



37th ANNUAL
REPORT
2015-16

ARTSON ENGINEERING LIMITED

(A subsidiary of Tata Projects Limited)



Artson Engineering Limited

(A subsidiary of Tata Projects Limited)

Corporate Identity Number: L27290MH1978PLC020644

Tel No. 022 66255600 Fax: + 91 2266255614 Email: artson@artson.net Website: www.artson.net

BOARD OF DIRECTORS

Chairman	Mr. Vinayak Deshpande
Director	Mr. Pralhad Pawar
Independent Directors	Mr. Michael Bastian
	Mr. Nalin Shah
	Ms. Leja Hattiangadi
Special Director	Mr. Mukesh Mohan Gupta

Chief Operating Officer	Mr Nikhil Naniwadekar
Chief Financial Officer	Mr Rajesh Mandale
Company Secretary	Ms Rajeshree Gaikwad (till 13 th May 2016)

Share Registrar and Share Transfer Agents

Link Intime India Private Limited
13-C, Pannalal Silk Mills Compound,
L.B.S. Road, Bhandup (West),
Mumbai 400 078

Registered Office

11th Floor, Hiranandani Knowledge
Park, Technology Street, Powai,
Mumbai 400076

Overseas Office

Flat No 802, Khalifa Matar Building
Bin Hamad Bin Abdullah Road
Fujairah, United Arab Emirates
(UAE) Post Box No 3679

Bankers

Corporation Bank
ICICI Bank Limited
Bank of Baroda

Monitoring Agency

Bank of India

Statutory Auditors

Chokshi & Chokshi LLP,
Chartered Accountants

Internal Auditors

Patel & Deodhar,
Chartered Accountant

Secretarial Auditor

P.P.Shah & Co.,
Practising Company Secretaries

Manufacturing Units:

Nashik Unit

D-5, MIDC Ambad, Nashik
Nashik-422010

Nagpur Unit

Plot No. D-1, Umred
Industrial Area, MIDC
Umred, Dist- Nagpur- 441 203

Jamshedpur Unit

C/o Mr. Avinash Singh, NH-3
Plot No 2054/255/2057/2062
Mouza-Asanbani, PS-Chandil
Saraikela, Jharkhand- 832401

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Registered Office: 11th Floor, Hiranandani Knowledge Park, Technology Street, Powai, Mumbai – 400 076

Tel No.: + 91 22 66255600. **Fax:** + 91 22 66255614 **Email:** artson@artson.net. **Website:** www.artson.net

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Members of the Company will be held on Tuesday, 16 August 2016 at 3.00 p. m. at Seminar Hall, The Victoria Memorial School for the Blind, Opposite Tardeo AC Market, 73, Tardeo Road, Mumbai 400034 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements as at 31st March 2016, together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vinayak Deshpande (DIN: 00036827), who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors to hold Office until the conclusion of the 38th Annual General Meeting on a remuneration to be fixed by the Board of Directors. Chokshi & Chokshi LLP, Chartered Accountants, Mumbai, the retiring Auditors are eligible for appointment.

Special Business

4. To enter into Related Party transactions under Section 188 of the Companies Act, 2013 read with Companies (Meeting of the Board and its Powers) Rules, 2014. To pass the following Resolution, with or without modification, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 read with Companies (Meeting of the Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, consent of the Company be and is hereby accorded to the Board of Directors, to enter into contracts / arrangements / transactions with Tata Projects Limited (TPL), the Company's Holding company and a 'Related Party' as defined under Section 2 (76) of the Companies Act, 2013, as indicated in the table below on mutually acceptable terms and conditions between the Company and TPL for the maximum amounts per annum, as mentioned herein below:

Sr. No.	Category	Maximum value of transactions in each Financial Year
1	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and Availing or rendering of any services, directly or through appointment of agents	₹ 200 Crore
2	Leasing of property of any kind	₹ 10 Crore

RESOLVED FURTHER THAT consent of the Company is accorded for ratification of the aforesaid related party transactions already entered into by the Company exceeding the threshold as specified in Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

5. To keep the Register of Members, Annual Returns etc. at a place other than the Registered Office of the Company but within the city limits of Mumbai

To pass the following Resolution, with or without modification, as a Special Resolution:

“RESOLVED THAT:

- a. in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Sections 88, 94 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and corresponding sections of the erstwhile Companies Act, 1956) the Members of the Company hereby approve, confirm and ratify that, with effect from 1 July 2016, Link Intime India Private Limited (SEBI Regn No. INR000004058) having its office at C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400078 be appointed as the Company’s Share Registrars and Transfer Agents;
- b. the Registers and Index of Members of the Company under Section 150 of the Companies Act, 1956 (corresponding to Section 88 of the Act) and copies of the returns prepared under Section 159 of the Companies Act, 1956 (corresponding to Section 92 of the Act), required to be maintained under the Act be shifted and maintained at Link Intime India Private Limited (SEBI Regn No. INR000004058) having its office at C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400078, or at such other place within Mumbai, where the Registrar and Transfer Agent may shift its office from time to time.
- c. the Board of Directors (including a Committee thereof, if any, constituted by the Board) and/or the Chief Financial Officer or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution and to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary”.

