

**29<sup>TH</sup>**  
ANNUAL REPORT  
2014-2015



## BOARD OF DIRECTORS

Rajesh V Shah, *Chairman*  
(DIN: 00033371)

Niraj Bajaj – *Director*  
(DIN: 00028261)

Prakash V. Mehta – *Independent Director*  
(DIN: 00001366)

N. Ramanathan – *Independent Director*  
(DIN: 01566914)

R. Sankaran – *Independent Director*  
(DIN: 00381139)

Anna Usha Abraham – *Additional Director (w.e.f. 11.02.2015)*  
(DIN: 07072268)

## KEY MANAGERIAL PERSONNEL

K.P. Jotwani – Manager  
R.G. Golatkar – Chief Financial Officer  
P.R. Dhruva – Company Secretary

## AUDITORS

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

## REGISTERED OFFICE

Bajaj Bhawan, Jamnalal Bajaj Marg  
226, Nariman Point  
Mumbai- 400021  
Tel: (022) 61216666/6626  
Fax: (022) 22886663  
E-mail: [mel@mukand.com](mailto:mel@mukand.com)  
Website: [www.mukandengineers.com](http://www.mukandengineers.com)  
CIN No: L45200MH1987PLC042378

## BANKERS

Central Bank of India

## REGISTRAR AND TRANSFER AGENTS

Bigshare Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate, Saki Vihar Road,  
Sakinaka, Andheri (East), Mumbai- 400072  
Tel: (022) 28470652 / 0653 / 40430200  
Fax: (022) 28475207  
E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
Website: [www.bigshareonline.com](http://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**-Supply and Installation of 300 MT Charging Crane at Steel Melting Shop, NMDC Chattisgarh. (Manufactured by Mukand Ltd.)

## ANNUAL GENERAL MEETING

On Wednesday, 12<sup>th</sup> August, 2015 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, in respect of electronic holdings with the Depository can register 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](mailto:mel@mukand.com) OR to the Registrar and Transfer Agents of the Company at [info@bigshareonline.com](mailto:info@bigshareonline.com) for registration of their email address.

( ₹In Lacs)

FINANCIAL HIGHLIGHTS					
	2014-15	2013-2014	2012-2013	2011-2012	2010-2011
<b>I CAPITAL ACCOUNTS</b>					
A. Share Capital	1258	1258	1258	1258	1258
B. Reserves	4631	4554	4519	4304	4121
C. Net Worth (A+B)	5889	5812	5777	5562	5379
D. Borrowings	3972	4507	4553	4152	3668
E. Gross Block	2971	3149	3136	2875	2748
F. Net Block	722	993	1065	856	808
G. Debt-Equity Ratio (D/C)	0.67:1	0.78:1	0.79:1	0.75:1	0.69:1
<b>II REVENUE ACCOUNTS</b>					
A. Gross Revenue	14136	8850	7811	6866	7856
B. Profit before Taxes (PBT)	137	272	532	534	950
C. Profit after Taxes (PAT)	178	182	362	329	652
D. Return on Shareholders' Fund %	3.02	3.13	6.27	5.91	12.12
<b>III EQUITY SHAREHOLDERS' EARNINGS</b>					
A. Equity Dividend	-	126	126	126	189
B. Earnings per Equity Share (in ₹)	1.41	1.44	2.88	2.62	5.19
C. Dividend per Equity Share (in ₹)	-	1.00	1.00	1.00	1.50
D. Net Worth per Equity Share (in ₹)	46.84	46.23	45.95	44.24	42.78



## NOTICE

TO THE MEMBERS,

NOTICE is hereby given that the **29<sup>th</sup> ANNUAL GENERAL MEETING** of the Members of the Company will be held on **Wednesday, the 12<sup>th</sup> day of August, 2015 at 11.30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021**, to transact the following business:-

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Annual Financial Statements for the year ended March 31, 2015 and the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Shri Niraj Bajaj (DIN: 00028261) who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 who have completed their first term of five (5) years and are eligible for re-appointment for their second term of five (5) years commencing from the conclusion of this Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting, subject to ratification by the shareholders of their re-appointment at every Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013, Ms. Anna Usha Abraham (DIN: 07072268) who was appointed as an Additional Director by the Board of Directors under Article 117 of the Articles of Association of the Company and who holds office under the said Article and Section 161 of the Companies Act, 2013, upto the date of ensuing Annual General Meeting of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose her as a candidate for the office of Director, be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Chapter XIII - The Companies (Appointment and Remuneration of Managerial 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 / Company 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, 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 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** Shri K.P Jotwani shall function as a "Manager" within the meaning of Section 2(53) to the Companies Act, 2013 subject to the superintendence, control and direction of the Board of Directors of the Company.

