to or for the benefit of the employees of the Company, whether working in India or out of India, and the Directors (including the whole-time Directors) of the Company, hereinafter collectively referred to as the "Eligible Employee(s)", options and /or other instruments giving right to the eligible Employee(s) to purchase or subscribe such number of equity shares /equity linked instruments / securities convertible into equity shares including any depository receipts convertible into equity shares (herein after collectively referred to as ( the "Securities") at such price, in such manner, during such period, in one or more tranches and on such terms and conditions as the Board may decide.

RESOLVED FURTHER THAT the maximum number of securities issued /granted in terms of this Resolution shall not exceed such number as would entitle the holders collectively to subscribe or purchase 36,00,000 (Thirty Six Lacs) equity shares of the company having face value of Rs. 10/- each.

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid Resolution shall in all respects rank pari passu inter se and also pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve and bring into effect the Plan on such terms and conditions as mentioned in the Explanatory Statement to this item in the notice and to make any modifications(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the Plan in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation(s), modification(s) or alteration(s) is detrimental to the interests of the eligible employees including but not limited to, amendments with respect to the vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the Plan, without any form of further reference, confirmation, approvals

or sanctions from the members of the company, to the extent permissible by the SEBI guidelines and other relevant regulations in force."

RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issue, bonus issues, merger, de-merger, amalgamation, sale of division and any other form of corporate restructuring, the Board be and is hereby authorised to make reasonable adjustments to the number of options granted and the exercise price in accordance with the SEBI Guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the shares issued and allotted under the Plan on the Stock Exchange(s), where the Securities of the Company are listed, as per the provisions of the Listing Agreements executed with the concerned Stock Exchanges and other guidelines, rules and regulations as may be applicable.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the securities without the Board being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors, or Chairman of the Company with a power to further delegate the same to any executives/officers of the company to do all such acts and deeds, matters and things and also to execute documents, writings, and other papers as may be necessary in this regard.

RESOLVED FURTHER THAT the Committee shall have the powers to re-price the options which are not exercised, whether or not they have been vested, if ESOP were rendered unattractive due to fall in the price

of the shares in the market, which shall be applicable to all options granted on a specified grant date and not detrimental to the interests of the Eligible Employees.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:-

“RESOLVED THAT the benefits of the A2Z Employee Stock Option Plan, 2013 (“A2Z ESOP 2013” or “Plan”) contained in Resolution no. 6 above is hereby extended to the eligible employees (including directors whether whole time directors or not) of the subsidiary company(ies) of the Company on such terms and conditions as may be decided by the Remuneration Cum Compensation Committee or any such committee of the Board of Directors of the Company by whatever name called.”

**By order of the Board**

**Sd/-**

**Dated : August 24, 2013**                      **(Atul Kumar Agarwal)**  
**Place : Gurgaon**                              **Company Secretary cum**  
 Regd. Office: O-116, 1st Floor,              **Compliance Officer**  
 DLF Shopping Mall,  
 Arjun Marg, DLF Phase I,  
 Gurgaon-122002  
 Haryana (India)

**Notes:**

1. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item no. 4, 5, 6 and 7 of the notice set out above annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective should be duly completed and signed in the form enclosed at the last page of Annual Report, it should be returned duly completed at the registered office of the company not

less than forty eight hours before the scheduled time of the commencement of Annual General Meeting and in default, the instrument of Proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

3. As a measure of economy, copies of Annual Reports will not be distributed at the venue of Annual General Meeting of the Company. Members are requested to bring their copies to the meeting.
4. Annual Report is also available at the website of the Company at [www.a2zgroup.co.in](http://www.a2zgroup.co.in) in the Investor relations section.
5. The Register of members and Share Transfer books of the Company will remain closed from Saturday, 21<sup>st</sup> September, 2013 to Saturday, 28<sup>th</sup> September, 2013 (both days inclusive).
6. Members who are holding shares in physical form are requested to notify /send all communication regarding registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address, or updation thereof to the Company's Registrar & Transfer Agent (RTA), Alankit Assignments Limited 2E/21, Alankit House, Behind Jhandewalan Extension, New Delhi-110055 and Members, whose shareholdings are in the electronic form, are requested to direct change of address notifications and updation of bank account details to their respective depository participants. Any query related to dividend should be directed to the RTA of the Company.
7. Information regarding particulars of the directors seeking appointment/-re-appointment requiring disclosure in terms of the Clause 49 of the Listing Agreement is annexed hereto.
8. In case of Body Corporate members, please furnish certified copy of Board/Governing Body Resolution in terms of Section 187 of the Companies Act, 1956 specifically authorizing the person attending the meeting in person as its representative or appointing a proxy; and that such authority must be conferred in advance, and not by ratifying its act subsequently by



a Board/Governing Body Resolution.

