



37th Annual Report 2014-15

AUSTIN ENGINEERING COMPANY LIMITED

Certificate

Standard

ISO / TS 16949:2009

(3rd edition, 2009-06-15)

Certificate Registr. No. 01 111 058896

IATF Certificate No. 0187828

TÜV Rheinland Cert GmbH certifies:

Certificate Holder:

Austin Engineering Co. Ltd.

Patla, Ta. Bhesan, Via Ranpur (Sorath), Post Hadmatiya,
Dist. Junagadh - 362 030, India

Scope:

Design and Manufacture of Cylindrical Roller Bearings

An audit was performed, Report No. 058896. Proof has been
furnished that the requirements according to ISO / TS
16949:2009 are fulfilled.

The due date for future audits is 24-04 (dd.mm).

Validity:

The certificate is valid from 2014-07-01 until 2017-06-30.

2014-07-04



TÜV Rheinland Cert GmbH
Am Grauen Stein · 51105 Köln
Deutschland



2-IAO-QMC-01003



AUSTIN ENGINEERING COMPANY LIMITED

Regd. Office & Works.


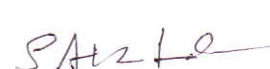


Patla, Ta. Bhesan, Via Ranpur (Sorath), Post Hadmatiya-362 030, Dist. Junagadh. (India)

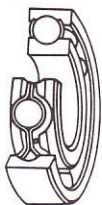
Phones : (02873) 252223, 252267, 252268 Fax : (02873) 252225

CIN. L27259GJ1978PLC003179

FORM A

Pursuant to Clause 31(a) of the Listing Agreement

| | | |
|---|---|---|
| 1 | Name of the Company | Austin Engineering Company Ltd. |
| 2 | Annual Financial Statements for the Year ended | 31st March, 2015 |
| 3 | Type of Audit observation | Un-qualified / Matter of Emphasis |
| 4 | Type of Audit observation | Not Applicable |
| 5 | To be signed by | |
| | • Managing Director Mr. S. M. Thanki |  |
| | • Chief Financial Officer (CFO) Mr. S. A. Kotal |  |
| | • Statutory Auditor M/s. Dhirubhai Dand & Co. Chartered Accountants |  |
| | • Chairman of the Audit Committee Mr. B. D. Joshi |  |



Manufacturers of :
ALL KINDS OF BEARINGS



ISO 9001 : 2008
ISO / TS 16949 : 2009
ISO 14001 : 2004
OHSAS 18001 : 2007

www.tuv.com
ID 0910099553



AUSTIN ENGINEERING COMPANY LIMITED

37th ANNUAL REPORT 2014-2015

: BOARD OF DIRECTORS :

| | | |
|---------------------|---|------------------------------------|
| Mr. N. C. VADGAMA | : | Chairman & Executive Director |
| Mr. S. M. THANKI | : | Managing Director |
| Mr. R. R. BAMBHANIA | : | Joint Managing Director |
| Mr. J. R. BHOGAYTA | : | Executive Director |
| Mr. B. D. JOSHI | : | Non Executive Independent Director |
| Dr. B. R. SUREJA | : | Non Executive Independent Director |
| Mr. K. J. MEHTA | : | Non Executive Independent Director |
| Mr. D. B. NAKUM | : | Non Executive Independent Director |
| Ms. A. K. GOSWAMI | : | Non Executive Independent Director |

: AUDITORS :

DHIRUBHAI DAND & CO.
Chartered Accountants
4, Jayshree Nagar, JUNAGADH - 362 001.

: COMPANY SECRETARY :

Ms. Z. M. Talreja

: BANKERS :

BANK OF BARODA

: REGISTRAR & TRANSFER AGENT :

SHAREPRO SERVICES (INDIA) PVT. LTD.
13-AB, Samhita Warehousing Complex, Near Sakinaka Telephone Exchange,
Andheri-kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072.

: REGISTERED OFFICE & WORKS :

Village : Patla, Taluka : Bhesan, Dist : JUNAGADH - 362 030 (Gujarat).

: JUNAGADH OFFICE :

101, G.I.D.C. Estate, Vadal Road, JUNAGADH - 362 003 (Gujarat).