**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 authorised 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 the following Resolution as a Special Resolution:-

**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force, and subject to such other approvals, permissions and sanctions from the appropriate authority, if any, the draft regulations contained in the Articles of Association of the Company which is available for public inspection at the Registered Office of the Company and on the Company's website, be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all the requisite, incidental, consequential and necessary steps to implement the foregoing Resolution and to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate in the best interests of the Company, to settle any question, query, doubt or difficulty that may arise in this regard, and to execute/publish all such notices, applications, deeds, agreements, documents, papers, undertakings/bonds and writings as may be necessary and required for giving effect to the aforesaid Resolution.

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

**"RESOLVED THAT** pursuant to the provisions of the revised Clause 49(VII) of the Equity Listing Agreement with the Stock Exchanges and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify/ approve all existing contracts / arrangements/ agreements entered / to be entered into contract(s)/transaction(s) with Mukand Limited a group Company and hence a related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual turnover of the Company as per audited financial statements of Financial Year: 2014-15; having the following details and as detailed in the Explanatory Statement annexed hereto:

Description of Contract	Period of Contract	Total cumulative contract value with Related Parties (₹ in Lacs)
Contract Execution - Design, Erection, Commissioning & Transportation, Consultancy Service – PMS, Contract Execution - Interest on delayed payments, Maintenance Service - Maintenance of EDP System.	April 1, 2015 to March 31, 2016	5,170.74
Corporate Guarantee given by Mukand Limited on behalf of the Company for credit facilities	April 1, 2015 to March 31, 2016	8,500.00

**RESOLVED FURTHER** that the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual if any, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

**RESOLVED FURTHER** that the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above Resolution."

#### **NOTES FOR MEMBERS' ATTENTION:**

- The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item No. 4, 5, 6 and 7 is annexed herewith.
- 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.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 5th August, 2015 to 12th August, 2015, (both days inclusive).
- Members who have neither received nor encashed their dividend warrant(s) for any of the financial year from 2009-2010 upto 2013-2014, 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 and unpaid amounts for the financial year 2009-2010 upto 2013-2014 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, 2015 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.

- 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.
- The Company's Equity Shares are listed on Bombay Stock Exchange Ltd., Mumbai - (BSE) and National Stock Exchange of India Ltd., Mumbai - (NSE).
- Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, 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 12, 2015 at 11.30 a.m. with a request to follow the instructions for voting electronically as under :-

#### **The instructions for shareholders voting electronically are as under:**

- The voting period begins on Saturday, 8th August, 2015 at 10.00 a.m. to Tuesday 11th, August 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on August 5, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders.
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **MUKAND ENGINEERS LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) 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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 5th August, 2015.
- A copy of this Notice has been placed on the website of the Company and on 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) witnesses 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 along with 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 Bombay Stock Exchange 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, 2015

## ANNEXURE TO NOTICE

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

#### **Item No. 4**

The Members of the Nomination and Remuneration Committee and the members of the Board of Directors of the Company at their respective meetings has appointed Ms. Anna Usha Abraham as an Additional Woman Director of the Company under Section 149 read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from 11th February, 2015. She is Non-Independent Non-Executive Director on the Board in terms of Clause 49 of the Listing Agreement. Ms. Anna Usha Abraham is also a Director in Mukand Sumi Metal Processing Limited and is not related to any other Directors of the Company. As required under Section 160 of the Companies Act, 2013, a Notice has been received from a member signifying his intention to propose her as a candidate for the office of Director.

Ms. Anna Usha Abraham aged 49 is currently employed with Mukand Ltd. (Mukand) as Chief of Corporate Communication with additional responsibility of managing the Corporate Social Responsibility activities of the Company and is also associated with Mukand in various capacities, for more than fifteen years. She is a communication professional with more than 25 years of experience and has vast practical experience in a variety of industries including manufacturing, logistics, banking and publishing.

She holds a Post Graduate Diploma in Journalism from the Indian Institute of Mass Communication, New Delhi, 1987. She strongly believes in continual education and has over the years, successfully completed an Executive Certificate Course in Brand Management from the Indian School of Business, Hyderabad in 2007 and a one year Executive Programme in Human Resources Management from the Indian Institute of Management, Kolkata in 2011. In view of Ms. Anna Usha Abraham's qualifications and her valuable practical experience, it is in the Company's interest that it should continue to avail of her services as a Member of the Board.

