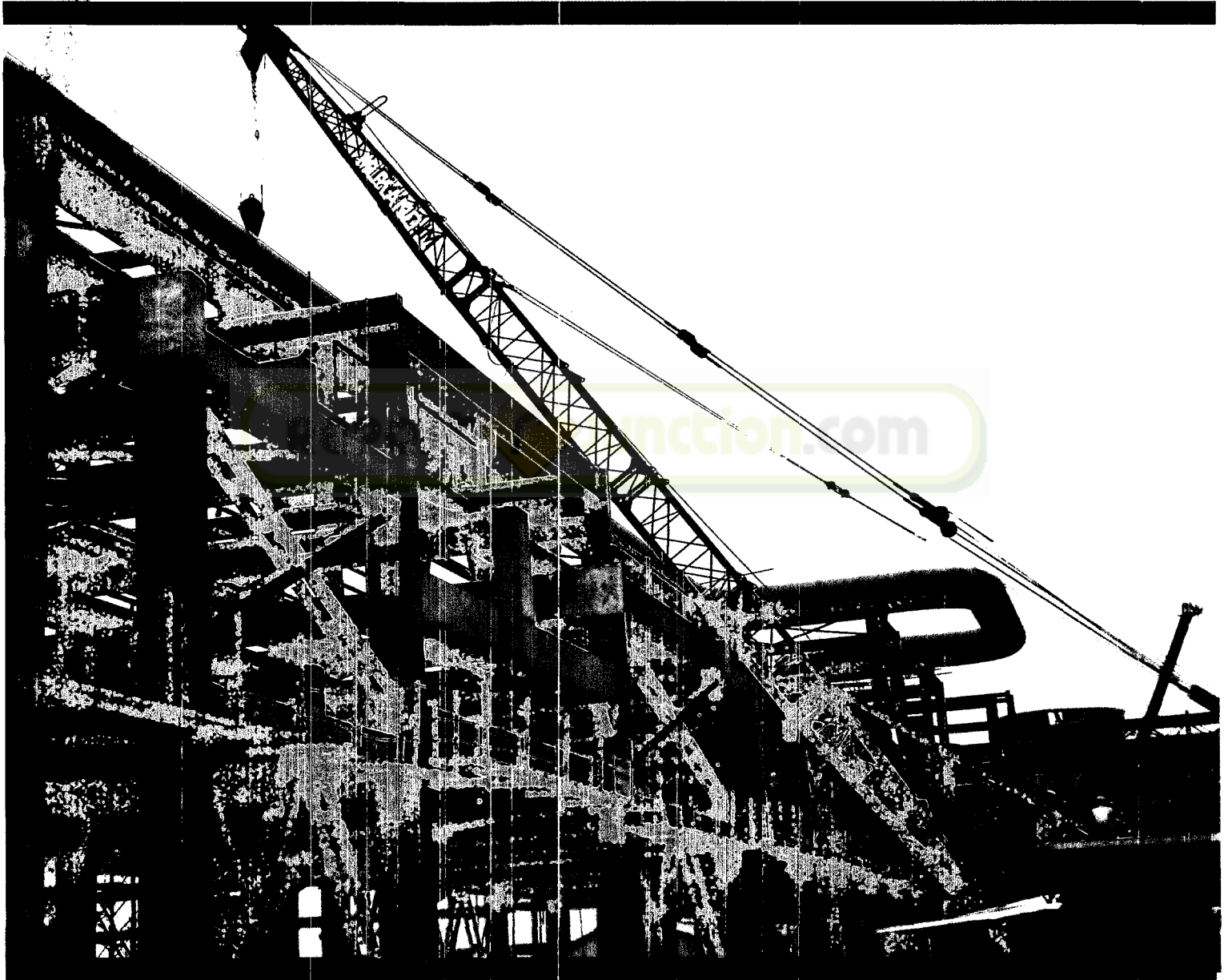




22nd Annual Report 2007-2008





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NOTICE

NOTICE is hereby given that the 22nd ANNUAL GENERAL MEETING of the Members of the Company will be held on **Wednesday, the 30th day of July, 2008 at 3.30 p.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 31st March, 2008 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Rajesh V. Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Prakash V. Mehta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Dalal & Shah, Chartered Accountants, retiring Auditors of the Company who are eligible for re-appointment for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to Sections 198, 269, 387 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such other approvals as may be necessary, the Company do hereby appoint Shri K. P. Jotwani, as the "Manager" of the Company, as defined under Section 2(24) of the Companies Act, 1956, for a period of three years with effect from 1st June, 2008 upon the terms and subject to the conditions as set out in the Draft Agreement between the Company and Shri K. P. Jotwani with further liberty to the Board of Directors from time to time, to alter and vary the said terms and conditions in such manner as may be agreed upon between the Board of Directors and Shri K. P. Jotwani in the best interests of the Company, subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT Shri K. P. Jotwani shall function as a "Manager" within the meaning of Section 2(24) of the Companies Act, 1956 subject to the superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Company do hereby ratify the acts, deeds, matters and things done by the Board of Directors of the Company in connection with the remuneration, allowances and perquisites paid / payable to Shri K. P. Jotwani during his tenure as the "Manager" of the Company from 1st June, 2007 to 31st May, 2008.

RESOLVED FURTHER THAT the Company do hereby ratify the acts, deeds, matters and things done by Shri K. P. Jotwani during his tenure as the "Manager" of the Company from 1st June, 2007 to 31st May, 2008.

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."

NOTES FOR MEMBERS' ATTENTION:

1. 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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 28/07/2008 to 30/07/2008, (both days inclusive) for the purpose of Annual General Meeting.
3. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto the financial year 1993-94 have

been transferred to the General Revenue Account of the Central Government. Those Members who have so far not claimed their dividends upto the said period are requested to claim the amount by submitting an application in prescribed Form II to the Registrar of Companies, Maharashtra.

Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividend for the year 1999-2000 has been transferred to the Investors' Education and Protection Fund (the Fund) set up by the Central Government. The said Section further provides that amounts remaining unclaimed for a period of seven years from the date of payment shall be transferred to the said Fund. Members are requested to note that no claims shall thereafter lie against the said Fund or the Company in respect of the said amount so transferred.

Members who have so far not encashed their Dividend Warrant(s) for the financial year ended 31st March, 2001 are advised to submit their claim to the Company immediately quoting their folio numbers failing which the amount will be transferred to the said Fund pursuant to the provisions of Section 205C of the Companies Act, 1956.

4. 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.
5. The Company's Equity Shares are listed on Bombay Stock Exchange Ltd., Mumbai and The National Stock Exchange of India Ltd., Mumbai.
6. As regards the re-appointment of retiring Directors, Viz.- Shri Rajesh V. Shah & Shri Prakash V. Mehta referred in item no. 2 & 3 of the Notice, their brief resume, details of directorships, shareholdings etc. have been given in the Report on Corporate Governance which forms part of the Directors' Report and Members are advised to refer to the same.

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

Place : Mumbai
Date : 19th May, 2008

**P. R. Dhruva
Company Secretary**

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956:

Item No. 5

The Board of Directors of the Company at their meeting held on 19th May, 2008 has, subject to the approval of the Members, appointed Shri K. P. Jotwani, as the "Manager" of the Company effective from 1st June, 2008 for a period of 3 years with liberty to alter/vary the said terms and conditions in conformity with the requirements of Schedule XIII to the Companies Act, 1956 or any amendments thereto.

The earlier appointment of Shri K. P. Jotwani had expired on 31st May, 2007. However, the Company continued to avail his services from 1st June, 2007 till 31st May, 2008, which is being ratified as mentioned in the Notice.

Shri Jotwani, aged 65 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 on 1st June, 2002 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. Since February, 2000, he was on the Board as Director of the Company and resigned in January, 2003. He resigned on 28th January, 2000 as "Manager" to join Mukand

Limited to head its Machine Building Division for the period 29th January, 2000 to 31st May, 2002.

