

# Birla Precision Technologies Limited

**29<sup>th</sup> Annual Report**  
**2015 - 16**



ISO 9001 : 2008 &  
ISO 14001 : 2004  
CERTIFIED



## **BIRLA PRECISION TECHNOLOGIES LIMITED**

### **Registered Office**

B-15/4, M.I.D.C., Waluj, Aurangabad – 431 133 (M.S.) Tel. No.: (0240) 2554300, Fax No.: (0240) 2554302  
Visit us at: [www.birlaprecision.in](http://www.birlaprecision.in) Email id: [info@birlaprecision.com](mailto:info@birlaprecision.com)  
Corporate identity Number (CIN): L29220MH1986PLC041214  
Scrip Code (BSE): 522105

**BOARD OF DIRECTORS** :

Mr. Vedant Birla	- Chairman & Managing Director (Appointed w.e.f. 18.05.2016)
Mr. Shamraj Gilbale	- Whole Time Director (Appointed w.e.f. 04.12.2015 & Resigned w.e.f. 28.06.2016)
Mrs. Avanti Birla	- Director
Mr. Jainarayan Bajaj	- Additional Director (Appointed w.e.f. 01.10.2015)
Mr. Om Prakash Jain	- Additional Director (Appointed w.e.f. 18.05.2016)
Mr. Satyanarayan Baheti	- Additional Director (Appointed w.e.f. 11.08.2016)
Mr. Ritesh Joshi	- Additional Director (Appointed w.e.f. 11.08.2016)
Mr. K. Narayanan	- Director (Resigned w.e.f. 14.08.2015)
Mr. Shiv Charan Agarwal	- Director (Resigned w.e.f. 01.10.2015)
Mr. M. S. Adige	- Director (Resigned w.e.f. 11.07.2016)

**KEY MANAGERIAL PERSONAL** :

Mr. Mukunda Mankar	- Chief Financial Officer
Ms. Rupa Khanna	- Company Secretary

**STATUTORY AUDITORS** :

M/s. Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
11-B Vatsa House, (RPI House),  
Janmabhoomi Marg, Fort, Mumbai - 400 001

**BANKERS** :

ICICI Bank Limited  
HDFC Bank Limited

**PLANT LOCATIONS** :

Tool Holder Division:  
B-15/4, M.I.D.C. Area, Waluj, Aurangabad - 431 133

Tool Division:  
B-15/3/1, M.I.D.C. Area, Waluj, Aurangabad - 431 133  
62/63, M.I.D.C., Satpur, Nashik - 422 007

Foundry Division:  
B-15/3/2, M.I.D.C. Area, Waluj, Aurangabad - 431 133

**REGISTRAR & SHARE TRANSFER AGENTS** :

M/s. Karvy Computershare Private Limited  
Karvy Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Gachibowli, Nanakramguda,  
Serlingampally, Hyderabad - 500 032

**29<sup>th</sup> Annual General Meeting**  
29<sup>th</sup> September, 2016 at 11.30 a.m.  
at Registered Office of the Company at  
B-15/4, M.I.D.C., Waluj,  
Aurangabad - 431 133 (M.S.)

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## NOTICE OF THE 29<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE **29<sup>TH</sup> ANNUAL GENERAL MEETING** OF THE MEMBERS OF BIRLA PRECISION TECHNOLOGIES LIMITED will be held on Thursday 29<sup>th</sup> day of September, 2016 at 11.30 a.m., at the Registered Office of the Company at B-15/4, M.I.D.C., Waluj, Aurangabad - 431 133 to transact the following business:-

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and the Statement of Profit and Loss for the year ended as on that date together with the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mrs. Avanti Birla (DIN 00167903), who retires by rotation, and being eligible, offers herself for re-appointment.
3. **Appointment of Statutory Auditors**

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, (Registration no. 000038N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company scheduled to be held in the year 2017 at such remuneration as may be determined by Board of Directors of the Company."

### SPECIAL BUSINESS:

4. **Appointment of Mr. Vedant Birla (DIN 03327691) as an Director of the Company**

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 provision of Section 161 of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, Mr. Vedant Birla (DIN 03327691) be and is hereby appointed a Director of the Company."

