

PETRON ENGINEERING CONSTRUCTION LIMITED



38TH
ANNUAL REPORT
FY 2013
14



38TH ANNUAL REPORT FY 2013 14

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Ajay Hans – Managing Director
Ravi Keswani – Non-Executive Director
Sanjay Jain – Non-Executive Director
Sudhir Kumar Jain – Non-Executive Director

CHIEF FINANCIAL OFFICER

R. N. Pandey

HEAD - (LEGAL) & COMPANY SECRETARY

Naresh Shah

SENIOR MANAGEMENT

Gautam Sen – Head – Projects
G. S. Jain – Head – Projects
S. P. Mridha – Head – Projects
Manoj Verma – Head – Procurement & Logistics
Raghavan K. – Head – Proposals
Manish Jantikar – Head – B. D. & Planning

STATUTORY AUDITORS

S.R. Batliboi & Co. LLP
16th Floor, The Ruby,
29, Senapati Bapat Marg
Dadar (W) Mumbai 400028, India

INTERNAL AUDITORS

Lodha & Company, New Delhi
Lodha & Company, Mumbai

REGISTERED OFFICE

6th Floor, Swastik Chambers
Sion-Trombay Road, Chembur
Mumbai 400071
CIN : L45202MH1976PLC019135
Tel: +91 22 4085 6200
Fax: +91 22 4085 6250 / 6797 3509

REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services (India) Pvt. Ltd
Samhita Complex
Gala No-52 to 56, Bldg No.13 A-B
Near Sakinaka Telephone Exchange
Andheri -Kurla Road, Sakinaka
Mumbai-400072.
Telephone 022 6772 0300 / 022 6772 0400
Fax No : 022 2859 1568 / 2850 8927
Email – sharepro@shareproservices.com

BANKERS

State Bank of India
ICICI Bank Limited
Indian Overseas Bank
Axis Bank Limited
IDBI Bank Limited
ING Vysya Bank Limited
Yes Bank Limited



On EPC Basis Erection of Cracker Furnace Package for Petrochemical Complex – II, Gas Authority of India Limited, Pata, Dibiyaipur, Uttar Pradesh.

GROWTH
EFFICIENCY
SUSTAINABILITY
OPTIMIZATION
SERVICE
PEOPLE

MESSAGE FROM THE MANAGING DIRECTOR



Dear Shareholders,

While the outlook for construction/infrastructure activities within the country seems positive, it's also important to note that we are into stiff business competition. We are here to stay and our focus on creating sound and stable business will ensure that we remain competitive and deliver the right value to a market that is fast becoming sensitive to cost.

The first six months of Fiscal 2013 - 14 had been really challenging for us in terms of managing stringent cash flows to ensure smooth functioning of operations. However, the scenario is improving wherein your Company's order book position has reasonably improved and we have received new orders worth ₹830 Crores. The order backlog is ₹1,350 Crores, as on 31st March, 2014.

Your Company is providing very specialized Turnkey EPC/Composite Construction solutions in the areas of Power, Cement, Refinery, Petrochemical, Fertilizer, Steel Plants and other Process Plants etc. We have taken initiative now to provide comprehensive composite construction services for all Civil, Mechanical, Electrical, Instrumentation, Refractory, Insulation and support for Commissioning Services etc. for Industrial and Infrastructure projects.

In terms of Quality & Safety we continue to provide improved and safe services to our esteemed clients. We ensure that we strictly adhere to ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 (IMS) alongwith applicable International Standards.

I would like to thank and extend my sincere gratitude to the members of the Board of Directors for their advice & dedication, to all employees for their cooperation, whether directly involved in the project or indirectly supporting the project.

I would also like to thank all our bankers who have been extremely supportive during these tough times. I am grateful to all our esteemed clients, who have bestowed their trust upon us. Nonetheless, we thank all our stakeholders for their commitment in the Company.

Business Consolidation, Forward Integration and Strengthening our net worth will continue to be our top priority. I'm confident that your Company will continue to emerge leaner, stronger and efficient in the coming days.

