



28th Annual Report 2013 -14



MUKAND ENGINEERS

(₹ in Lacs)

FINANCIAL HIGHLIGHTS					
	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
I CAPITAL ACCOUNTS					
A. Share Capital	1258	1258	1258	1258	1258
B. Reserves	3688	4121	4304	4519	4554
C. Net Worth (A+B)	4946	5379	5562	5777	5812
D. Borrowings	2899	3668	4152	4553	4507
E. Gross Block	2605	2748	2875	3136	3149
F. Net Block	725	808	856	1065	993
G. Debt-Equity Ratio (D/C)	0.59:1	0.69:1	0.75:1	0.79:1	0.78:1
II REVENUE ACCOUNTS					
A. Gross Revenue	12774	7856	6866	7811	8850
B. Profit before Taxes (PBT)	1235	950	534	532	272
C. Profit after Taxes (PAT)	819	652	329	362	182
D. Return on Shareholders' Fund %	16.56	12.12	5.91	6.27	3.13
III EQUITY SHAREHOLDERS' EARNINGS					
A. Equity Dividend	189	189	126	126	126
B. Earnings per Equity Share (in ₹)	6.52	5.19	2.62	2.88	1.44
C. Dividend per Equity Share (in ₹)	1.50	1.50	1.00	1.00	1.00
D. Networth per Equity Share (in ₹)	39.34	42.78	44.24	45.95	46.23

BOARD OF DIRECTORS

Rajesh V. Shah, *Chairman*
Niraj Bajaj
Prakash V. Mehta
N. Ramanathan
R. Sankaran

MANAGER

K. P. Jotwani

COMPANY SECRETARY

P. R. Dhruva

AUDITORS

M/s. K. K. Mankeshwar & Co.,
Chartered Accountants, Mumbai

REGISTERED OFFICE

Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai - 400 021.
Tel : (022) 61216666 / 6626
Fax : (022) 22886663
E-mail : mel@mukand.com
Website : www.mukandengineers.com
CIN No.: L45200MH1987PLC042378

REGISTRAR AND TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Saki Vihar Road,
Sakinaka, Andheri (East), Mumbai - 400 072.
Tel : (022) 28470652 / 0653 / 40430200
Fax : (022) 28475207
E-Mail : info@bigshareonline.com
Website : www.bigshareonline.com

A Request :

As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy of the Report to the meeting.

Cover Picture - Electrical Equipment Installation at HNPCL Visakhapatnam (2X520MW STPP) and at OPAL Dahej (6X30MW CAPP) through BHEL

ANNUAL GENERAL MEETING

On Wednesday, 13th August, 2014, at 11:30 a.m.
at Kamalnayan Bajaj Hall,
Bajaj Bhawan, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai - 400021.

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IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs (MCA) 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 made by e-mail to their members. 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 send the above information i.e. e-mail address to the Company at mel@mukand.com OR to the Registrar and Transfer Agents of the Company at info@bigshareonline.com for registration of their e-mail address.

NOTICE

TO THE MEMBERS,

NOTICE is hereby given that the **28th ANNUAL GENERAL MEETING** of the Members of the Company will be held on **Wednesday, the 13th day of August, 2014 at 11:30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021**, to transact the following business:-

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri Rajesh V. Shah (DIN: 00033371) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. K.K. Mankeshwar & Co, Chartered Accountants (Registration No.106009W), retiring Auditors of the Company, eligible for re-appointment, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, Shri. Prakash V. Mehta (DIN: 00001366), who was appointed as a Director and is liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 years up to the conclusion of the 33rd Annual General Meeting AND THAT he shall not be liable to retire by rotation and on the terms and conditions as detailed in the Appointment Letter.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

6. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, Shri. N. Ramanathan (DIN:01566914), who was appointed as a Director and is liable to retire by rotation and in respect of whom the

Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 years up to the conclusion of the 33rd Annual General Meeting AND THAT he shall not be liable to retire by rotation and on the terms and conditions as detailed in the Appointment Letter.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

7. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, Shri. R. Sankaran (DIN: 00381139), who was appointed as a Director and is liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 years up to the conclusion of the 33rd Annual General Meeting AND THAT he shall not be liable to retire by rotation and on the terms and conditions as detailed in the Appointment Letter.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

8. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as a Special Resolution:-

"RESOLVED THAT in partial modification of the earlier Resolution passed by the Shareholders at the 27th Annual General Meeting of the Company held on 13th day of August, 2013 and pursuant to Sections 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Chapter XIII- The Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014 (including any statutory modification/s, enactment or re-enactment/s thereof for the time being in force) and subject to such other approvals as may be necessary, consent of the Members be and is hereby accorded for varying the terms and conditions of the Remuneration being paid to Shri K P Jotwani, as the "Manager" as defined under Section 2(53) to the Companies Act, 2013, for the remaining period of his term of office i.e. from 1-6-2014 to 31-5-2015 as set out in the Draft Agreement between the Company and Shri K.P Jotwani with further liberty to the Directors from time to time, to alter and vary the said terms and conditions in such manner as may be agreed upon between the Directors and Shri K.P. Jotwani in the best interests of the Company, subject to the provisions contained in Companies Act, 2013 as amended from time to time.

RESOLVED FURTHER THAT pursuant to Section 197(1) of the Companies Act, 2013 and all other applicable provisions, if any of the Companies Act, 2013 and subject to such other approvals as may be necessary, the Company shall revise / increase the Managerial Remuneration to the extent

mentioned in Schedule V to the Companies Act, 2013 or in the manner laid down in Section 198 or any other law / provisions for the time being in force w.e.f.1st June, 2014.

RESOLVED FURTHER THAT Shri K.P Jotwani shall function as a "Manager" within the meaning of Section 2(53) of the Companies Act, 2013 subject to the superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

9. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an Special Resolution:-

"RESOLVED THAT in supersession of the Ordinary Resolution passed in the 24th Annual General Meeting held on 29th July 2010 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company who be and are hereby authorized to borrow from time to time for the purpose of the Company's business any sum or sums of money as it may deem proper notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose), provided that the amount being borrowed and outstanding, shall not exceed ₹ 150 Crores (Rupees One Hundred Fifty Crores only)."

10. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an Special Resolution:-

"RESOLVED THAT in supersession of the Ordinary Resolution passed in the 24th Annual General Meeting held on 29th July 2010 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the creation by the Board of Directors from time to time, of such mortgages, charges, hypothecation and / or other securities, in addition to the mortgages, charges, liens hypothecation and / or securities created by the Company, on such terms and conditions as the Board at its sole discretion may deem fit, of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the undertaking or undertakings, in favour of the banks / financial institutions / debenture trustees, if any / other lenders as may be agreed to by the Board of Directors of the Company, for the purpose of securing the repayment of any loans / financial assistance (whether in Rupees or in foreign currency), debentures or bonds or other instruments issued to the public and/or on private placement basis and/ or in any other manner, subject to maximum of ₹ 150 Crores (Rupees One Hundred Fifty Crores only)."

11. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 73 and 76 to the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to invite /accept

/ renew / receive money by way of unsecured / secured Deposits, or in any other form from Members of the Company in any form or manner, through Circular, Advertisement or through any other permissible mode upto the permissible limits prescribed under applicable provisions of law and on such terms and conditions as the Board of Directors of the Company in its sole discretion deem fit and necessary.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution, the Board of Directors of the Company and / or any Committee thereof be and is hereby authorized to do all such acts, deeds, things and matters as the Board of Directors and / or any Committee thereof may in its sole discretion consider necessary, proper, expedient, desirable or appropriate for such invitation / acceptance / renewal / receipt as aforesaid."

NOTES FOR MEMBERS' ATTENTION:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item No.5,6,7,8,9 10 and 11 is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT 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.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 06/08/2014 to 13/08/2014, (both days inclusive).
4. Members who have neither received nor encashed their dividend warrant(s) for any of the financial year from 2009-2010 upto 2012-2013, are requested to write to the Registrar and Share Transfer Agents of the Company mentioning the relevant Folio Number(s) / DP ID, for issuance of duplicate dividend warrant(s).

In compliance with the provisions of Section 125 of the Companies Act 2013, the Company has identified the unclaimed amount of dividend for the financial year ended 31st March, 2011 to 31st March, 2013 and requisite detailed information was uploaded on the Ministry's website through e-form 5 INV and also on the Company's website within the prescribed time limit.

Further the Company has identified the unclaimed amount of dividend upto the financial year ended 31st March, 2014 and requisite detailed information will be uploaded on the Ministry's website through e-form 5 INV and also on the Company's website within the prescribed time limit.

5. Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc. to their Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the Members.

6. The Company's Equity Shares are listed on Bombay Stock Exchange Ltd., Mumbai and National Stock Exchange of India Ltd., Mumbai.

7. Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2014, when declared at the meeting, will be paid:

i) To those Members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company and its Registrar on or before 05/08/2014.

ii) In respect of shares held in electronic form, to those "Deemed Members" whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 05/08/2014.

iii) The Securities and Exchange Board of India (SEBI) has made it mandatory for all the Companies to use bank details furnished by the investors for distributing dividends to them through National Electronic Clearing Services (NECS), wherever NECS and bank details are available. In the absence of NECS facility, the Companies are required to print the bank details, if available, on payment instrument, for distribution of dividends to the investors. Therefore, members holding shares in physical mode are requested to provide their bank details to the Company / Registrar. Members holding shares in demat mode are requested to record the NECS mandate with their Depository Participants.

iv) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers / copies of PAN card 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 / Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Vihar, Andheri (East) Mumbai - 400 072.

8. Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members in respect of the business to be transacted at the AGM scheduled to be held on Wednesday, August 13, 2014 at 11.30 a.m. with a request to follow the instructions for voting electronically as under :-

The voting period begins on 7th August, 2014 at 9.00 a.m. and ends on 9th August, 2014 at 6.00 p.m.. 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 4th July, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail :

(i) Log on to the e-voting website www.evotingindia.com during the voting period

(ii) Click on "Shareholders"

(iii) Now, select "MUKAND ENGINEERS LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * 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 last 8 digits of the demat account/folio number in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB #	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the EVSN 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of "MUKAND ENGINEERS LIMITED" on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Institutional Shareholders**
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - 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 they have to create a Corporate user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts 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.
- (xix) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The Company has appointed M/s Ragini Choksi & Co., Practising Company Secretary, Mumbai (C.P. No.1436) to act as scrutinizer for conducting the electronic voting process in a fair and transparent manner.

In case of members receiving the physical copy, please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

- The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 4th July, 2014.
- A copy of this Notice has been placed on the website of the Company and the website of CDSL.
- The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's/CDSL's website within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

**By Order of the Board
For Mukand Engineers Limited**

**P. R. Dhruva
Company Secretary**

**Place : Mumbai
Date : 28th May, 2014**

ANNEXURE TO NOTICE

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

Item No.5, 6 & 7

Detailed Profiles of the Independent Directors viz:- Shri Prakash V. Mehta, Shri N. Ramanathan and Shri R. Sankaran are given in the Report on Corporate Governance and Members are requested to refer the same.

Further the Independent Directors have submitted their declaration of independence, as required pursuant to Section 149(7) to the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Act. The respective appointees are not disqualified from being appointed as director in terms of Section 164 of the Act. However, pursuant to Section 149(4) and Section 152(2) of the Companies Act, 2013 read with Schedule IV to the said Act and all other applicable provisions, the appointees are appointed as Independent Directors for a period of five consecutive years (not liable to retire by rotation). This Explanatory Statement may also be regarded as a disclosure pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges.

In the opinion of the Board, the Independent Directors proposed to be appointed, fulfills the conditions in the Companies Act, 2013 and the rules made thereunder for their respective appointment as Independent Director and are independent of the Management of the Company.

The terms and conditions contained in the Draft Letter of Appointment to be issued to the Independent Directors will be available for inspection at the Registered Office of the Company between 10.00 a.m and 12.30 p.m on all working days of the Company up to and including the day of the meeting and also on the Company's website.

Your Directors recommend the Resolution mentioned in Item No.5, 6 & 7. of the Notice for the approval of Members.

None of the Directors, Manager, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution except Shri Prakash V. Mehta, Shri N. Ramanathan and Shri R. Sankaran to the extent of their respective shareholdings, if any, in the Company.

Item No. 8

Shri Jotwani, aged 72 years is a B. E. (Mech.) from M. S. University, Baroda. He joined Mukand Limited in the year 1966 as a Management Trainee and has held various positions in Mukand Limited. Prior to joining the Company, he was in charge of Machine Building Division, and was designated as Vice President (Machine Building) of Mukand Limited.

Shri Jotwani has been associated with the Company since 1st February, 1997 as the Chief Executive of the Company and the Board of Directors at its meeting held on 29th June, 1998 had appointed him as the Chief Executive and "Manager" of the Company. He resigned on 28th January, 2000 to join Mukand Limited to head its Machine Building Division. Since 1st February, 2000, he was on the Board as Director of the Company, and resigned on 31st May, 2002.