5. **Appointment of Mr. Vedant Birla (DIN 03327691) as an Chairman & Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for the appointment of Mr. Vedant Birla Chairman & Managing Director of the Company for a period of 3 years i.e. with effect from 18<sup>th</sup> May, 2016 to 17<sup>th</sup> May, 2019, on such salary, commission and perquisites (hereinafter referred to as "remuneration") and upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Vedant Birla.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Vedant Birla, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act read with Schedule V of the Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Director or Directors to give effect to the aforesaid resolution".

6. **Appointment of Mr. Om Prakash Jain (DIN 02553210) as an Director of the Company**

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 provision of Section 161 of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, Mr. Om Prakash Jain be and is hereby appointed as a Director of the Company."

**7. Appointment of Mr. Jainarayan Bajaj (DIN 03167975) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Jainarayan Bajaj (DIN 03167975) who was appointed as an Additional Director of the Company with effect from 01<sup>st</sup> October, 2015 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 30<sup>th</sup> September, 2018 and that he shall not be subject to retirement by rotation.”

**8. Appointment of Mr. Satyanarayan Baheti (DIN 06933453) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Satyanarayan Baheti (DIN 06933453) who was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> August, 2016 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 10<sup>th</sup> August, 2019 and that he shall not be subject to retirement by rotation.”

**9. Appointment of Mr. Ritesh Joshi (DIN 07545241) as an Independent Director of the Company**

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 Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, Mr. Ritesh Joshi (DIN 07545241) who was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> August, 2016 pursuant to Section 161 of the Companies Act 2013, and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of 3 consecutive years i.e. upto 10<sup>th</sup> August, 2019 and that he shall not be subject to retirement by rotation.”

**10. Ratification of Remuneration to Cost Auditor**

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 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) exclusive of service tax, travelling and out-of-pocket expenses for the financial year ending 31<sup>st</sup> March, 2017 as approved by the Board of Directors of the Company, payable to Mr. Jayant Galande, Cost Accountant, to conduct the audit of the cost records of the Company be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **Birla Precision Technologies Limited**

Place: Mumbai  
Date: 12<sup>th</sup> August, 2016

**Rupa Khanna**  
Company Secretary

## NOTES:

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in the Notice is annexed hereto and forms part of the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY 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. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE A VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. A person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person can act as Proxy for a Member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Members / Proxies are requested to bring their attendance slips duly filled in along with their copies of the Annual Report to the Meeting for attending the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23<sup>rd</sup> September, 2016 to Thursday, 29<sup>th</sup> September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to the provisions of the Companies Act, 1956 dividend declared at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2009 if not claimed within seven years of such declaration respectively will be transferred to Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrants for the aforesaid years are advised to send requests for issuance of duplicate dividend warrants (in case they have not received the Dividend Warrants) and / or revalidation of unencashed Dividend Warrants still held by them, to the Registrars and Transfer Agents of the Company under the heading "Dividend Revalidation". It may also be noted that once the unclaimed dividend is transferred to IEPF, as above, no claim shall lie in respect thereof.
8. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the details of the Dividend paid by the Company and to be transferred to the Investor Education and Protection Fund (IEPF), if they remain unclaimed by the shareholders is given below:

Date of Declaration of Dividend	Dividend for the financial year	Due Date of Transfer
30 <sup>th</sup> September, 2009	2008-09	04.11.2016

Members are requested to claim their dividend before they become due for transfer to IEPF. A statement of unclaimed dividend declared at the last AGM held on 30<sup>th</sup> September, 2015 is available on the Company's website [www.birlaprecision.in](http://www.birlaprecision.in).

9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned below quoting their folio number(s).  
M/s. Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serlingampally, Hyderabad – 500 032.
10. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. Karvy Computershare Private Limited.
11. Pursuant to the provision of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, details 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/reappointment.