Best wishes

Ajay Hans
Managing Director
Mumbai, May 29, 2014

NOTICE

NOTICE is hereby given that the **Thirty-Eighth Annual General Meeting** of the members of **Petron Engineering Construction Limited** will be held at **“OASIS”, Opp. Tata Institute of Social Science, Deonar, Mumbai 400 088** on **Wednesday, the 27th August, 2014, at 3.30 p.m.** to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2014 and the Reports of the Board of Directors and the Auditors of the Company.

To appoint the Auditors and to fix their remuneration and in this regard, pass with or without modification the following resolution as an Ordinary Resolution.

2. **“RESOLVED THAT**, pursuant to the provisions of Section 139, 140 and 142 and other applicable provisions, if any, of the Companies Act, 2013, **M/s. S. R. B. C. & Co., LLP, Chartered Accountants, Mumbai, (Registration No. 324982E)** be and are hereby appointed as Statutory Auditors of the Company in place of retiring Auditors M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, Mumbai to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors in consultation with them.”

SPECIAL BUSINESS:

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sanjay Jain, Director (DIN 00152758), whose period of Office is liable to determination by retirement of directors by rotation and who has offered himself for appointment as Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term upto 31st March, 2019.”

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sudhir Kumar Jain, (DIN 05008197), who was appointed as an Additional Director of the Company and whose term of office expires at this Annual General Meeting and who has offered himself for appointment as Independent Director, and in respect of whom the Company has received a Notice in writing from a member under section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold Office for a term upto 31st March, 2019.”



Composite Works for Gas Cracker Unit for Petrochemical Complex – II, Gas Authority of India Limited, Pata, Dibiypur, Uttar Pradesh

5. 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 Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V to the said Act as amended and subject to approval, if any, that may be required, the Company hereby accords its consent and ratifies the amendment in payment of remuneration to **Mr. Ajay Hans, Managing Director** of the Company with effect from 1st October, 2013 upto the remaining period of his tenure, which are hereby specifically approved, with authority to the Board of Directors to alter and vary the same within the limits prescribed under the provisions of the Companies Act, 2013 or any amendment thereof.”

REMUNERATION :

| Details | Amount ₹ (p.a.) (To be paid w.e.f. 01/10/2013 upto the remaining period of his tenure) |
|----------------------|--|
| Basic Salary | 4,800,000 |
| House Rent Allowance | 2,400,000 |
| Special Allowance | 480,000 |
| Total | 7,680,000 |

“**RESOLVED FURTHER THAT** all the other perquisites for i.e. reimbursement of medical expenses, contribution to provident fund, reimbursement of club fees, gratuity, leave travel assistance, leave encashment, conveyance and communication facilities including other terms and conditions regarding Overall Remuneration and Minimum Remuneration remains unchanged.”

“**RESOLVED FURTHER THAT,** the Board of Directors of the Company be and is hereby authorized and empowered to make such improvements in the terms of remuneration to Mr. Ajay Hans, Managing Director, as may become permissible under any amendment to Schedule V to the Companies Act, 2013, or any amendment thereof or by way of any Government Guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of the Managing Director is not in excess of the maximum permissible limit under the relevant Law, Rules, Regulation, Guidelines or instructions as may be promulgated or issued after the date of this meeting.”

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

By Order of the Board

Naresh Shah
Sr. V. P.(Legal) & Company Secretary

Mumbai, May 29, 2014

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The relative Annexure to Notice pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under Item No. 3, 4 & 5 is annexed hereto.
3. Proxies, in order to be effective, must be lodged at the Registered Office of the Company not later than 48 hours before the time of holding of the meeting.
4. The Register of Beneficial Owners and the Register of Members and Share Transfer Books of the Company will remain closed from 21-08-2014 to 27-08-2014 (both days inclusive).
5. Members/ Proxies should bring their attendance slips, duly filled in, to the meeting.
6. Members are requested to immediately intimate any change in their addresses registered with the Company to the Company's Registrars & Transfer Agents, **M/s. Sharepro Services (India) Private Limited**, Samhita Complex, Gala No-52 to 56, Bldg No.13 A-B, Near Sakinaka Telephone Exchange, Andheri - Kurla Road, Sakinaka, Mumbai-400072 in respect of their holding in physical form and to their Depository Participants (DPs) in respect of their holding in electronic form.
7. Members desiring information on the accounts or operations of the Company are requested to write to the Company Secretary at least 10 days before the date of the meeting to enable the management to keep the information readily available at the meeting.
8. Members are requested to bring their copies of the Thirty-eighth Annual Report to the meeting.
9. (a) Members who are holding shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of the attendance at the Annual General Meeting.