Shri Jotwani, the "Manager" of the Company will be 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 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. Remuneration payable per month will be subject to the approval by the Board from time to time within the maximum limit as under:

- (a) Period of Agreement : Three years.
- (b) Basic Salary : Rs.60,000/- per month.
- (c) House Rent Allowance : 50% of Basic Salary.
- (d) Special Allowance : Rs.40,000/- per month.
- (e) Personal Allowance : Rs.90,000/- per month.
- (f) Company's contribution to Provident Fund and Superannuation Funds.
- (g) Gratuity at the rate of one month's salary for each completed year of service. Services rendered upto 31st May, 2008 including services rendered in Mukand Ltd. upto 31st May, 2002 will be included for payment of gratuity on termination.
- (h) Leave with full pay as per the Rules of the Company.
- (i) Company will take insurance cover for accident for self and hospitalization for self and family in India.
- (j) Reimbursement of gas, electricity, water charges, soft furnishings, house repairs, furniture repairs and attire expenses and domiciliary medical expenses.
- (k) 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.
- (l) Reimbursement of membership fees for clubs in India or abroad including any admission / life membership fees.
- (m) Free use of Company's car and reimbursement of operating and maintenance expenses including driver.

The ceiling for item (i), (j), (k), (l) and (m) is Rs.3,30,000/- per annum.

- (n) Telephone, telefax and other communication facilities at the residence.
- (o) 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.
- (p) Unutilised leave as on 31st May, 2008 will be available for use in future/encashment is permitted during the tenure and balance on termination of services.

In the absence of profits or inadequacy of profits in any financial year, Shri K. P. Jotwani will be paid the above remuneration within the ceiling laid down in Section II of Part II of Schedule XIII to Companies Act, 1956 upon the Resolution being passed as a Special Resolution.

Memorandum of Interest - None of the Directors of the Company is in any way concerned or interested in the Special Resolution. Pursuant to Section 302 of the Companies Act, 1956, this may be treated as an abstract of the terms and conditions governing the appointment of Shri K. P. Jotwani, as the "Manager" of the Company.

Information pursuant to clause (iv) of the proviso to para. (B) of Section II of Part II of Schedule XIII to the Companies Act, 1956 is furnished hereunder:

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 engineering construction, erection and commissioning of equipments, project and design engineering, site fabrication work.
- (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, 2008 is as under:-

	(Rs. in Lacs)
a. Total Income	2862.42
b. Profit before tax	216.66
c. Profit after tax	213.47
d. Earnings per share (Rs.)	1.70
e. Rate of Dividend (on equity shares)	Nil

- (4) **Export performance & Net Foreign Exchange Earnings / Outgo** - As the Company is engaged in engineering construction activities in India, the question of export performance, Foreign Exchange Earnings / Outgo does not arise.

- (5) **Foreign investments or collaborations** - NIL

II. INFORMATION ABOUT THE APPOINTEE:

- (1) **Background details** - The relevant information is given in the Explanatory Statement of the Notice hereinabove.

- (2) **Past remuneration** - The gross remuneration drawn by the appointee during the past 3 years are as under:

Financial Year	(Rs. in Lacs)
2005-2006	11.95
2006-2007	10.57
2007-2008 (subject to the approval of member)	12.30

- (3) **Recognition or awards** - NIL

- (4) **Job profile and suitability** - Shri Jotwani is responsible for orders from Steel, Aluminium and Power sectors.

Shri Jotwani is a Mechanical Engineer of 1965 batch from M. S. University, Baroda with Post Graduation in Industrial Engineering in 1975 from Mumbai University. He has been with Mukand Limited since February 1966 and has worked through design, marketing, planning and execution. He was responsible for development of business of Industrial Machinery other than cranes in Machine Building Division. He executed Medium Merchant Structural Mill Project of Vishakapatnam Steel Plant from 1986 to 1990 and also Basic Oxygen Furnace Project of Rourkela Steel Plant from 1994 to 1997. Since 1997 he has been the Chief Executive of MEL. During his tenure, business has been developed with SAIL, IISCO, NTPC, BHEL and Vedanta Group. He has experience of more than 40 years in the business. He is the link between Execution Group and the Board.

- (5) **Remuneration proposed** - As mentioned hereinabove.

- (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 for remuneration drawn as "Manager".

III. OTHER INFORMATION:

The Resolution proposed to be passed is a Special Resolution so that in case of situation of "absence or inadequacy of profits" during any financial year under the present tenure, this remuneration can be paid to Shri K. P. Jotwani as the minimum remuneration.