12. Electronic copy of the Notice and Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for the financial year 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 the financial year 2015-16 is being sent in the permitted mode.
13. The Annual Report 2015-16 of the Company circulated to the Members of the Company, will be available on the website of the Company at [www.birlaprecision.in](http://www.birlaprecision.in).
14. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days, except Friday between 11.00 a.m. to 05.00 p.m. up to and including the date of Annual General Meeting of the Company.
15. Members desiring to make a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.
16. Members are requested to:-
  - a. bring their copies of the Annual Report at the time of attending the Annual General Meeting.
  - b. complete the attendance slip and deliver the same at the entrance of the meeting hall.
  - c. send their questions at least 10 days in advance before the Annual General Meeting about any further information on accounts or other related topics in the Annual Report so as to enable the Company to answer their question satisfactorily.
17. Members holding shares in physical form may be aware that trading of the Equity Shares of the Company has to be in demat form. In view of this and several other benefits of holding shares in demat mode, you are requested to have your shares dematerialized to avail the benefits of electronic form of trading.
18. The Ministry of Corporate Affairs 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 which will be in compliance with Section 20 of the Companies Act, 2013 and the rules framed thereunder. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with M/s. Karvy Computershare Private Limited -Registrar and Transfer Agents of the Company.
19. A route map, showing directions to reach the AGM venue is annexed hereto.
20. Voting through electronic means.
  - 1) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014 as substituted vide Companies (Management & Administration) Rule, 2015, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, the Company is pleased to provide its members voting by electronic means (remote e-voting i.e. voting electronically from a place other than the venue of the general meeting) to cast their votes electronically in respect of businesses to be transacted at the 29<sup>th</sup> Annual General Meeting. The Company has engaged the services of M/s. Karvy Computershare Pvt. Ltd. ("Karvy") as agency to provide the E-voting facility to the member of the Company.
  - 2) The facility for voting through polling paper shall be made available at the annual general meeting (AGM) venue. Only those members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through polling paper.
  - 3) The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

**The instructions for e-voting are as under:**

- A. In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants (s)]:**
  - i. Launch internet browser by typing the URL: <http://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password mentioned below). Your Folio No. / DP ID- Client Id will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

- iii. After entering these details appropriately, click on “LOGIN”.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “**EVENT**” i.e., **Birla Precision Technologies Limited**.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut off Date under “**FOR/AGAINST**” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either “**FOR**” or “**AGAINST**” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy of Board Resolution in PDF Format to the scrutinizer by email at [cssmithasingh@gmail.com](mailto:cssmithasingh@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com).

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

- i. User Id and initial password as provided in the e-voting form.
- ii. Please follow all steps from Sr. No. (i ) to (xii) as mentioned in (A) above, to cast vote.

**C. Other Instructions:**

- i. In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. 22<sup>nd</sup> September, 2016, they may write to the Karvy on the email Id [evoting@karvy.com](mailto:evoting@karvy.com) (or) contact Mr. U S Singh on 040-67162222, at Karvy Computershare Private Limited, Unit – Birla Precision Technologies Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- ii. The e-voting period commences on 25<sup>th</sup> September, 2016 (9.00 AM IST) Sunday and ends on 28<sup>th</sup> September, 2016 (5.00PM IST) Wednesday. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by “Karvy” for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- iii. The Board of Directors has appointed Mrs. Smitha Singh, Practicing Company Secretary (Membership No. ACS 14288 as a Scrutinizer to scrutinize the process of remote e-voting and voting at the venue of the meeting in fair and transparent manner.



- iv. The voting rights of the members/beneficial owner shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the cut-off date i.e. 22<sup>nd</sup> September, 2016.
- v. 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, i.e. 22<sup>nd</sup> September, 2016, only shall be entitled to avail the facility of remote e-voting/ voting at 29<sup>th</sup> AGM.
- vi. The Scrutinizer shall, immediately after the conclusion of the voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of atleast two witnesses not in the employment of the Company and make, not later than 01<sup>st</sup> October, 2016 a consolidated Scrutinizers report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman, or any other person authorised by the chairman, shall declare the result of the voting forthwith.
- vii. The Results shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- viii. The results declared along with the Scrutinizer's report shall be placed on the Company's Website: [www.birlaprecision.in](http://www.birlaprecision.in) and on the website of the service provider (<http://evoting.karvy.com>) immediately after the result is declared and shall simultaneously also be communicated to BSE Limited.

By Order of the Board of Directors  
For **Birla Precision Technologies Limited**

Place: Mumbai  
Date: 12<sup>th</sup> August, 2016

**Rupa Khanna**  
Company Secretary

### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

##### ITEM NO. 4 & 5.

Mr. Vedant Birla (DIN 03327691) was appointed as an Additional Director of the company at the Board Meeting held on 18<sup>th</sup> May, 2016 by the Board of Directors. In terms of Section 161 of the Companies Act, 2013, he holds office upto the date of the Twenty Ninth Annual General Meeting. Based on the recommendation of the Nomination and Remuneration Committee, the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014, and Articles of Association of the Company, and subject to the approval of the members of the Company, the Board also appointed Mr. Vedant Birla as a Managing Director of the Company and designated him as Chairman & Managing Director and a Key Managerial Personnel for a period of three years with effect from 18<sup>th</sup> May, 2016, subject to the approval of the members of the Company. He shall not be liable to retire by rotation.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Vedant Birla, as a Director of the Company.