Notes:

1. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy and such proxy need not be a Member of the Company. A person can act as Proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A Member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person cannot act as a Proxy for any other person or shareholder. Proxies, in order to be valid, must be received at the Registered Office of the Company not less than 48 hours before the Meeting.**

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 12th August 2016 to Tuesday, 16th August 2016 (both days inclusive).
4. Members holding shares in electronic form are requested to bring their Client ID and DP ID numbers at the Meeting for easy identification.
5. To facilitate registration an attendance slip is enclosed. Shareholders attending the Annual General Meeting are requested to bring it with them at the venue.
6. Pursuant to the provisions of the Companies Act, 2013, facility for making nomination is available to the shareholders in respect of shares held by them. Nomination forms can be obtained from the Registered Office of the Company or the Share Registrars and Transfer Agents of the Company or can also be downloaded from the Company's website- www.artson.net.
7. Shareholders are requested to address all correspondence in relation to shares related matters to the Company's Share Registrars and Transfer Agents at the following address:
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai 400078
8. A Member desirous of getting any information on the accounts or operations of the Company is required to forward his/ her queries to the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.
9. Pursuant to the provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Notice convening the 37th Annual General Meeting along with the Financial Statements for the year ended 31st March 2016, is being issued in electronic form, to the email address as per the Company's records and as are made available by the Depositories.

Full text of the Notice and these reports will also be made available in an easily navigable format on the Company's website, www.artson.net. The physical copies of the Annual Report will be available at the Registered Office of the Company for inspection during office hours.

The Members who still intend to receive the copies of the Notice and other documents in physical form (hard copy) are requested to write to the Company Secretary at the Company's Registered Office or send an email to rnt.helpdesk@linkintime.co.in and accordingly a printed copy of the Annual Report will be sent to the registered address of the Member.

E- Voting facility (Remote e- voting):

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

2. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on 12th August 2016 (9.00 a.m.) and ends on 15th August 2016 (5.00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 9th August 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The process and manner for remote e-voting are as under:
 - 5.1. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - 5.1.1. Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - 5.1.2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - 5.1.3. Click on Shareholder - Login
 - 5.1.4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - 5.1.5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - 5.1.6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - 5.1.7. Select “EVEN” of “Artson Engineering Limited”.
 - 5.1.8. Now you are ready for remote e-voting as Cast Vote page opens.
 - 5.1.9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - 5.1.10. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - 5.1.11. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - 5.1.12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vnpscrtinizer@gmail.com with a copy marked to evoting@nsdl.co.in

5.2. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

5.2.1. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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5.2.2. Please follow all steps from Sl. No. (5.1.2) to Sl. No. (5.1.12) above, to cast vote.

6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
8. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 9th August 2016.
10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 9th August 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rnt.helpdesk@linkintime.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

11. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
13. Mr. Vishram Panchpor, Practising Company Secretary [ICSI Membership No. A 20057, CP No. 13027] has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
15. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

16. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.artson.net and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

By Order of the Board,

Registered Office:

11th Floor, Hiranandani Knowledge Park,
Technology Street, Powai,
Mumbai – 400 076

VINAYAK DESHPANDE

Chairman

Date: 30 June 2016

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the said Notice.

Item No. 4:

The Company is engaged in the business as EPC contractor in the field of Oil & Gas and Hydrocarbon Processing Industry, specialized in Tankages, Piping, and other Mechanical Packages. The Company is also engaged in the structural fabrication works. The Company, in the ordinary course of business, enters into transactions with Tata Projects Limited (TPL) for sale, purchase or supply of goods or materials, leasing of property and availing or rendering of services.

TPL, the Company's holding company, is a related party within the meaning of Section 2 (76) of the Companies Act, 2013 ('the Act').

The aforementioned transactions with TPL are likely to exceed the threshold limits provided in Rule 15 (3) of the Companies (Meetings of the Board and its Powers) Rules, 2014 ['Rules'] under the respective category of related party transactions.

Pursuant to the provisions of the said Rules, the Company can enter into transactions with related parties, exceeding the threshold limits, only with the consent of shareholders by an Ordinary Resolution.

In terms of Explanation (3) appended to Rule 15 (3) of the said Rules, the under-noted information is of relevance:

Particulars	Information	
Name of the Related Party	Tata Projects Limited (TPL)	
Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Vinayak Deshpande and Mr. Pralhad Pawar, Directors are related to TPL and are its nominees on the Company's Board of Directors. However, for the purpose of this transaction, they are not related parties.	
Nature of Relationship	TPL is a Holding company and the Promoter of the Company	
Nature, Material terms of the Contracts / arrangements / transactions	sale, purchase or supply of goods or materials, leasing of property and availing or rendering of services	
Monetary Value (maximum amount each Financial Year)	Sale, purchase or supply of any goods or materials, directly or through appointment of agents as well as availing or rendering of any services, directly or through appointment of agents	Rs. 200 Crore
	Leasing of property of any kind	Rs. 10 Crore