According to the provisions contained in the Articles of Association of the Company and Section 161 of the Companies Act, 2013, Ms. Anna Usha Abraham holds office as a Director only till ensuing Annual General Meeting and is eligible for appointment as a Director, liable to retire by rotation.

Ms. Anna Usha Abraham does not hold any Equity Shares in the Company.

Except Ms. Anna Usha Abraham, none of the Directors, Key Managerial Personnel and their relatives is in any way concerned or interested in the Resolution.

Accordingly, your Directors recommend the Resolution mentioned in Item 4 of the Notice for the approval of the Members.

#### **Item No. 5**

The Members of the Company had approved the appointment of Shri K. P. Jotwani as "Manager" of the Company under the erstwhile Companies Act, 1956 for a period of 2 (Two) years for the period from 1st June, 2011 to 31st May, 2013 and had then further re-appointed him for a further period of 2 (Two) from 1st June, 2013 to

31st May, 2015 with liberty to alter/vary the said terms and conditions in conformity with the requirements of Schedule XIII of the erstwhile Companies Act, 1956 or any amendments thereto. The said terms will expire on 1st June, 2015.

Therefore, the Members of the Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 28th May, 2015 have subject to the approval of the Members recommended the appointment of Shri K. P. Jotwani, as the "Manager" of the Company effective from 1st June 2015 for a further period of 2 (Two) years. Shri K. P. Jotwani, aged 73 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 K P 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 K P Jotwani "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 of the Company.

The draft agreement between the Company and Shri K P 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 Members of the Nomination and Remuneration Committee and the Board of Directors of the Company from time to time within the maximum limit as mentioned hereunder. The draft agreement, inter alia, contains the following terms and conditions effective from 1st June, 2015

- (a) Period of Agreement : Two (2) Years w.e.f. from 1-6-2015 to 31-5-2017
- (b) Basic Salary : ₹ 80,000/- per month
- (c) House Rent Allowance : 50% of Basic Salary.
- (d) Special Allowance : ₹ 40,000/- per month
- (e) Personal Allowance : ₹ 2,40,000/- per month
- (f) Company's contribution to Provident Fund and Superannuation 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 of self and family in India or abroad.
- (j) Reimbursement of actual traveling 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 maximum ceiling for item (i) to (l) is ₹ 5,00,000/-per annum.

- Telephone, telefax and other communication facilities at the residence.
- Subject to statutory ceiling/s, the "Manager" may be given any other allowance/s, perquisites, benefits and facilities as the members of Nomination and Remuneration Committee and Board of Directors from time to time may decide.
- Unutilised leave as on 31st May, 2015 will be available for use in future / encashment during the period of continuity of service and balance on termination of service.

In the absence 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 V to the Companies Act, 2013 which limit of Remuneration as stated therein shall be doubled upon the Resolution being passed as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives is in any way concerned or interested in the Resolution, except Shri K. P. Jotwani himself.

Pursuant to Section 190 to the Companies Act, 2013, 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, Part II of Schedule V to the Companies Act, 2013 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 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 for the financial year ended 31st March, 2015 is as under:-

	(₹ in Lacs)
a. Total Income	<b>14135.94</b>
b. Profit before tax	<b>136.68</b>
c. Profit after tax	<b>177.58</b>
d. Earnings per share (₹)	<b>1.41</b>

### (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	233.89

### (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)
2012-2013	35.26
2013-2014	36.75
2014-2015	41.60

### (3) Recognition or awards :- NIL

### (4) Job profile and suitability:-

Shri K P Jotwani is responsible for booking orders from Steel, Aluminium and Power sectors and its execution thereof. Shri K P 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 45 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 for remuneration drawn as "Manager."

**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.

Shri K P Jotwani does not hold any Equity Shares in the Company.

Accordingly, your Directors recommend the Resolution mentioned in Item 5 of the Notice for the approval of the Members.