The remuneration proposed to be paid to Mr. Vedant Birla is given below:

##### **SALARY/ ALLOWANCE/PERQUISITES/BENEFITS**

1. He shall be entitled to a salary ₹ 2.50 Lacs per month.
2. Special Allowances of ₹ 1.00 Lacs per month.
3. Perquisites, benefits and allowance includes House Rent Allowance, Furnishing Allowance, House Maintenance, etc. and any other perquisites, benefits & allowances. Allowances and perquisites shall be valued as per the Income Tax Rules, wherever applicable and in the absence of any such Rules, the perquisites shall be evaluated at actual costs to the Company.
4. He shall be entitled for the incentive based on the performance under Key Result Area (KRA) evaluation.
5. He shall also be entitled to Company's contribution to Provident Fund, Pension Fund, Gratuity, Encashment of Leave as and when applicable as Chairman & Managing Director.

The aforesaid remuneration of Mr. Vedant Birla falls within the maximum ceiling limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with Schedule V to the Companies Act, 2013.

Brief resume of Mr. Vedant Birla, nature of his expertise in specific functional areas, name of the companies in which he holds Directorships and Membership / Chairmanship of Board Committees, etc., are separately annexed hereto. He doesn't hold any equity shares in the Company.

The Board consider the knowledge, experience and expertise of Mr. Vedant Birla in the field of finance and management and immense contribution to the overall progress of the company. The Board is of the opinion that the Company should continue to avail the service of Mr. Vedant Birla to achieve better performance in future.

Accordingly the Board recommends Resolution Nos. 4 and 5 for approval by the Members.

Except Mrs. Avanti Birla and Mr. Vedant Birla and their relative, none of the Director or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the Resolution Nos. 4 and 5.

#### **ITEM NO. 6.**

Pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Om Prakash Jain (DIN 02553210) was appointed as Additional Director by the Board of Director of the Company with effect from 18<sup>th</sup> May, 2016. In terms of Section 161(1) of the Companies Act, 2013 he holds office upto the date of Twenty Ninth Annual General Meeting of the Company.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013, from a Member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Om Prakash Jain, as a Director of the Company.

Brief resume of Mr. Om Prakash Jain, nature of his expertise in specific functional areas, name of the companies in which he holds Directorships and Membership / Chairmanship of Board Committees, etc., are separately annexed hereto. He doesn't hold any equity shares in the Company.

Except Mr. Om Prakash Jain, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

#### **ITEM NO. 7.**

In terms of Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Mr. Jainarayan Bajaj (DIN 03167975) was appointed as an Additional Director - Independent on the Board of Company on 01<sup>st</sup> October, 2015, based on the recommendation of the Nomination and Remuneration Committee. He shall hold office upto the date of the Twenty Ninth Annual General Meeting.

The Board of Directors proposes to appoint Mr. Jainarayan Bajaj as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for 3 (three) consecutive years i.e. upto 30<sup>th</sup> September, 2018.

The Company has received declaration from Mr. Jainarayan Bajaj that he meets the criteria of independence. A notice has been received from a member proposing his candidature for the office of Director of the Company along with a requisite deposit of ₹ 1,00,000/-.

Except Mr. Jainarayan Bajaj, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

#### **ITEM NO. 8**

In terms of Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Mr. Satyanarayan Baheti (DIN 06933453) was appointed as an Additional Director - Independent on the Board of Company on 11<sup>th</sup> August, 2016, based on the recommendation of the Nomination and Remuneration Committee. He shall hold office upto the date of the Twenty Ninth Annual General Meeting.

The Board of Directors proposes to appoint Mr. Satyanarayan Baheti as an Independent Director whose term shall not be subject to retirement by rotation, to hold office for 3 (three) consecutive years i.e. upto 10<sup>th</sup> August, 2019.

The Company has received declaration from Mr. Satyanarayan Baheti that he meets the criteria of independence. A notice has been received from a member proposing his candidature for the office of Director of the Company along with a requisite deposit of ₹ 1,00,000/-.