



ARTSON ENGINEERING LIMITED

(A subsidiary of Tata Projects Limited)



39th ANNUAL REPORT
2017-18

BOARD OF DIRECTORS



Vinayak K Deshpande
Chairman
(Non-Executive)



Michael Bastian
Independent Director



Nalin M Shah
Independent Director



Pralhad Pawar
Non-Executive Director



Leja Hattiangadi
Independent Director

KEY MANAGERIAL PERSONNEL

Chief Operating Officer & Manager	:	Saket Mathur (w.e.f. 1 st January 2018) Nikhil Naniwadekar (till 31 st December 2017)
Chief Financial Officer	:	S. Balaji
Company Secretary	:	Deepak Tibrewal



Artson Engineering Limited

CIN: L27290MH1978PLC020644

(A subsidiary of Tata Projects Limited)

Registered Office: 2nd Floor, Transocean House, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra.

Email: investors@artson.net; Website: www.artson.net

Registrar and Share Transfer Agent	: Link Intime India Private Limited # C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083 Tel No: +91 22 4918 6000 Fax: +91 22 4918 6060
Bankers	: Axis Bank Corporation Bank IndusInd Bank
Statutory Auditors	: Price Waterhouse & Co. Chartered Accountants, LLP (FRN-304026E/E300009)
Internal Auditors	: Ernst & Young, LLP (AAB-4343)
Secretarial Auditors	: MKS & Associates, Company Secretaries (FRN-S2017TL460500)
Cost Auditors	: Sagar & Associates, Cost Accountants (FRN-000118)
Registered Office	: 2 nd Floor, Transocean House, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai - 400076, Maharashtra.
Corporate Office	: Ground Floor, Mithona Towers 1-7-80 to 87, Prenderghast Road, Secunderabad, Hyderabad - 500003, Telangana State Tel No. 040 6601 8165
Overseas Office	: Flat No. 802, Khalifa Matar Building, Bin Hamad Bin , Abdhullah Road, Fujairah, United Arab Emirates, (UAE) Post Box No. 3679
Manufacturing units	: Nashik Unit: D-5, MIDC Ambad, Nashik, Nashik - 422010 Nagpur Unit: Plot No D.1, Umred, Industrial Area, MIDC , Umred, Dist. - Nagpur - 441203

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39th ANNUAL GENERAL MEETING

Date	: Tuesday, 17 th July 2018
Time	: 03:00 p.m. IST
Venue	: Seminar Hall, The Victoria Memorial School for the Blind, Opp. Tardeo AC Market, 73, Tardeo Road, Mumbai - 400034.

NOTICE CONVENING 39th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 39th Annual General Meeting (AGM) of the members of Artson Engineering Limited ('the Company') will be held on Tuesday, the 17th Day of July 2018 at 3.00 p.m. at the Seminar Hall, The Victoria Memorial School for the Blind, Opp. 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 of the Company for the financial year ended 31st March 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vinayak K Deshpande (DIN: 00036827), who retires by rotation and, being eligible, offers himself for re-appointment.
3. **Ratification of appointment of Statutory Auditors**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of Price Waterhouse & Co. Chartered Accountants, LLP (PWC) (Firm Registration Number - 304026E/E-300009), as the Statutory Auditors of the Company to hold office from the conclusion of this 39th Annual General Meeting (AGM) till the conclusion of the Forty (40th) AGM of the Company, to be held in the year 2019, at such remuneration as maybe mutually agreed between the Board of Directors of the Company and PWC.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Special Business:

4. **Ratification of remuneration payable to the Cost Auditors for the financial year 2018-19**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 1,00,000/- (Rupees One Lakh), plus applicable taxes and other out-of-pocket expenses incurred in connection with the audit, payable to M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118), appointed as Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the financial year 2018-19.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

5. **Appointment of Mr. Saket Mathur as the Manager of the Company**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”), the corresponding rules made thereunder as amended from time to time, read with Schedule-V of the Act and the Articles of Association of the Company and subject to approvals, if any, approval of the members be and is hereby accorded for the appointment of Mr. Saket Mathur, Chief Operating Officer (COO) as Manager of the Company of the Company with effect from 1st January 2018, for a period of Three (3) years, at existing terms and conditions and at such remuneration as detailed in the explanatory statement attached hereto, being minimum remuneration to be paid even in the event of loss or inadequacy of profits.

RESOLVED FURTHER THAT Mr. Saket Mathur shall continue to hold the office as COO of the Company and be designated as the Manager & COO.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things and take all such steps, including but not limited to execution of all such documents, instruments and writings as may be necessary to give effect to this Resolution.”

6. To enter into Related Party Transactions with Tata Projects Limited under Section 188 of the Companies Act, 2013, read with Companies (Meeting of the Board and its Powers) Rules, 2014

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT in suppression to the earlier resolution passed at the 37th Annual General Meeting held on 16th August 2016 and pursuant to the provisions of 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, in manner and for the maximum amounts per annum, as mentioned below:

S. No.	Category	Amount (per annum)
1	Sale, purchase or supply of any goods or materials, directly or through appointment of agents and/ or Availing or rendering of any services, directly or through appointment of agents	₹ 500 Crore
2	Rent/ Leasing of property of any kind	₹ 20 Crore
Total		₹ 520 Crore

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary 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.”