**Item No. 6**

The Companies Act, 2013 ("the Act") contains several new provisions to facilitate better participation of management and members in the affairs of the Company and achieve better governance. The Articles of Association ("Articles") of the Company at present are based on the provisions of the erstwhile Companies Act, 1956 and it is advisable to alter/ amend/ replace the same in order to remain compliant with the new provisions of the law. Hence, as required under Section 14 and other applicable provisions, if any, of the Companies Act, 2013, the Company seeks approval of members to amend/alter / replace its existing Articles of Association as per the Resolution at item no. 6 of the Notice. The new sets of Articles, if approved, are proposed to replace the existing set of Articles of the Company with immediate effect from the date of this Annual General Meeting.

The new set of Articles as mentioned in the Resolution at item no. 6 to the Notice is placed by the Company on its website

[www.mukandengineers.com](http://www.mukandengineers.com) and is available for inspection at the Registered Office of the Company during working days from 10.00 a.m. to 2.00 p.m. till date of the meeting.

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

Accordingly, your Directors recommend the Resolution mentioned in Item 6 of the Notice for the approval of the Members.

**Item No.7**

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the Members by way of a Special Resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business and on an arm's length basis.

However, pursuant to revised Clause 49(VII) of the Listing Agreement with the Stock Exchanges effective from 1st October, 2014, approval of the shareholders through a Special Resolution is required for all material related party transactions (RPT) even if they are entered into in the ordinary course of business and on an arm's length basis. For this purpose, a RPT will be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual turnover of the Company as per the last audited financial statements of the Company.

The following transactions to be entered into by the Company, together with transactions already entered into by the Company with Mukand Limited. ("ML"), a group Company and therefore a related party, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual turnover of the Company as per the audited financial statements of the Company for the year ended 31st March, 2015:-

Related Parties Transactions where control / significant influence exists:- Financial Year 2015-16				
Sr. No.	Name of Party	Nature of Work	Total ₹ In Lacs	Basis for Pricing
<b>A</b>	<b>Operations - Income</b>			
1	Mukand Ltd.	Contract Execution - Design, Erection, Commissioning & Transportation	1,317.50	Bills raised as per contract.
2	Mukand Ltd.	Contract Execution - Interest on delayed payments	99.00	Interest charged to Mukand on delayed payment against bills. Rate of Interest - 15.50%
3	Mukand Ltd.	Maintenance Service - Maintenance of EDP System	540.00	Bills raised as per contract.
		<b>Total</b>	<b>1,956.50</b>	
<b>B.</b>	<b>Operations - Expenses</b>			
1	Mukand Ltd.	Purchases of Cranes - NMDC Project	3,133.00	Bills raised as per Contract for NMDC Projects
2	Mukand Ltd.	Rent	36.28	Bills raised as per Agreement for office space.
3	Mukand Ltd.	Electricity Charges	33.48	Bills raised as per Agreement Electricity consumed
4	Mukand Ltd.	Bus Service for staff/IT Infrastructure	9.44	Bills raised as per Agreement for office staff.
		<b>Total</b>	<b>3,212.20</b>	
5	Mukand Global Finance Ltd. (a wholly owned subsidiary of Mukand Ltd.)	Management Fees – Fixed Deposit System Management	2.04	Bills raised as per Contract
		<b>Total</b>	<b>5170.74</b>	

Sr. No.	Name of Party	Nature of Work	Total ₹ In Lacs	Basis for Pricing
<b>C.</b>	<b>Others- Corporate Guarantee</b>			
	Corporate Guarantee given by Mukand Limited on behalf of the Company for credit facilities		<b>8,500.00</b>	Corporate Guarantee given by Mukand Limited to Central Bank of India. No Commission charged.

The other particulars of above transactions are as under:-

Sl. No.	Name of Party	Particulars
a.	Name of the Related Party	Mukand Limited
b.	Name of the Director or Key Managerial Personnel who is related, if any:	Shri Rajesh V. Shah- Chairman, Shri Niraj Bajaj- Director & Shri Prakash V. Mehta- Director.
c.	Nature of Relationship:	Group Company
d.	Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement	As details above
e.	Any other information relevant or important for the members to take a decision on the proposed resolution:	The transactions are in the ordinary course of business and on an arm's length basis

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

In view the above, it is proposed to seek approval of the Members of the Company through a Special Resolution for the above transactions and the related parties are abstained from voting on the said resolution.

None of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said Resolution except for their holdings in the shares of the Company, if any, and to the extent of their memberships and/ or directorships in the subsidiaries and associate companies, if any.

Accordingly, your Directors recommend the Resolution mentioned in Item 7 of the Notice for the approval of the Members.

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

**P. R. Dhruva  
Company Secretary**

Place : Mumbai

Date : 28th May, 2015