(b) Those holding Shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Registrars and Transfer Agents for consolidation of such folios into one folio.
12. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
13. Pursuant to the provisions of Section 124 / 125 of the Companies Act, 2013, as amended, dividends, if any, which has remained unpaid or unclaimed are requested to claim such Dividend from Investor Education Protection Fund after complying with the prescribed procedure under the Act.

Members who have not encashed the dividend warrants so far for the Financial Year ended 31st March, 2007, 31st March, 2010, 31st March, 2011 and 31st March, 2012 are requested to make their claim.

14. To avoid instances of fraudulent encashment of warrants, members are requested to intimate the Company's Registrars and Transfer Agents or to Depository Participants in case of holding in electronic form, under the signature of the sole / first joint-holder, the following particulars :
- a. Name of the sole / first joint holder.

b. Name of the Bank, branch & complete address of the bank with code number.

c. Account Type, whether Savings or Current Account.

d. Bank Account Number allotted by the bank.

e. Register your email ID with the Company Registrars & Transfer Agents, M/s. Sharepro Services (India) Pvt. Ltd.
15. In terms of the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The shareholders who are desirous of availing this facility may kindly write to the Registrars & Share Transfer (R&T) Agents, **M/s. Sharepro Services (India) Private Limited**, Samhita Complex, Gala No- 52 to 56, Bldg No.13 A-B, Near Sakinaka Telephone Exchange, Andheri -Kurla Road, Sakinaka, Mumbai-400072 in Form 2B prescribed by the Government which can be obtained from the Company's R&T Agents.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.
17. Brief Profile of the Director retiring by rotation and eligible for re-appointment and Director proposed to be appointed, as required under Clause 49 of the Equity Listing Agreement entered into with the Stock Exchanges is annexed to the Notice.
18. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. **www.petronengineering.com**.
19. Electronic copy of the Annual Report for 31st March, 2014 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity atleast once in a financial year, to the Member to register his email address and any changes therein. In compliance with the same, we request the Members who do not have their email id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Registrar and Share Transfer Agent, the changes, if any, in the email address.
20. (a) The Company, consequent to introduction of Depository System entered into agreements with National Security Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Members, therefore, now have the option of holding the shares of the Company in electronic form through NSDL or CDSL.
- (b) Effective from 26th June, 2000, trading in shares of the Company is permitted only in dematerialized form. Requests for Dematerialization and Rematerialization are to be made only to Depository Participant with whom

you have opened an account.

21. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are informed that the Company is pleased to offer e-Voting facility as an alternative mode to voting at the Meeting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-Voting. E-Voting is optional and Members shall have the option to vote either through e-Voting or in person at the Annual General Meeting. The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed M/s. Pradeep Purwar & Associates, Practicing Company Secretaries as Scrutinizer for scrutinizing e-Voting process in a fair and transparent manner.

PROCEDURE FOR MEMBERS OPTING FOR E-VOTING
In case of Members receiving the Postal Ballot Form by E-mail:

- (i) Log on to the e-voting website **www.evotingindia.com**
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" 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 | <div>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</div> <div><div>• 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.</div><div>• 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 1 then enter RA00000001 in the PAN field.</div></div> |
| 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 | <div>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</div> <div><div>• 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 cut-off date in the Dividend Bank details field.</div></div> |

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

(ix) Members holding shares in physical form will then reach directly 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 also to be 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 for the relevant <Company Name> 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 print out 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.

- 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.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user ID who would be able to link the account(s) 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.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

General Instructions:

- The voting period begins on Wednesday, the 20th August, 2014 from 9.30 a.m. and ends on Friday, the 22nd August, 2014 at 5.30 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, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 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
- If you are already registered with CDSL for e-voting then you can use your existing user ID and password for Login to cast your vote.
- M/s. Pradeep Purwar and Associates, Practicing Company Secretaries has been appointed as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
- 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 of the Company.
- The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.petroneering.com within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.