Shri Jotwani, the "Manager" of the Company is entrusted with substantial powers of the Management and will perform such functions as may, from time to time be decided by the Board of Directors.

The Members are informed that pursuant to the provisions of Sections 198, 387 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 they had in the 27th Annual General Meeting held on

13th day of August, 2013 approved the re-appointment of Shri K. P. Jotwani as "Manager" of the Company under the Companies Act, 1956 for a period of 2 (Two) years from 1st June, 2013 to 31st May, 2015 and had also approved the maximum Remuneration payable to him,

The Board is of the opinion that Shri Jotwani's continued association will immensely benefit the Company and further his valuable and sincere contributions to the Company are also highly appreciated by the Company. Therefore, the Board of Directors of the Company at their meeting held on 28th May, 2014 have varied the terms governing the payment of Remuneration payable to Shri K P Jotwani "Manager" of the Company resulting in revision of his overall remuneration which would be within the limits of Section II of Part II of Schedule V to the Companies Act, 2013. The revised remuneration payable to Shri K P Jotwani as per the Draft Agreement to be entered into with him will be effective from 1st June 2014 for the remaining term of his office i.e. from 1st June, 2014 to 31st May, 2015.

The Draft Agreement between the Company and Shri Jotwani is available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.30 p.m. on all working days of the Company up to and including the day of the Meeting. The Draft Agreement, inter-alia contains the following terms and conditions effective from 1st June, 2014 :

- (a) Period of Agreement : One (1) Year w.e.f. from 01/06/2014 to 31/05/2015
- (b) Basic Salary : ₹ 60,000/- per month
- (c) House Rent Allowance : 50% of Basic Salary.
- (d) Special Allowance : ₹ 40,000/- per month
- (e) Personal Allowance : ₹ 2,00,000/- per month
- (f) Company's contribution to Provident Fund.
- (g) Gratuity at the rate of one month's salary for each completed year of service.
- (h) Leave with full pay as per the Rules of the Company,
- (i) Company will take insurance cover for accident and hospitalization for self and family in India or abroad
- (j) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place and return therefrom in respect of self and family in accordance with the rules specified by the Company from time to time.
- (k) Free use of Company's car and reimbursement of operating and maintenance expenses including driver.
- (l) Reimbursement of Domiciliary Medical Expenses.
The ceiling for item (i), (j), (k) and (l) is ₹ 5,00,000/- per annum.
- (m) Telephone, telefax and other communication facilities at the residence.
- (n) Subject to statutory ceiling/s, the "Manager" may be given any other allowance/s, perquisites, benefits and facilities as the Board of Directors from time to time may decide.
- (o) Unutilised leave as on 31st May, 2014 will be available for use in future / encashment during the period of continuity of service and balance on termination of service.

However, the perquisites mentioned in (f), (g) and (h) shall not be included in the computation of the ceiling on remuneration specified in relevant Sections of Schedule V of the Companies Act, 2013. In the absence of no profits or inadequacy of profits in any financial year, Shri K. P. Jotwani will be paid the above remuneration subject to the ceiling laid down in Section II (A) of Part II of Schedule V of Companies Act, 2013 upon the Resolution being passed as a Special Resolution.

Memorandum of Interest:

Except Shri K P Jotwani, none of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution.

The statement as required under Para A of Section II, Part II of Schedule V to the Companies Act, 2013 with reference to the aforesaid item is given below:

I. GENERAL INFORMATION:

(1) Nature of industry

The Company is engaged in the business of execution of projects in core sectors, handling of all areas of construction, erection and commissioning of equipments, project and design engineering, site fabrication work and giving loans and guarantees on behalf of other corporates.

(2) Commencement of commercial production

The Company has no plants as the Company carries out various jobs at different sites of customers, hence the question of date of commencement of commercial production does not arise.

(3) Financial performance based on given indicators

The financial performance of the Company as reflected by total income, profit, earnings per share and dividend recommended for the financial year ended 31st March, 2014 is as under :- (₹ in Lacs)

a. Total Income	8850.34
b. Profit before tax	271.57
c. Profit after tax	181.66
d. Earnings per share (₹)	1.44
e. Rate of Dividend (on equity shares)	10%

(4) Export performance & Net Foreign Exchange Earnings / Outgo :-

The details of Export Performance, Foreign Exchange Earnings / Outgo are as under: (₹ in Lacs)

Export Performance	Nil
Foreign Exchange Earnings	Nil
Foreign Exchange Outgo / Expenditure	38.33

(5) Foreign investments or collaborations. :- Nil

II. INFORMATION ABOUT THE APPOINTEE :

(1) Background details

The relevant information is already given in the Explanatory Statement of the Notice here in above.