By Order of the Board
For Mukand Engineers Limited

Place : Mumbai
Date : 19th May, 2008

P. R. Dhruva
Company Secretary

Registered Office
Bajaj Bhawan, Jamnala Bajaj Marg,
226, Nariman Point, Mumbai - 400 021



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DIRECTORS' REPORT

TO THE MEMBERS,

1. Your Directors present the Twenty Second Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March 2008.

2. Financial Results:

	Current Year	(Rs. in Million) Previous Year
Profit for the year before tax	21.67	16.15
Add/(Less) : Provision for tax (including deferred tax)	(0.29)	0.40
Profit after tax	21.38	16.55
Add/(Less) : Prior period adjustments	(0.03)	(0.85)
Add/(Less): Balance brought forward from previous year	22.80	7.10
Balance carried to Balance Sheet	44.15	22.80

3. Dividend:

The Company has made profit during the year. However to conserve resources required to expand activities, your directors do not recommend payment of dividend on the equity shares.

4. Operations:

4.1 General-

The income from operations and other income during the year was Rs.286.24 Million compared to Rs.310.40 Million in the previous year. The Company earned a profit before tax of Rs.21.67 Million during the year under review as compared to Rs. 16.15 Million in the previous year.

4.2 Engineering-

The infrastructure industry is growing and there is substantial investment in expansion / new projects of Petroleum, Steel & Engineering.

4.21 The income from Engineering operation during the year was Rs.203.61 Million as against Rs.229.78 Million in the previous year. Engineering operations earned profit before interest and tax of Rs.30.13 Million during the year under review as compared to Rs.18.21 Million in the previous year.

4.22 Orders outstanding as at the end of the year were Rs.1,298.48 Million.

4.3 Infotech-

The Income from Infotech operations during the year was Rs.48.50 Million as against Rs.56.34 Million in the previous year. Infotech operations earned profits of Rs.25.21 Million during the year under review as compared to Rs.28.61 Million in the previous year.

4.4 Financial-

4.41 The Company has received Bank Guarantee facility of Rs.29.70 Million during the year. The total facility sanctioned is Rs.79.70 Million. This will enable the company to procure more orders.

5. Fixed Deposits:

The Company held Rs.105.64 Million as Public deposits as of 31st March 2008, out of which, deposits aggregating Rs.1.71 Million have matured but remain unclaimed as on that date.

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 neither foreign exchange earnings nor foreign exchange outgo.

7.3 None of the employees is covered within the purview 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:

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- 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 2008 and of the profit of the Company for the year ended 31st March 2008.
- 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;
- 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 and Shri Prakash V. Mehta, Directors of the Company retire by rotation and are eligible for re-appointment.

The Board of Directors of the Company at their meeting held on 19th May, 2008 has subject to the approval of the Members, appointed Shri K. P. Jotwani as the "Manager" of the Company effective from 1st June 2008 for a period of 3 years on such terms and conditions in conformity with the requirements of Schedule XII to the Companies Act, 1956 or any amendments thereto for which necessary resolution is given in the annexed notice.

10. Auditors:

Messrs Dalal & Shah, Chartered Accountants, Auditors of the Company retire and are eligible for re-appointment.

11. Auditors' Report:

The notes referred to in the Auditors' Report are self-explanatory and therefore do not call for any comments under section 217 of the Companies Act, 1956.

For and on behalf of the Board of Directors

Rajesh V. Shah
Chairman

Place: Mumbai,
Date: 19th May, 2008

REPORT ON CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement with Stock Exchanges)

1. Company's Philosophy :

The Company's Corporate Governance philosophy is based on principles of doing business in a way which is open, transparent and ethically responsible, in compliance with the letter and spirit of the law in all facets of its operations and interactions with its stakeholders viz. shareholders, employees, customers, suppliers, public and other regulatory authorities at large.

2. Board of Directors :

(a) Composition and size of the Board :

The Board of Directors of the Company consists of five Directors including the Non-Executive Chairman. All these five Directors are Non-Executive Directors out of which three Directors are Independent Directors. The Company did not have any pecuniary relation or transaction with Non-Executive Directors during the year under review.