22. (a) For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the Annual General Meeting, to enable them to send their assent or dissent by post. Detailed instructions on voting through post are given on the reverse of the Ballot Form.

(b) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.

(c) A Member can opt for only one mode of voting, i.e. either by post or through e-voting. In case of Member(s) who cast their votes by both modes, then voting done through a valid physical ballot form shall prevail and e-voting of that Member shall be treated as invalid.

By Order of the Board

Naresh Shah
Sr. V. P.(Legal) & Company Secretary

Mumbai, May 29, 2014

ANNEXURE TO THE NOTICE

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

ITEM NO. 3:

Mr. Sanjay Jain, was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on 17th May, 2013. He was subsequently appointed by the Members at their Annual General Meeting held on 30th July, 2013 in accordance with the erstwhile provisions of Section 257 of the Companies Act, 1956. Pursuant to the coming into force of Section 149 of the Companies Act, 2013 (“the Act”) from April 1, 2014, the Company has re-assessed the status of its directors with a view to determining their qualifying for classification as Independent Directors in terms of Section 149(6) of the Act. Accordingly, Mr. Sanjay Jain fulfils the criteria laid out in Section 149(6) of the Act in this regard. Section 149(10) of the Act restricts the tenure of Independent Director to two terms of upto ten years, with a single term not exceeding five years, which shall be effective from April 1, 2014. In compliance with the provisions of Section 149 of the Act, it is proposed to appoint Mr. Sanjay Jain as an Independent Director of the Company to hold office for a term up to March 31, 2019.

The Board of Directors is of the view that your Company would greatly benefit from the rich and varied experience of Mr. Sanjay Jain and accordingly recommends the Ordinary Resolution set forth in Item No. 3 of the Notice for approval of the Members.

In the opinion of the Board, Mr. Sanjay Jain fulfils the conditions specified in the Act and the Equity Listing Agreement and he is independent of the management.

Save and except Mr. Sanjay Jain, none of the Directors or Key Managerial Personnel of the Company, including their relatives is, in any way concerned or interested in the Resolution.

ITEM NO. 4:

Mr. Sudhir Kumar Jain, was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on 4th October, 2013 in accordance with the provisions of Section 161 of the Companies Act, 2013 (“the Act”). He holds office as a Director upto the date of the forthcoming Annual General Meeting. Pursuant to the coming into force of Section 149 of the Companies Act, 2013 (‘the Act’) from April 1, 2014, the Company has re-assessed the status of its directors with a view to determining their qualifying for classification as Independent Directors in terms of Section 149(6) of the Act. Accordingly, Mr. Sudhir Kumar Jain fulfils the criteria laid out in Section 149(6) of the Act in this regard. Section 149(10) of the Act restricts the tenure of Independent Directors to two terms of up to ten years, with a single term not exceeding five years, which shall be effective from April 1, 2014. In compliance with Section 149 of the Act, it is proposed to appoint Mr. Sudhir Kumar Jain as an Independent Director of the Company to hold office for a term upto March 31, 2019.

The Company has received a notice in writing from a Member of the Company alongwith the Deposit of ₹1,00,000/- in accordance with Section 160 of the Act, proposing the candidature of Mr. Sudhir Kumar Jain for the office of Director.

The Board of Directors is of the view that your Company would greatly benefit from the rich and varied experience of Mr. Sudhir Kumar Jain and accordingly recommends the Ordinary Resolution set forth in Item No. 4 of the Notice

for approval of the Members.

In the opinion of the Board, Mr. Sudhir Kumar Jain fulfils the conditions specified in the Act and the Equity Listing Agreement and he is independent of the management.

Save and except Mr. Sudhir Kumar Jain, none of the Directors or Key Managerial Personnel of the Company, including their relatives is, in any way concerned or interested in the Resolution.

ITEM NO. 5:

The Board of Directors of the Company at a Meeting held on 5th October, 2012 have appointed **Mr. Ajay Hans** as **Managing Director** of the Company with effect from 5th October, 2012 for a period of 3 years.