(2) Past remuneration

The gross remuneration drawn by the appointee during the past 3 years are as under :

Financial Year	(₹ in Lacs)
2011-2012 :	34.61
2012-2013 :	35.26
2013-2014 :	36.75

(3) Recognition or awards :- Nil

(4) Job profile and suitability :-

Mr Jotwani is responsible for booking orders from Steel, Aluminium and Power sectors and its execution thereof.

Mr. Jotwani is a Mechanical Engineer of 1965 batch with post Graduation in Industrial Engineering in 1975 from University of Mumbai. He has been with Mukand Limited

since February 1966 and has worked through design, marketing, planning and execution. He was responsible for development of non-crane business in Machine Building Division. He executed MMSM Project of VSP from 1986 to 1990 and also BOF Project of Rourkela Steel Plant from 1994 to 1997. Since 1997, he has been the Chief Executive with the Company. During his tenure business has been developed with SAIL, IISCO, NTPC, BHEL and Vedanta. He has experience of more than 44 years in procuring orders and execution thereof in engineering business. He is the link between Execution Group and the Board.

(5) Remuneration proposed

As mentioned herein above

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

The remuneration proposed takes into consideration nature and size of business operations; the qualifications, experience and contribution of appointee to all-round growth of the Company; present trends and norms observed in the industry for payment of managerial remuneration by Companies of comparable size and nature of business.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any.

He does not have any pecuniary relationship with the Company except as remuneration drawn as "Manager" and as a shareholder to the extent of his shareholdings, if any, in the Company.

III. OTHER INFORMATION:

The Company is making profits; hence the question of stating (1) Reasons of loss or inadequate profits (2) Steps taken or proposed to be taken for improvement (3) Expected increase in productivity and profits in measurable terms does not arise.

Item No.9

The Members of the Company at their 24th Annual General Meeting of the Company held on 29th July, 2010, had accorded their consent under Section 293(1)(d) and all other applicable provisions if any, of the Companies Act, 1956, to the Board of Directors for borrowing any sum or sums of money for Company's business from time to time upto an amount of ₹ 150 Crores (excluding temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business).

However, with commencement of the Companies Act, 2013, the Company is required to obtain fresh approval of Members under the new provisions of Section 180(1)(c) of the Companies Act, 2013 for borrowing any sum or sums of money upto ₹ 150 Crores (excluding temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) for the purpose of the business of the Company.

None of the Directors, Manager, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution.

Accordingly, your Directors recommend the Resolution for the approval of Members.

Item No.10

The Members of the Company at their 24th Annual General Meeting of the Company held on 29th July, 2010, had accorded their consent under Section 293(1)(a) and all other applicable provisions if any of the Companies Act, 1956 to the Board of Directors for creation of mortgages, charges or hypothecation of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, for securing the borrowings upto a limit of ₹ 150 Crores (Rupees One Hundred Fifty Crores only) for the purpose of the business of the Company.

However, with commencement of the Companies Act, 2013 the Company is required to obtain fresh approval of Members under the new provisions of Section 180(1)(a) of the Companies Act, 2013 for creation of mortgages, charges or hypothecation of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, for securing the borrowings upto a limit of ₹ 150 Crores (Rupees One Hundred Fifty Crores only) for the purpose of the business of the Company.

None of the Directors, Manager, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution.

Accordingly, your Directors recommend the Resolution for the approval of Members

Item No.11

The Members are hereby apprised that the Company has been accepting in the past Fixed Deposits from its shareholders, employees and their relatives and other section of public as permissible under the Companies Act, 1956 read with the corresponding The Companies (Acceptance of Deposits) Rules, 1975, which was in force prior to the commencement of the Companies Act, 2013.

However, with the commencement of the Companies Act, 2013 Fixed Deposits are now governed by the new law and approval of the members is required by way of a Special Resolution for inviting /renewing Fixed Deposits. The Members may further note that under the provisions of the Companies Act, 2013 the Company proposes to invite / accept / renew Fixed Deposits from the Members.

The Board of Directors of the Company had in their meeting held on 28th May, 2014 have recommended the Resolution as set out in the Notice hereinabove for your approval by way of a Special Resolution.