Visit at <http://www.aec.com>

E-mail : info@aec.com





NOTICE

NOTICE is hereby given that the **Thirty Seventh Annual General Meeting** of the Company will be held on **Tuesday, 22nd September, 2015** at **11.00 a.m.** at the Registered Office of the Company at Village: Patla, Taluka: Bhesan, Dist: Junagadh 362030 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider, and adopt
 - (i) the Audited Standalone financial statement of the Company for the financial year ended 31st March, 2015 together with report of the Board of Directors and Auditors thereon and
 - (ii) the Audited consolidated financial statement of the Company for the financial year ended on 31st March, 2015 together with report of Auditors thereon
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr. S. M. Thanki, who, retires by rotation and being eligible offers himself for re- appointment.
4. To appoint a Director in place of Mr. N. C. Vadgama, who, retires by rotation and being eligible offers himself for re- appointment.
5. To consider and to ratify the following resolution with or without modification(s) as **Ordinary Resolution** :
"RESOLVED THAT, pursuant to section 139, 142 and other applicable provisions if any, of the Companies Act, 2013 and the rules made there under, and pursuant to the resolution passed by the members at their Annual General Meeting held on 9th September, 2014, the appointment of **M/S Dhirubhai Dand & Co., Chartered Accountants, (Firm Registration No. 118190W)**, as the auditor of the company to hold office till the conclusion of 39th Annual General Meeting, be and are hereby ratified and that the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to them for the financial year ended on 31st March, 2016."

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modification/s, the following resolution as an **Ordinary Resolution** :
"RESOLVED THAT, Ms. Arati Goswami (DIN: 07134494), a Non Executive Woman Director who was appointed as an Additional Director of the Company by the Board of Directors w.e.f 30th March, 2015, pursuant to section 149(1) (b) of the Companies Act, 2013 (Act) and also in compliance of clause 49 of the Listing Agreement and whose term of office expires at this Annual General Meeting and being eligible for appointment pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under and as amended from time to time and in respect of whom the Company has received a notice in writing under Section 160 of the "act" from a members proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation"
7. 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 provision of Section 188 and all other applicable provisions, if any of the Companies Act, 2013, and also subject to any other approvals as may be required including that of Central Government, the consent of the members of the Company be and is hereby accorded for the payment of revised monthly salary to Mr. Hiren N Vadgama, Vice President-Operations to Rs 150000/- in the scale of Rs. 150000-25000-250000 plus usual perquisites w.e.f. 1st April 2015 in addition to the performance incentive payable to him on percentage of the "Profit" as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by him.
RESOLVED FURTHER THAT, that Mr. N C Vadgama, the Chairman and Executive Director of the company and / or Mr. S M Thanki, the Managing director of the Company be and they are severally authorised to do any acts, deeds, writings, papers etc for the said purpose including making application, representing and getting approval from the Central Government or any other authority as may be required and delegation of power to any of their representative for the said purpose."
8. 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 provision of Section 188 and all other applicable provisions, if any of the Companies Act, 2013, and also subject to any other approvals as may be required including that of Central Government, the consent of the members of the Company be and is hereby accorded for the payment of revised monthly salary to Mr. Jignesh S. Thanki, Vice President-Engineering to Rs 150000/- in the scale of Rs. 150000-25000-250000 plus usual perquisites w.e.f. 1st April 2015 in addition to the performance incentive payable to him on percentage of the "Profit" as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by him.
RESOLVED FURTHER THAT, that Mr. N C Vadgama, the Chairman and Executive Director of the company and / or Mr. S M Thanki, the Managing director of the Company be and they are severally authorised to do any acts, deeds, writings, papers etc for the said purpose including making application, representing and getting approval from the Central Government or any other authority as may be required and delegation of power to any of their representative for the said purpose."
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :
"RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the "act", the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding to **Rs. 5000 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 to **ACCURATE ENGINEERING INC. USA, the wholly owned subsidiary of the Company.**
FURTHER RESOLVED THAT the Board of directors of the Company be and is hereby authorized to enter into the said agreement."





10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for **getting the job work done** on the material supplied by the Company (AECL) for the value not exceeding from **Rs. 500 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 with **MAX PRECISION BEARINGS PRIVATE LIMITED, a Company incorporated under the erstwhile Companies Act, 1956**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
11. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for **getting the job work done** on the material supplied by the Company (AECL) for the value not exceeding from **Rs. 100 Lacs per annum** for the remaining period of 2 years with effect from 01st October, 2015 and for sale of scrap for the value not exceeding from Rs. 15 Lacs per annum for the period of Two years with effect from 01st October, 2015 by **ACCUMAX ENGINEERING COMPANY, a partnership firm registered under the Indian Partnership Act, 1932.**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
12. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding **Rs. 500 Lacs per annum** for the period of 2 years with effect from 01st October, 2015 to **EMINENT TRADING (INDIA) LLP, a partnership firm registered under the Limited Liability Partnership Act, 2008**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”
13. To consider and if thought fit to pass the following resolution with or without modification(s) as a **Special Resolution** :
“RESOLVED THAT, pursuant to section 188(1) of the Companies Act, 2013 read with Companies Rules 2014 and other applicable provisions if any of the “Act”, the consent of the members of the Company be and is hereby accorded to enter into the transactions for sale of bearings and/or components for the value not exceeding **Rs. 500 Lacs per annum** for the period of 2 years with effect from 01st October, 2015 to **UNITED TRADING CO., a Partnership Firm registered under Indian Partnership Act, 1932**
FURTHER RESOLVED THAT, the Board of directors of the Company be and is hereby authorized to enter into the said agreement.”