7. Determining the fees for delivery document through a particular mode of delivery to a member

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 20 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the relevant Rules prescribed thereunder, the Company may, upon receipt of a request from a member for delivery of any document through a particular mode, levy an amount, approximate of the actual expense as may be incurred by the Company, by way of fees for sending the document in the particular desired mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member as advance prior to the dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel (KMP) as defined under section 2(51) of the Companies Act, 2013) of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid by the member in advance.”

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies/ Power of Attorney forms, in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the scheduled time of the Meeting. A person can act as proxy on behalf of not exceeding Fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy form is enclosed along with the Notice of AGM.
- An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”), relating to the special businesses to be transacted at the AGM is enclosed.
- The details of the Director proposed to be re-appointed is enclosed. The details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Listing Regulations) in respect of the Director offering himself for re-appointment at the AGM forms integral part of this Annual Report. The Director has furnished the requisite declarations for his re-appointment.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 11th July 2018 to Tuesday, 17th July 2018 (both days inclusive).
5. Members are advised to avail nomination facility as per the Section 72 of the Act. Facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Further, a Member who desires to cancel the earlier nomination and record fresh nomination may submit the same in Form No. SH-14. Both the forms for “Nominations” and “Cancellation or Variation of Nomination” can be availed from the Company’s Registrars and Transfer Agents (RTA) or can be downloaded from the Company’s website i.e., www.artson.net. Members holding shares in physical form are requested to submit the forms to the Company’s RTA. The members holding shares in dematerialized form are requested to file the Nomination/ Cancellation or Variation in Nomination forms with their respective Depository in prescribed form.
6. A body corporate, including a Company within the meaning of the Act, may by resolution passed by its Board of Directors or other governing body, authorize its representative to act on behalf of such body corporate. Accordingly, the body corporate are required to send the certified true copy of Resolution to the Company Secretary of the Company or the Authorised representative will be required to produce the same at the venue of Meeting.
7. Shareholders are requested to address all communications relating to the shares and related matters to the Company’s RTA at the address provided below:

M/s. Link Intime (India) Private Limited

(Unit: Artson Engineering Limited)

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083, Maharashtra.

Tel No: +91 22 4918 6000; Fax: +91 22 4918 6060

Email ID: rnt.helpdesk@linkintime.co.in

- (a) The Ministry of Corporate Affairs (MCA), Government of India (GOI) has taken a “Green initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its Members. To support this Green initiative of the GOI in full, Members who have not registered their e-mail address so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants (DP). Members holding shares in dematerialized form requiring to update their e-mail addresses may do so by submitting the Shareholders details updation form enclosed with this Annual Report.
 - (b) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their DP. Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and its RTA, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the RTA.
 - (c) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
 - (d) Members holding shares in physical form are requested to convert their holding in to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for any assistance in this regard.**
 - (e) “Shareholders information booklet” as disseminated on the website of the Company i.e., www.artson.net may be referred for further details.
8. The Company has paid the listing fees for the financial year 2018-19 to BSE Limited, stock exchange where the equity shares of the Company are listed.
9. Members are requested to:
 - (a) Send their queries, if any, to reach the Company’s Registered Office at least Seven (7) days before the date of the Meeting, such that the information can be made available at the Meeting.
 - (b) Bring the copy of the Annual Report and attendance slip, which is enclosed.
 - (c) Bring their DP ID and Client ID numbers for easy identification / attendance. (Who hold shares in dematerialized form).
 - (d) Update their e-mail address with the Company / RTA for prompt communication.
 - (e) Quote Regd. Folio Number/ DP and Client ID number in all correspondence with the Company/ RTA.

10. Pursuant to the applicable provisions of the Act and the Rules made thereunder, the 39th Annual Report of the Company, including the notice convening 39th AGM, is being sent in electronic form to the email addresses as per the Company's records and as made available by the RTA/ depositories.
11. The soft copy of the 39th Annual Report is made available in an easily navigable manner on the Company's website i.e., www.artson.net.
12. The members who still intend to receive the copies of the notice and other documents in physical form are requested to write to the Company Secretary at the Company's Registered Office address or send an email to rnt.helpdesk@linkintime.co.in / investors@artson.net and accordingly a printed copy will be sent to the registered address of the members.

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Act, 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 SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 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).
- II. The facility for voting through polling/ ballot paper shall be made available at the venue of AGM and the members attending the meeting, who have not cast their vote by remote e-voting will be able to exercise their right at the meeting through the ballot paper.
- III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast the vote again.
- IV. The remote e-voting period commences on Friday, 13th July 2018 (9:00 am) and ends on Monday, 16th July 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th July 2018, 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 will not be allowed to change it subsequently.