None of the other Directors / Manager / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested in the Resolutions, except to the extent of their respective holdings in Fixed Deposit, if any, with the Company.

**By Order of the Board
For Mukand Engineers Limited**

**P. R. Dhruva
Company Secretary**

**Place : Mumbai
Date : 28th May, 2014**

DIRECTORS' REPORT

TO THE MEMBERS,

1. Your Directors present the Twenty Eight Report and the Audited Statement of Accounts of the Company for the year ended 31st March 2014.

2. Financial Results (₹ in lacs)

	Current Year	Previous Year
Income from operation and other Income	8850.34	7810.53
Profit for the year before tax	271.57	532.01
Add/(Less) : Provision for tax (including deferred tax)	(89.91)	(170.42)
Profit after tax	181.66	361.59
Add/(Less):Balance brought forward from previous year.	2198.17	1982.70
Balance available for appropriation	2379.83	2344.29

3. Dividend

Directors are pleased to recommend dividend of 10% on equity shares. The dividend & tax thereon shall absorb ₹ 147.09 lacs from surplus generated from the operations during the year.

4. Operations

4.1. General -

The income from operations, and other income during the year was higher at ₹ 88.50 Cr as compared to ₹ 78.11 Cr in the previous year.

4.2 Engineering -

4.2.1 The income from Engineering operation during the year was ₹ 80.68 Cr as against ₹ 71.22 Cr in previous year, Engineering operations earned profit before interest & tax of ₹ 8.61 Cr during the year under review as compared to profit of ₹ 10.43 Cr in the previous year. Despite higher inflationary pressure witnessed in the economy resulting in higher cost of execution of the contracts during the year, the Company has been able to maintain its profit level through increased turnover.

4.2.2 During the year major part of income accrued from power projects, steel and aluminium projects and a part of income accrued from supplies.

4.2.3 New orders amounting to ₹ 105.59 Cr were received during the year and the outstanding orders as at the end of the year were ₹ 344.54 Cr as against ₹ 338.12 Cr at the beginning of the year.

The orders on hand will be executed during the FY 2014-15 and FY2015-16. The Company continued to book new orders consistently during this year as well.

4.3 Infotech -

Income from Infotech Segment during the year was ₹ 4.80 Cr same as previous year.

5. Fixed Deposits

The Company held ₹ 19.67 Cr as Public deposits as of 31st March 2014. Deposits aggregating ₹ 0.16 Cr have matured but remain unclaimed as on that date. The Company sends reminder letters to the Fixed Deposit Holders before the date of Maturity of their Fixed Deposits.

6. Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance, along with Auditor's Certificate regarding compliance of conditions of Corporate Governance and Management Discussion and Analysis is separately given in this Report.

7. Other Information

7.1 As the Company does not own an undertaking where manufacturing operations are carried out, the information to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable.

7.2 During the year under review there were no foreign exchange earnings. Expenditure in foreign currency incurred ₹ 38.33 lacs.

7.3 There are no employees covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

8. Directors' Responsibility Statement

As required by Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2014 and of the profit of the Company for the year ended 31st March 2014.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis.

9. Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Rajesh V. Shah, will retire in the ensuing Annual General Meeting and being eligible, seek re-appointment. The Board of Directors recommends his re-appointment.

The Companies Act, 2013 provides for the appointment of Independent Directors. Further, Section 149(10) of the Act provides that Independent Directors shall hold office for a term of upto five consecutive years on the Board of a Company; and shall be eligible for re-appointment on passing a Ordinary Resolution by the Members of the Company.

Accordingly, Shri Prakash V. Mehta, Shri R. Sankaran and Shri N. Ramanathan will be appointed as Independent Directors, for a period of five years (not liable to retire by rotation) subject to the approval of Members at the ensuing Annual General Meeting.

10. Cost Compliance

The Company has appointed M/s .Joshi Apte & Associates, Cost Accountant to verify cost compliance report for the period 1st April 2013 to 31st March 2014 as prescribed under the Companies (Cost Accountants Record) Rules 2011. The Compliance Report for FY 2012-13 was filed within the stipulated date.

11. Auditors

Messrs. K K Mankeshwar & Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

12 Auditors' Report

The notes referred to in the Auditors' Report are self-explanatory and hence, do not call for any comments under Section 134 of the Companies Act, 2013.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 28th May, 2014

Rajesh V. Shah
Chairman