The Shareholders at the 37th Annual General Meeting held on 30th July, 2013 approved the appointment of Mr. Ajay Hans for a period of 3 years effective from 5th October, 2012 including his remuneration, powers, duties and other terms of appointment.

Thereafter, on 12th November, 2013, the Board had approved increase in the remuneration w.e.f. 1st October, 2013 upto the remaining period of his tenure, though, all the other perquisites i.e.. Reimbursement of Medical Expenses, Contribution to Provident Fund, Reimbursement of Club Fees, Gratuity, Leave Travel Assistance, Leave Encashment, Conveyance and Communication Facilities including other terms and condition; remain unchanged.

The above approval by the Directors was subject to approval by members in a General Meeting hence the Board of Directors recommend the passing of the resolution.

Save and except Mr. Ajay Hans, none of the Directors or Key Managerial Personnel of the Company, including their relatives is, in any way concerned or interested in the Resolution.

The Agreement dated 27th November, 2013 entered into between the Company and Mr. Ajay Hans for increase in the remuneration is available for inspection at the Registered Office of the Company on any working day upto and including the date of the Annual General Meeting or any adjournment or adjournments thereof.



Composite Works for Gas Cracker Unit for Petrochemical Complex – II, Gas Authority of India Limited, Pata, Dibrayapur, Uttar Pradesh

Additional information of Directors seeking re-appointment at the Thirty-Eighth Annual General Meeting pursuant to Clause 49 of the Equity Listing Agreement,

| | | |
|--|---|--|
| Name of the Director | Mr. Sanjay Jain | Mr. Sudhir Kumar Jain |
| Date of Birth | 25-11-1965 | 17-11-1948 |
| Date of Appointment on the Board | 17-05-2013 | 04-10-2013 |
| Brief Profile | <p>Mr. Sanjay Jain is 49 years of age. He has done his Bachelor of Engineering (Metallurgy) from Regional Engineering College, Trichy, Tamil Nadu. He has got over 23 years of experience in the field of Welding Mechanism. He also has vast experience in Sectors of Oil & Gas, Water Pipe Line, Power, Cement, Sugar, Automobile, Refineries, Chemical & Petro-Chemical & Heavy Fabrication Units etc. He is a Non-Executive Independent Director of Hilton Metal Forging Limited. He is the Proprietor of Globe Sales Agency dealing in all kinds of Welding Consumables. He is also Authorized Distributor of leading National & International Companies. He is a member of Welding Dealers and Manufacturers Association, New Delhi.</p> | <p>Mr. Sudhir Kumar Jain, is 66 years of age. He has done his B. Sc. Engg. (Prod. Engg) & ADPE from Punjab Engg. College, Chandigarh. He is also a Law Graduate from Garhwal University. He has got over 40 years of experience in the field of Oil Refinery / Petroleum Industry. He has worked with Bharat Petroleum Corporation Limited (BPCL) as General Manager (HRD) from 1982 – 1996, thereafter as Executive Chairman – Petroleum India International from 1996-2006 and finally headed the LPG – Business Unit as “Executive Director” from 2006-2008. Since 2009 he is providing Consultancy / Advisory services for various Indian and International Refinery Projects.</p> <p>He has been an honorable recipient of various Awards like “Udyog Shree Award” (2000), FIEO – Niryat Bandhu Award for three Consecutive years 2001, 2002 & 2003, Oceantex Business Excellence Award in 2004, 2006 & 2008 and Oil India and Safety Directorate Award (2007) for Best Overall Safety Performance in LPG.</p> |
| Directorship held in other Companies (excluding Section 25 and foreign companies) | Hilton Metal Forging Limited | None |
| Memberships of Committees across companies (includes only Audit & Shareholders' / Investors Grievance Committee) | None | None |
| Shareholding in the Company (Equity) | None | None |
| Relationship between director inter-se | None | None |

By Order of the Board

Naresh Shah
Sr. V. P.(Legal) & Company Secretary

Mumbai, May 29, 2014



Composite Works for Gas Processing Unit Package for Petrochemical Complex – II, Gas Authority of India Limited, Pata, Dibiyaapur, Uttar Pradesh