V. The process and manner of e-voting is as under:

A. Instructions to login to NSDL e-Voting portal

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) To retrieve your initial password:
 - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your "initial password" is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

B. Process and instructions to cast vote electronically:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. Other Instructions

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vnv.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: **1800-222-990** or send a request at evoting@nsdl.co.in

- VI.** 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).
- VII.** 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 10th July 2018.
- VIII.** 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. 10th July 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA to the email ID 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 forgot your password, you can reset your password by using “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: **1800-222-990**.
- IX.** 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.
- X.** 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.
- XI.** Mr. Vishram Panchpor, Practising Company Secretary (ICSI Membership No. A 20057; CP No. 13027) has been appointed 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.
- XII.** 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 polling/ ballot paper for all those members who are present at the AGM but have not casted votes by availing the remote e-voting facility.
- XIII.** 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 two (2) 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.
- XIV.** The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e., 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, Stock Exchange, Mumbai.

Other information:

- I.** The Scrutinizer will collate the votes downloaded from the e-voting system and votes casted during the polling process conducted at AGM venue, to declare the final result for each of the Resolutions forming part of the AGM Notice.
- II.** The results of the voting shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer’s Report, shall be placed on the Company’s website www.artson.net and be communicated to the Stock Exchanges where the Company’s shares are listed, i.e., BSE Limited.
- III.** Members may address any query to the Company Secretary, at the Registered Office address of the Company.

Registered Office

2nd Floor, Transocean House, Lake Boulevard Road,
Hiranandani Business Park, Powai, Mumbai,
Maharashtra - 400076
Email: investors@artson.net;
Website: www.artson.net

Date: 26th April 2018
Place: Hyderabad

By Order of the Board
For **Artson Engineering Limited**

Vinayak K Deshpande
Chairman
DIN: 00036827

EXPLANATORY STATEMENT

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the special businesses as mentioned in the item No. 4 to 7 of the accompanying Notice dated 26th April 2018.

Item No. 4: Ratification of remuneration payable to the Cost Auditors for the financial year 2018-19

The Board of Directors of the Company, upon the recommendation of the Audit Committee, approved the appointment of M/s. Sagar & Associates, Cost Accountants, Hyderabad, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2018 at a remuneration of ₹ 1,00,000/- (Rupees One Lakh) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, incurred in connection with the audit.

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, consent of the members is being sought for passing the resolution as set out in item no. 4 of the notice for ratification of the remuneration payable to the cost auditor for the financial year ended 31st March 2019.

Accordingly, the Board of Directors recommends the Resolution at Item No. 4 of the Notice for approval of the members by way of Ordinary Resolution. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item No. 5: Appointment of Mr. Saket Mathur as the Manager of the Company

As per the provisions of Section 203 of the Act, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 every Listed Company and every other public Company having a paid-up share capital of Rupees Ten Crore shall have whole-time Key Managerial Personnel (KMP).

Further to the resignation tendered by Mr. Nikhil Naniwadekar, Manager and Chief Operating Officer (COO) of the Company, the Nomination and Remuneration Committee (NRC) at its meeting held on 24th October 2017, recommended and the Board at its meeting held on the even date approved the appointment of Mr. Saket Mathur, COO, as the Manager & COO of the Company with effect from 1st January 2018, for a period of 3 years at the existing terms and remuneration as provided below, subject to approval of shareholders at the ensuing AGM.

Statement pursuant to Section 198 read with Part II of Schedule V of the Act:

I General Information		
1.	Nature of Industry	Manufacturing of Structural Metal Products, Fabrication of Equipment, Industrial & Infrastructure Construction Projects, mainly in mechanical works.
2.	Date of Commencement of commercial production	Company was incorporated on 18 th September 1978 and had started its commercial operations in the same financial year.
3.	Financial Performance	The Company is in growth phase and the overall sales of ₹ 65 Crores in FY 2014-15 has grown to overall sales of ₹ 132 Crores in FY 2017-18. Company continues to be networth positive since FY ended 31 st March 2017. For detailed financials please refer the 39 th Annual Report of the Company.
4.	Foreign Investment and collaborations	Nil
II Information about the appointee		
1.	Background details	Education Qualification – B.E. (Mechanical) from MSRTI, Bangalore University, 1985. Currently holding the position of COO since November 2017.
2.	Past / Existing remuneration	₹ 70.61 Lakhs
3.	Recognition and Awards	<ul style="list-style-type: none"> Award of Excellence in Engineering from Chhattisgarh State, 2007. Member of Indian Institute of Plant Engineers.
4.	Job profile and his sustainability	Appointee is respected EPC industry professional, skilled in attaining peak construction requirements, Stabilizing operations, addressing volatile marketing needs and deliver project. A technically adept Mechanical Engineer with over 28 years of experience. He is Expertise in Project execution, strategic planning, leadership development, customer engagement and risk mitigation.
5.	Remuneration proposed	₹ 70.61 Lakhs