(b) Board Meetings :

During the year five Board Meetings were held on 14th May, 2007 (2 meetings), 27th July, 2007, 24th October, 2007 and 31st January, 2008. The Board was presented with the relevant and necessary information. None of the Directors is a member of more than ten Committees or acting as Chairman of more than five Committees across all Companies in which he is a Director. The attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships is given below:

Name of the Director	Cate- gory	Attendance Particulars	No. of outside Directorships in Public Limited Companies	No. of Member ship (M)/ Chairmanship (C) in other Board Committee/s	No. of Shares held in the Company as at 31-03-08
Shri Rajesh V. Shah	C.NED	5 Yes	5	—	43320
Shri Niraj Bajaj	NED	5 Yes	12	1 (M)	Nil
Shri Prakash V. Mehta	NED	1 No	11	6 (M)	Nil
Shri T. S. Anand	NED	5 Yes	2	—	Nil
Shri N. Ramanathan*	NED	5 Yes	—	—	Nil

C: Chairman, NED: Non-Executive Director.

* 1st Meeting as Invitee

(c) Re-appointment of Directors :

Shri Rajesh V. Shah and Shri Prakash V. Mehta are liable to retire by rotation and being eligible offer themselves for re-appointment. Information as required under Clause 49 of the Listing Agreement is given hereunder:-

Name of the Director	Shri Rajesh V. Shah	Shri Prakash V. Mehta
Date of appointment	23 rd July, 1989	19 th August, 1992
Expertise in Specific Functional areas	Marketing, Planning and Performance, Expansion, etc	Joint Ventures & Foreign Collaborations, Property and Corporate Laws.
List of other Directorships held (in listed Companies)	1) Mukand Ltd.	1) Bharat Bijlee Ltd 2) PCS Technologies Ltd 3) W. H. Brady & Co. Ltd 4) JBF Industries Ltd. 5) Hikal Ltd 6) Advani Hotels and Resorts (I) Ltd 7) Ciba India Ltd 8) Mukand Ltd.
Chairman/ Member of the Committee of the Board of other Companies in which he is a Director	Chairman: Nil Member : Nil	Chairman : Nil Member : A) <u>Audit Committee</u> 1) Bharat Bijlee Ltd 2) Advani Hotels and Resorts (I) Ltd. 3) Ciba India Ltd. 4) Hikal Ltd. 5) Mukand Ltd. B) <u>Shareholders' and Investors' Grievance Committee</u> 1) Bharat Bijlee Ltd. 2) Ciba India Ltd. 3) JBF Industries Ltd. 4) Hikal Ltd

(d) Re-appointment of "Manager" :

The Board of Directors of the Company at their meeting held on 19th May, 2008 has, subject to the approval of the Members, appointed Shri K. P. Jotwani, as the "Manager" of the Company effective from 1st June, 2008 for a period of 3 years on such terms and conditions and in conformity with the requirements of Schedule XIII to the Companies Act, 1956 or any amendments thereto for which necessary resolution is given for approval of the Shareholders in the annexed Notice.

3. Audit Committee :

The Audit Committee consists of Shri Rajesh V. Shah, Shri Prakash V. Mehta, Shri T. S. Anand and Shri N. Ramanathan, all of whom are Independent Directors. The terms of reference of the Audit Committee specified by the Board are as contained in Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the members of the Audit Committee are financially literate and one member is having accounting and related financial management expertise.

During the year under review, the Audit Committee met four times on 14th May, 2007, 27th July, 2007, 24th October, 2007 and 31st January, 2008. These meetings were also attended by the Statutory Auditors, Internal Auditors, Shri Niraj Bajaj, Director, Shri S. B. Jhaveri, Advisor to the Board, Shri K.P. Jotwani, "Manager" and Shri M. R. Karandikar, Chief of Accounts. Shri P. R. Dhruva, Secretary acts as Ex-officio Secretary to the Audit Committee. Apart from considering unaudited and/or audited financial results for the relevant quarter and the year, before submission to the Board for its approval, the Committee focused its attention on other matters which *inter-alia* included key



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areas impacting the overall performance of the Company and major accounting policies and practices, review of internal control system, review of current site progress and Management Information System.

The attendance at the Audit Committee Meetings during the year is given hereunder:

Name of the Director	Category	Attendance Particulars Number of Meetings Attended
Shri Prakash V. Mehta	C. NED	1
Shri T. S. Anand	NED	4
Shri Rajesh V. Shah	NED	4
Shri N. Ramanathan	NED	4

C: Chairman, NED: Non-Executive Director.