9. Members having queries with regards to Accounts are requested to address their queries to the Company mentioning: "AGM Queries- Kind Attn: Mr. Atul Kumar Agarwal, Company Secretary" at least 10 days in advance of the meeting to enable the Management to keep the information ready at the meeting.
10. Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those who hold shares in physical form are requested to write their Folio numbers in the attendance slip for attending the Meeting.
11. All documents referred to in the accompanying Notice and Annual accounts of the subsidiary companies whose annual accounts have been consolidated are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.
12. As per the provisions of Companies Act, 1956, facility for making nominations is available for shareholders, in respect of shares held by them. Nomination Forms can be obtained from Registrar and Transfer Agents of the Company.
13. Members who have not yet encashed their dividend warrant(s) with respect to the dividend declared for the financial years 2010-11 are requested to make their claims without any delay to the Company's Registrar & Share Transfer Agent viz. M/s Alankit Assignments limited.
14. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend pertaining to the Company remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, would be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claims.

**Annexure to Notice****Brief Resume of Directors who is to be appointed/ re-appointed**

Name of Director	Mr.Surender Kumar Tuteja			
Date of Birth	15 <sup>th</sup> June, 1945			
Relationship with Other Directors	None			
Date of Appointment	25 <sup>th</sup> July, 2008			
Education/Expertise/ Brief profile	Mr.Tuteja, a fellow member of ICSI and post graduate in commerce, is an independent and non-executive Director. Mr.Tuteja has an experience of approximately 44 years in serving various capacities in the Government, Including as secretary to the Government of India in the Department of Food and Public Distribution, as Secretary, Ministry of Small Scale Industries and Agro & Rural Industries, as Development commissioner, Small Scale Industries, as Secretary, Public Enterprises Selection Board, as Principal Secretary, Industries and Commerce, as Principal Secretary, Finance Government of Punjab State Electricity Board. Mr.Tuteja has also acted as a consultant to the World bank			
No of Equity Shares held in the Company	Nil			
Directorship in other Public Ltd. Companies as on 31 <sup>st</sup> March, 2013	1. SML Isuzu Limited 2. Shree Renuka Sugars Limited 3. Adani Logistics Limited 4. Axis Private Equity Limited 5. Havells India Limited 6. Intas Pharmaceuticals Limited 7. Daawat Foods Limited 8. Shree Renuka Energy Limited 9. Adani Enterprises Limited 10. Trident Corporation Limited 11. Gujarat Foils Limited 12. PTC India Financial Services Limited 13. LT Foods Limited 14. Small Industrial Development Bank of India			
Membership/ Chairmanship in Committees of other Public Ltd. Companies	Sr. No	Name of Company	Audit Committee	Shareholder's & Investor Grievance Committee
	1.	SML Isuzu Limited	Chairman	Member
	2.	Gujarat Foils Limited	Chairman	-
	3.	Adani Enterprises Limited	Chairman	Member
	4.	Shree Renuka Sugars Limited	-	Member
	5.	Intas Pharmaceuticals Limited	Chairman	-
	6.	Axis Private Equity Limited	Member	-
	7.	Trident Corporation Limited	Member	-
Name of Director	Dr. Ashok Kumar			
Date of Birth	5 <sup>th</sup> September, 1956			
Relationship with Other Directors	None			
Date of Appointment	1 <sup>st</sup> May, 2013			
Education/Expertise/ Brief profile	Dr. Ashok Kumar, is a fellow member of Institute of Chartered Accountant of India (ICAI) and Institute of Company Secretaries of India (ICSI). Dr. Kumar has been awarded Medal for securing the highest marks in the Company Secretary's exam. He has approximately 35 years of rich industrial experience in various groups of companies like Modi Group, Lords Chloro Alkali Limited, and Cirrus Chemical Private Limited etc. Dr. Kumar was the Managing Director in Lords Chloro Alkali Limited. Dr. Kumar is having rich experience in debt restructuring and revival and rehabilitation of sick industrial assets in India, and has been directly involved in revival of distressed assets.			
No of Equity Shares held in the Company	Nil			
Directorship in other Public Ltd. Companies as on 31 <sup>st</sup> March, 2013	1. Renascence Asset Reconstruction Company Limited 2. A2Z Infrastructure Limited			
Membership/ Chairmanship in Committees of other Public Ltd. Companies	Sr. No	Name of Company	Audit Committee	Shareholder's & Investor Grievance Committee
	None			



**Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of item No. 4, 5, 6 & 7**

**Item No. 4**

The Board has appointed Dr. Ashok Kumar as an additional Director of the Company effective from 1<sup>st</sup> May, 2013 in terms of Section 260 of the Companies Act, 1956.

Pursuant to section 260 of the Companies Act, 1956 he shall hold office up to the date of ensuing Annual General Meeting. A valid Notice along with requisite deposit under section 257 of the Companies Act, 1956 has been received from a member of the Company proposing the candidature of Dr. Ashok Kumar for the office of Director of the Company, liable to retire by rotation.

Dr. Kumar, is the fellow member of Institute of Chartered Accountants of India (ICAI) and Institute of Company Secretaries of India (ICSI). He has approximately 35 years of rich industrial experience in various group of companies like Modi Group, Lords Chloro Alkali Limited, and Cirrus Chemical Private Limited etc. Dr. Kumar was the Managing Director in Lords Chloro Alkali Limited. Dr. Kumar is having rich experience in debt restructuring, revival and rehabilitation of sick industrial assets in India, and has been directly involved in revival of distressed assets. The Board considers that his association as a Director will be beneficial to and in the interest of the Company.