By order of the Board of Director

Place: Patla, Dist. Junagadh
 Date: 28th May, 2015

Sd/-
 N. C. Vadgama
 Chairman

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
 - A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
 - Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority and under its seal as may be applicable
 - The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting..
 - A proxy form is sent herewith
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
- The Register of Members and the Share Transfer books of the Company will remain closed from **Tuesday, 15th September, 2015 to 22nd September, 2015 (both days inclusive)** for annual closing and determining the entitlement of the shareholders for final dividend for 2015.
- Shareholders holding shares in electronic form are hereby informed that bank particulars registered against the respective depository accounts will be used by the Company for payment of the dividend. The Company or its Registrar cannot act on any request received directly from the shareholders, holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the shareholders.
- Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share transfer agents, M/s Sharepro services, 13-AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), MUMBAI 400 072.





6. The dividend of **Rs. 1.50/-** per share has been recommended by the Board of Directors for the year ended 31st March, 2015 subject to the approval of the shareholders at the ensuing Annual General Meeting. The same is proposed to be paid **from 20th October, 2015** to those shareholders, whose names appear on the Register of members of the Company on **15th September, 2015**. In case of shares held in dematerialised form, the dividend there on, upon its declaration at the meeting, shall be paid to the beneficial owner as per the list provided by the depositories for the said purpose.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long period. The statement of holdings should be obtained periodically from the concerned Depository Participant and the same should be verified.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015 is being sent in the permitted mode.
11. Members may also note that the Notice of the 37th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.aec.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
12. Members holding shares in physical mode may also send the request to the Company or its Registrar by letter or by email at austin@shareproservices.com to receive the soft copy of the Annual Report by email instead of hard copy. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
13. Members are requested to provide their client ID and DP ID numbers at the meeting for easy identification.
14. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 10 (Ten) days before the date of the Meeting so that the information required may be made available at the Meeting.
15. Relevant documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Friday and Sundays, between 11.00 a.m. to 1.00 p.m. up to the date of the meeting.
16. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2006-07, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 9th September, 2014 (the date of last Annual General Meeting) on the website of the company (www.aec.com), as also on the website of Ministry of Corporate Affairs.
17. Members holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the company. The Nomination form can be downloaded from the Company's website (www.aec.com) under the section "Investor Relations".
18. The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Statement of the Profit & Loss, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode at the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode at the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.
19. **INSTRUCTION FOR e-VOTING :**
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended till date, the Company is pleased to provide e-voting facility which will enable the members to exercise their rights to vote at the 37th Annual General Meeting (AGM) by electronic means. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

(A) The instructions for members for voting electronically are as under :

- (i) The voting period begins on **Saturday 19th September, 2015 (9:00 am) and ends on Monday, 21st September, 2015 (6:00 pm)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **Tuesday, 15th September 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.





- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

| | |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN **150627002** along with **AUSTIN ENGINEERING COMPANY LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.



**(B) OTHERS:**

- i. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company
- ii. **PCS Kaushik Shah of M/s K J Shah & Company, Practicing Company Secretary FCS 2420; CP No: 1414** of 305, Hrishikesh II, Opp. Navrangpura Municipal School, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad 380009 has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- iii. The Scrutinizers shall, immediately after the conclusion of voting at the general meeting first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- iv. The results declared along with the scrutinizer's report shall be placed on the Company's website www.aec.com and on the website of CDSL <https://www.evotingindia.com> within three working days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited where the shares of the Company are listed.

Company's Details:**AUSTIN ENGINEERING COMPANY LIMITED**

Village: Patla, Taluka: Bhesan, Dist: Junagadh 362 030, Gujarat, India

CIN: L27259GJ1978PLC003179**E-mail ID:** info@aec.com**Registrar and Transfer Agent:****M/S SHAREPRO SERVICES (INDIA) PRIVATE LIMITED**13-AB, Samhita Warehousing Complex, 2nd Floor,

Near Sakinaka Telephone Exchange, Andheri-Kurla Road,

Sakinaka, Andheri (East), MUMBAI 400 072

E-Voting Agency: Central Depository Services (India) LimitedE-mail ID: helpdesk.evoting@cdslindia.com**Scrutinizer:** CS Kaushik Shah of K J Shah & Company