4. Remuneration Committee & Policy :

The Company has not constituted a Remuneration Committee. The decision regarding remuneration of the "Manager" under the Companies Act, 1956 is taken by the entire Board subject to such approvals as may be necessary. The Company does not pay any remuneration to the Non-Executive Directors except payment of sitting fees for attending the Board / Audit Committee Meetings, details of which are given below. However, Shri Rajesh V. Shah, Chairman and Shri Niraj Bajaj, Director of the Company have waived their sitting fees w.e.f. June 30, 2003.

Remuneration to Shri K. P. Jotwani "Manager" under the Companies Act, 1956, for the year ended 31st March, 2008.

Particulars	(Rupees)
Salary and allowances	8,95,122
Contribution to Provident Fund and Other Funds	89,155
Perquisites (approx. money value)	2,45,867
TOTAL	12,30,144

The employee wise break up of liability on account of Retirement Schemes based on Actuarial Valuation is not ascertainable. The amounts relatable to the "Manager" will be, therefore, disclosed in the year of payment.

Sitting fees paid to the Directors for the year ended 31st March, 2008 are hereunder :

Sr. No.	Name of the Director	(Rupees)
1.	Shri Prakash V. Mehta	8,000
2.	Shri T. S. Anand	36,000
3.	Shri N. Ramanathan	32,000
	TOTAL	76,000

The Company has not issued stock options to any of its Directors.

5. Shareholders' / Investors' Grievance Committee:

The Company had constituted Shareholders' / Investors' Grievance Committee consisting of Shri Rajesh V. Shah as the Chairman, Shri Niraj Bajaj and Shri T. S. Anand as Members. The Company Secretary acts as Compliance Officer. The meeting of the said Committee was held on 19th May, 2008 which was attended by all the members.

There were no major complaints from the shareholders. The functions of Investors' Grievance Committee are to review and redress Shareholders' / Investors' query / grievance / complaint on matters relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. which were attended by the Registrar & Transfer Agents within stipulated time and some of the routine complaints were also directly attended by the Company Secretary.

The Committee also oversees the performance of the Registrars and Transfer Agents and recommends measures for overall improvement in the quality of services to Investors.

6. Annual General Meetings :

- (a) The last three Annual General Meetings were held at Kamalnayan Bajaj Hall, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 on the following dates and time:

Financial Year	Date	Time
2006-2007	27 th July, 2007	3.30 p.m.
2005-2006	20 th July, 2006	3.30 p.m.
2004-2005	23 rd August, 2005	3.30 p.m.

- (b) Following Special Resolutions were adopted in the above three Annual General Meetings.

Financial Year	Date of Annual General Meeting	Particulars of Resolution
2006-2007	27 th July, 2007	Nil
2005-2006	20 th July, 2006	Nil
2004-2005	23 rd August, 2005	Ratification of transaction pertaining to assignment of debt from Commerz Bank AG

- (c) There were no Resolutions passed vide Postal Ballot during the year.

7. Disclosures :

There were no transactions of material significance entered into by the Company with its Promoters, Directors or their relatives, Companies, the management or their relatives during the year, which have potential conflict with interests of the Company, at large. The details of transactions with related parties entered into in the ordinary course of business are disclosed in the accounts and are placed before the Audit Committee. There was no default in compliance on any matters related to capital markets. Consequently, during the last three years neither any penalties were imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.

No transaction with related parties or others have been entered into which are not at arm's length.

The Company receives professional services in the normal course of business from M/s. Malvi Ranchoddas & Co., a legal firm in which Shri Prakash V. Mehta is a partner. In the opinion of the Board, these transactions do not affect the independence of the said Director.

The process of identification and evaluation of various risks inherent in the business environment and operations of the Company and initiation of appropriate measures for prevention and / or mitigation of the same is dealt with by the Operational Head under the supervision of the "Manager" who has overall responsibility towards the Board of Directors of the Company.

The Company has adopted a Code of Conduct for its Directors and Senior Management cadres in the meeting of the Board of Directors of the Company.

The Company has also instituted a Code of Conduct for prevention of Insider Trading on the securities of the Company for its Directors and key Managerial persons as required by SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended.

8. Means of Communication :

Quarterly un-audited and yearly audited results are published in English and local language newspapers as specified by SEBI and as required under the Listing Agreement. The Management Discussion and Analysis is a part of the Annual Report. All financial and other vital information is promptly communicated to the Stock Exchanges on which the Company's Shares are listed.