He is not related to any other director of the company in terms of Section 2(41) and section 6 read with Schedule 1A of the Companies Act, 1956.

None of the Directors other than Dr. Ashok Kumar himself is concerned or interested in the resolution.

The Ordinary Resolution, at item No. 4 is commended for passing by the Members.

**Item No. 5**

In terms of section 228 of the Companies Act, 1956 where a company has branch office, the accounts of that branch shall be audited either by Company's Statutory Auditor or by another auditor possessing qualifications prescribed under section 226. In case of branch(s) situated outside

India, any of the above or an accountant qualified to act as auditor in the country concerned can be appointed as Branch Auditor.

Our Company is presently having branch offices in Uganda and Zambia for the global expansion of business. In near future to expand the business operations the Company may open branches in various other Countries as well. Since member's approval is required for appointment of branch auditors, Members of the company are hereby requested to authorize board of directors to appoint branch auditors in consultation with the auditors of the Company for various branches of the Company opened or to be opened by the Company in India or abroad and to fix their remuneration.

None of the directors is directly or indirectly interested in the above said resolution.

The Ordinary Resolution, at item No. 5 is commended for passing by the Members.

**Item No. 6 & 7**

In order to reward, motivate and retain desired talent for high level of individual performance and for unusual efforts and also to create a culture of ownership and building commitment towards the Company, and to align employees objectives towards critical goals / milestone of the Company. It is proposed to introduce "A2Z Employee Stock Option Plan, 2013" ('A2Z ESOP 2013 / Plan'). The Scheme is meant for eligible permanent employees, directors of the Company including permanent employees/ directors of the subsidiary company(ies) as may be decided by the Remuneration Cum Compensation Committee or any other committee of the Board of Directors of the Company by whatever name called ("Committee").

A2Z ESOP 2013 would be subject to and in conformity with the guidelines issued in this regard from time to time by the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 (SEBI Guidelines) or any amendment thereof. In terms of SEBI Guidelines, the administration of A2Z ESOP 2013 would vest with the Committee of the Board of Directors of the Company.

Disclosures as per Regulation 6.2 of the SEBI Guidelines as amended:

1. Total number of Options to be granted under the ESOP  
Total number of Options to be granted under the Scheme shall not exceed 36,00,000 (Thirty Six Lacs) equity shares of Rs. 10/- each. One option entitles the holder of the options to apply for one equity share of Rs. 10/- each of the Company. Vested Options that lapse due to non-exercise or unvested options that get cancelled due to resignation of employee or otherwise, would be available for re- grant at a future date. SEBI Guidelines require that in case of any Corporate Action(s) such as right issues, bonus issues, merger and others a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional equity shares are issued by the Company, the above ceiling of 36,00,000 (Thirty Six Lacs) equity shares shall be deemed to be increased proportionately to the extent of the additional equity shares issued.
2. Identification of classes of employees entitled to participate in the ESOP  
All eligible permanent employees and Directors of the Company including the employees and Directors of the subsidiary Company(ies) , as may be decided by the Committee. (As per SEBI Guidelines, Employees belonging to promoters or promoter group or holding directly or indirectly more than 10% of the outstanding equity shares of the Company shall not be eligible under the Scheme).
3. Requirements of vesting and period of vesting.
  - (a) There should be a minimum period of one year between the grant of options and vesting of options.
  - (b) The vesting shall happen in one or more tranches as may be decided by the Committee.
4. Maximum Period within which the options shall be vested  
The maximum Vesting Period shall be four years from the date of Grant.

#### 5. Exercise Price or Pricing formula

The options would be issued at such discounted price to the market price (Exercise Price), which would be the latest available closing price on the Stock Exchange, which records the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Committee at which the options are granted or at such price as the Committee may determine however in any case such price would not be less than the face value of the equity share at that time.

#### 6. Exercise Period and the Process of Exercise

The Exercise period will commence from the date of vesting and extend upto not later than five years from the date of the vesting of the Options or such other period as may be decided by the Committee, from time to time. The Option would be exercisable by the employee by a written application to the designated officer of the Company to exercise the options in such manner, and on execution of such documents as may be prescribed by the Committee under the Scheme. The options will lapse if not exercised within the specified exercise period.

#### 7. Appraisal process for determining the eligibility of employees to the ESOP

The appraisal process for determining the eligibility of the employees and directors will be in accordance with the "A2Z ESOP 2013" or as may be determined by the Committee at its sole discretion.

#### 8. Maximum number of options to be issued per employee and in aggregate

The maximum number of options granted to any one employee / director in a year will not exceed 1% of the issued Equity Share capital of the Company at the time of granting of an option. The aggregate of all such grants, as reduced by options lapsed, cancelled, forfeited or surrendered, shall not exceed 36,00,000 (Thirty Six lacs) options convertible in to equivalent number of equity shares of face value Rs. 10/- each

#### 9. Disclosure and Accounting policies