Practicing Company Secretary

E-mail ID: kjshahco@gmail.com**RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AND DIRECTORS APPOINTED SINCE LAST A.G.M**

| Particulars | Mr. S. M Thanki | Mr. N. C. Vadgama | Ms. Arati Goswami |
|--|------------------------|------------------------|-------------------|
| Date of Birth | 30-05-1948 | 15-11-1947 | 15-11-1978 |
| Appointed on | 27-07-1978 | 27-07-1978 | 30-03-2015 |
| Qualifications | D.M. E. | D.M. E. | Graduate |
| Expertise in Specific Functional Areas | Engineering | Engineering | Accounts |
| Directorships held in other Public Companies (excluding foreign companies) | Creative Castings Ltd. | Creative Castings Ltd. | NO |
| Membership/ Chairmanship of Committees across public Companies | NO | NO | NO |
| Shareholding | 140200 | 134000 | NO |

By order of the Board of Director

Sd/-

Place: Patla, Dist. Junagadh

Date: 28th May, 2015N. C. Vadgama
Chairman

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 :

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 6 :

The Board of directors at its meeting held on 30th March, 2015 appointed Ms Arati Goswami as an additional director of the Company pursuant to section 161 read with section 149(1) (b) of the Companies Act, 2013 and in compliance of clause 49 of the Listing Agreement.

Pursuant to the provision of the Companies Act, 2013 she holds office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing under section 160 of the Companies Act, 2013 from a members, along with the deposits of Rs 1,00,000/- proposing her candidature for the office of a director, liable to retire by rotation, under the provision of section 149 of the Companies Act, 2013.

None of the directors, key managerial personnel or their relatives except Ms Arati Goswami is concerned or interested in the said resolution.

The Board recommends the said resolution for your approval.

Item No. 7 and 8 :

Pursuant to the Section 188 (1) (a) of the Companies Act, 2013 and Director's Relatives (Office or Place of Profit) Rules, 2014, any person who is a relative of a director and holds or continues to hold any office or place of profit in the Company for the remunerations exceeding the prescribed limit shall be subject to the prior approval of the members by way of **special resolution**.

Mr. Hiren N. Vadgama (Vice President-Operations) and Mr. Jignesh S. Thanki (Vice President – Engineering) are in the employment of the Company since last about 20 years and they are presently drawing salary of Rs 1,25,000/- (Rs One Lac Twenty Five Thousand) p.m.

The Company has made good progress under their supervision. Many a value added items have been introduced by their continuous endeavours. The constant research work, strict supervision over the affairs of the Company, implementation of several cost reductions measures made the company more profitable inspite of negligible increase in the sales. In additions to, they are directly reporting to the Board of directors and updated them with various suggestions on the development of international and domestic market making company more profitable.

The Audit Committee had also reviewed their performance and recommended their increase in salary in the revised scale of Rs 150000-250000-250000 plus usual perquisites as provided to other employees in addition to the performance incentive payable to them on percentage of the "Profit" as computed under section 198 of the Companies Act, 2013 and which the Board of Directors of the Company may deem fit and reasonable subject to the recommendation of the audit committee and which may be agreed to by them.

Since the proposed salary exceeds the prescribed limit, your prior approval as special resolution is being sought.

None of the directors and their "Relatives" except Mr. N C Vadgama and Mr. S M Thanki is concerned or interested in the proposed resolution.

The Board recommends the resolution for your approval.

Item No. 9 to 15 :

Pursuant to the provision of section 188 (1) of the Companies Act, 2013 read with the Clause 49 of the Listing Agreement, your approval is being sought for entering in to the transaction with the "Related Parties" as per the details given here under:

| Name of the party | Nature of relation/ interest | Nature of transaction | Value of transaction per annum |
|--|------------------------------|-----------------------|--------------------------------|
| Accurate Engineering Inc USA | Wholly owned subsidiary | Sales | Rs. 5000 Lacs |
| Max Precision Bearings Private Limited | Relative of director | Getting job work done | Rs. 500 Lacs |
| Accumax Engineering Company | Relative of director | Getting job work done | Rs. 100 Lacs |
| | | Sale of Scrap | Rs. 15 Lacs |
| Eminent Trading (India) LLP | Relative of director | Sales | Rs. 500 Lacs |
| United Trading Co. | Relative of director | Sales | Rs. 500 Lacs |

The Audit Committee have also reviewed and recommended the said limit for transactions proposed to be entered into with respective parties.

None of the directors and their "Relatives" except Mr. N C Vadgama, Mr. S M Thanki, and Mr. R R Bambhania is concerned or interested in the proposed resolution.

The Board recommends the resolution for your approval.