9. General Information for Shareholders :

- a. **Registered Office** : Bajaj Bhawan,
Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai – 400 021
- b. **Date, Time and Venue of Annual General Meeting** : 30th July, 2008 at 3:30 p.m.
Kamalnayan Bajaj Hall,
Bajaj Bhawan,
Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai 400 021.
- c. **Reporting on Financial Calender 2008-2009 :**
 - June 30 Last week of July
 - September 30 Last week of October
 - December 31 Last week of January
 - For the year ending March 31 Last week of May
- d. **Dates of Book Closure** : 28th July, 2008 to 30th July, 2008.
(both days inclusive)
- e. **Listing Details :**
The Company's Shares are listed on the Stock Exchanges at Mumbai (Bombay Stock Exchange Ltd., Mumbai and The National Stock Exchange of India Ltd.) The Company has paid the listing fees for the period from 1st April, 2008 to 31st March, 2009 to both the Stock Exchanges where the shares of the Company are listed.
- f. **Stock code**
 - 1. Bombay Stock Exchange Ltd. (BSE) 532097
 - 2. The National Stock Exchange Ltd. (NSE) Mukand Engg.
 - 3. ISIN INE 022B01014

g. Stock Market Data :

(Amount in Rs.)

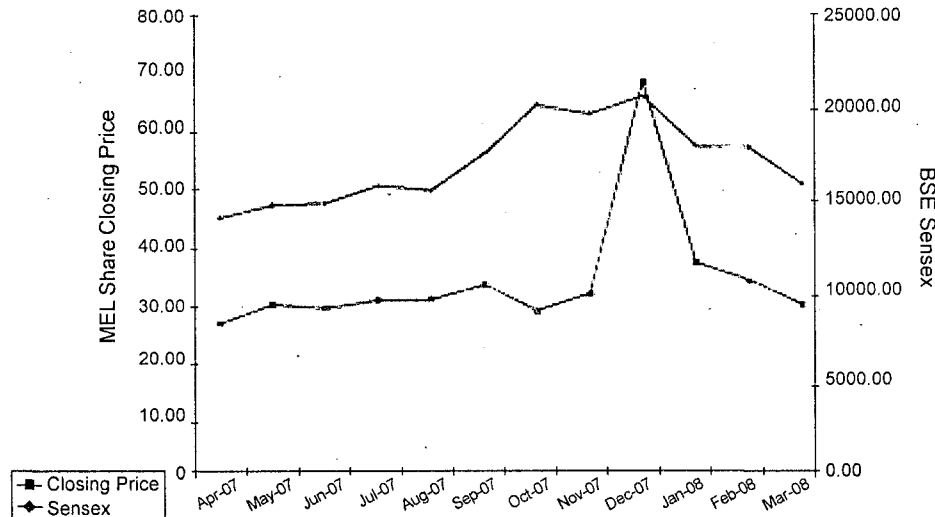
Month	Bombay Stock Exchange Ltd., Mumbai (BSE)			The National Stock Exchange Ltd. (NSE)		
	Month's High Price	Month's Low Price	Total Volume of Shares Transacted (Nos.)	Month's High Price	Month's Low Price	Total Volume of Shares Transacted (Nos.)
Apr- 07	27.30	23.00	74,619	28.00	22.60	53,105
May- 07	36.40	23.40	825,433	36.60	23.05	792,383
June-07	30.90	26.35	158,301	31.25	26.80	102,697
July- 07	35.40	27.00	611,378	35.90	27.50	453,702
Aug- 07	34.65	27.50	444,508	34.55	28.05	324,835
Sep- 07	34.75	29.80	450,180	35.00	26.05	215,648
Oct- 07	35.20	27.95	351,637	38.00	26.15	212,310
Nov- 07	35.80	27.20	496,109	36.90	25.20	309,685
Dec- 07	69.00	32.55	4,810,255	69.20	32.50	4,971,308
Jan- 08	81.50	36.40	949,031	82.15	36.90	1,434,146
Feb- 08	43.55	33.00	131,236	43.35	32.65	122,993
Mar- 08	33.90	22.75	165,115	33.60	22.40	231,717



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Comparative Stock Price Performance:

The Equity share prices of the Company on BSE in comparison with the BSE Sensex is given in the following graph.

**h. Registrar and Transfer Agents**

(For share transfers and other communication relating to share certificates, dividend and change of address, etc.)

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (East) Mumbai - 400 072.

Tel : (022) 28470744/28470652/53

Fax : (022) 28475207

E-Mail : infobigshareonline.com

Website : www.bigshareonline.com

i. Share Transfer System

The Share Transfers are approved by a Committee of Directors and are registered within a period of 15 days from the date of receipt, if the documents are complete in all respect. During the year under review, the Company has followed the guidelines issued by SEBI for dematerialisation of shares sent for transfer by the investors.

Total number of shares transferred in physical form (non-dematerialised) during 2007-08 were 13,377 shares.

There were no transfers which remained unattended as of 31st March, 2008.

The Board in their respective Board Meetings held duly ratified the transfers.

j. Investor Services (Complaints received during the year)

Nature of Complaints / Queries	2007-2008		2006-2007	
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission, Dividend, Interest, Demat & Remat, Change of address and others	149	149	153	153

There were no complaints / queries pending reply as of 31st March, 2008.

k. Distribution of Shareholding as on:

No. of Equity Shares Held	31st March, 2008				31st March, 2007			
	No. of Share holders	% of Share holders	No. of Shares Held	% of Share holding	No. of Share holders	% of Share holders	No. of Shares Held	% of Share holding
1-100	22,166	81.28	540,599	4.30	22,684	81.42	539,100	4.29
101-200	2,008	7.36	353,621	2.81	1,982	7.11	350,321	2.78
201-500	1,850	6.78	694,378	5.52	1,919	6.89	725,170	5.77
501-1,000	636	2.33	525,849	4.18	646	2.32	534,232	4.25
1,001-5,000	477	1.75	1,082,222	8.61	488	1.75	1,116,786	8.88
5,001-10,000	66	0.24	487,467	3.88	64	0.23	466,189	3.71
10,001 & above	72	0.26	8,888,264	70.70	79	0.28	8,840,602	70.32
Total	27,275	100.00	12,572,400	100.00	27,862	100.00	12,572,400	100.00

I. Categories of Shareholding as on:

Categories	31st March, 2008				31st March, 2007			
	No. of Share holders	% of Share holders	No. of Shares Held	% of Share holding	No. of Share holders	% of Share holders	No. of Shares Held	% of Share holding
Individuals	26,700	97.89	4,006,388	31.87	27,335	98.11	4,222,919	33.59
Corporate	473	1.73	2,276,717	18.10	416	1.49	2,060,262	16.38
Financial Institutions	5	0.02	1,335	0.01	5	0.02	1,335	0.01
FIs	1	--	65	--	1	--	65	--
NRIs/OCBs	70	0.26	33,094	0.26	79	0.28	40,093	0.32
Banks	10	0.04	26,033	0.21	10	0.04	1,083	0.01
Mutual Funds	3	0.01	800	0.01	3	0.01	800	0.01
Trusts	10	0.04	301,792	2.40	10	0.04	319,667	2.54
Promoters	3	0.01	5,926,176	47.14	3	0.01	5,926,176	47.14
Total	27,275	100.00	12,572,400	100.00	27,862	100.00	12,572,400	100.00

- m. **Dematerialisation of Shares and Liquidity** 92.70% of outstanding equity have been dematerialised up to 31st March, 2008. Trading in Equity Shares of the Company on any Stock Exchange is permitted only in the dematerialised form from 24th July, 2000 as per Notifications issued by SEBI.
- n. **Plant Locations** The Company has no plants but carries out jobs at various sites of customers.
- o. **Investor Correspondence** For any queries, investors are requested to get in touch with the Company's Registrar and Transfer Agent: Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400 072.
- p. **Auditor's Certificate of Corporate Governance** The Company has obtained a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with Stock Exchanges. This is annexed to the Directors' Report. The certificate will be sent to the Stock Exchanges along with annual return to be filed by the Company.

Auditors' Certificate on Corporate Governance

To
 The Members
 Mukand Engineers Limited
 Bajaj Bhawan,
 226, Nariman Point,
 Mumbai - 400 021.

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st March, 2008.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
DALAL & SHAH
 Chartered Accountants

Ashish Dalal
 Partner
 Membership no. 33596

MUMBAI, 19th May, 2008