

Military



Critical Infrastructure



Marine



Precision Electronics Limited

35th Annual Report 2013-2014

2013-2014

"we always know who we're working for"

Precision

Services for Turnkey Communication Projects

Implementation of Telecom Networks



Customer Acceptance



Maintenance D e p o t



Standard
Test equipment



Automatic test
Equipment



Testing Infrastructure

Integration of legacy
sub-systems with new
sub-systems



Entity
Engineering



HW/SW
development to meet
customer specific requirements



Upgradation
of existing
system/equipment



Value-Added Solutions

PRECISION ELECTRONICS LIMITED

"we always know who we're working for"

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BOARD OF DIRECTORS & COMMITTEES

Board of Directors

| | |
|------------------------|----------------------|
| Mr. Ashok K. Kanodia | - Managing Director |
| Mr. Pradeep K. Kanodia | - Executive Director |
| Mr. Rahul Goenka | - Director |
| Mr. Anant Kanoi | - Director |
| Mr. Suresh Vyas | - Director |
| Mr. S. K. Kataria | - Director |

Audit Committee

| | |
|-------------------|------------|
| Mr. S. K. Kataria | - Chairman |
| Mr. Rahul Goenka | - Member |
| Mr. Anant Kanoi | - Member |
| Mr. Suresh Vyas | - Member |

Share Transfer & Investor Grievance Committee

| | |
|-------------------|------------|
| Mr. Rahul Goenka | - Chairman |
| Mr. Suresh Vyas | - Member |
| Mr. S. K. Kataria | - Member |

Remuneration cum Selection Committee

| | |
|-------------------|------------|
| Mr. S. K. Kataria | - Chairman |
| Mr. Rahul Goenka | - Member |
| Mr. Anant Kanoi | - Member |
| Mr. Suresh Vyas | - Member |

COMPANY SECRETARY

Mr. Gurvinder Singh Monga

AUDITORS

M/s Rajendra K. Goel & Company,
J-288, Ground Floor,
Saket, New Delhi.-110017

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153/A First Floor,
Okhla Industrial Area, Phase-I
New Delhi-110 020
Contact No.-011-26812682-84

PLANTS

At Noida

D-10, Sector-3, Gautam Budh Nagar,
Noida-201301, (U.P.)

At Roorkee

Plot No. 9 & 10, KIE Industrial Estate,
Village Mundiya (Manglore), Roorkee
Haridwar-249406, Uttarakhand (India)

BANKER OF THE COMPANY

Punjab National Bank

LISTED ON

Bombay Stock Exchange

CORPORATE IDENTITY NUMBER (CIN)

L32104DL1979PLC009590

REGISTERED OFFICE

D-1081, New Friends Colony,
New Delhi-110025

CORPORATE OFFICE

D-10, Sector-3, Gautam Budh Nagar,
Noida-201301, (U.P.)



NOTICE OF THE 35TH ANNUAL GENERAL MEETING

CIN: L32104DL1979PLC009590

Regd. Office : D-1081, New Friends Colony, New Delhi - 110025

Phone : 120 2551556/7, Fax : 120 2524337

Email : cs@pel-india.com, Website : www.pel-india.com

NOTICE is hereby given that the 35th Annual General Meeting of Precision Electronics Ltd. will be held on **Saturday 27th September, 2014 at 10:30 A.M. at Bipin Chandra Pal Memorial Auditorium, A-81, C.R Park, New Delhi** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Audited Balance Sheet as on 31st March, 2014 and the Profit and Loss A/c for the year ended on that date and the Auditors' Report thereon.
2. To re-appoint Mr. Rahul Goenka who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s Rajendra K. Goel & Co. Chartered Accountants (F.R.N. 01457N) as Statutory Auditors of the Company from conclusion of 35th Annual General Meeting till the conclusion of 38th Annual General Meeting and authorize Board of Director's to fix their remuneration.

SPECIAL BUSINESS:

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, term of Mr. Anant Kanoi (DIN 00150667), who is Independent Director liable to retire by rotation and whose term expires at the Annual General Meeting, and who has submitted a declaration in writing that he meets the criteria of independence as provided in Section 149 (6) and is eligible for appointment as an Independent Director of the company be and is hereby fixed as five consecutive years with effect from 27th September 2014."

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

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, terms of Mr. Suresh Vyas (DIN 00085571), who is Independent Director liable to retire by rotation and whose term expires at the Annual General Meeting, and who has submitted a declaration in writing that he meets the criteria of independence as provided in Section 149 (6) and is eligible for appointment as an Independent Director of the company be and is hereby fixed as five consecutive years with effect from 27th September 2014."

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

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, term of Mr. Sharvan Kumar Kataria (DIN 03399949), who is Independent Director liable to retire by rotation and whose term expires at the Annual General Meeting, and who has submitted a declaration in writing that he meets the criteria of independence as provided in Section 149 (6) and is eligible for appointment as an Independent Director of the company be and is hereby fixed as five consecutive years with effect from 27th September 2014."



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

“RESOLVED THAT due notice in writing along with a deposit of Rs 100,000 having been received from a member under section 160 of the Companies Act, 2013 of his intention to propose Ms. Ranjna Gudoo for appointment as a Non – Executive Director; Ms. Ranjna Gudoo (DIN06956595) be and is hereby appointed as a Non – Executive Director of the Company liable to retire by rotation.”

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

RESOLVED THAT due notice in writing along with a deposit of Rs 100,000 having been received from a member under section 160 of the Companies Act, 2013 of his intention to propose Mr. Deepto Roy (DIN 01241534) for appointment as a Non – Executive Director; Mr. Deepto Roy be and is hereby appointed as a Non – Executive Director of the Company liable to retire by rotation.”

**By Order of the Board
For Precision Electronics Limited**

Place: Noida
Date: September 2, 2014

Sd/-
Gurvinder Singh Monga
Company Secretary

Notes

Precision Electronics Limited, being a listed Company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Companies Act, 2013 read with rule and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the members at the 35th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

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 PERSON NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.
3. Members/proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd September, 2014 to 27th September, 2014 (both inclusive).
5. 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 Company.
6. Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.



7. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi- 110020 about the changes, if any, in their registered address along with Pin Code, quoting their Folio number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
8. Members are requested to bring their copies of Annual Report to the meeting, as the same will not be supplied again at the meeting as a measure of environment protection
9. Pursuant to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014, Members are requested to furnish or update their e-mail IDs with the Registrar and Share Transfer Agent for sending the soft copies of the Annual Report of the Company .
10. 35th Annual Report for the year 2013-14 is also available on the website of the Company www.pel-india.com.
11. Voting through electronics means/Postal Ballot
 - a. In Compliance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide e-voting facility to the members of the Company whose name appears on the Register of Members as on 22nd August, 2014 (end of day) being the Record Date fixed for the purpose, to exercise their right to vote in respect of the resolutions to be passed at the 35th Annual General Meeting.
 - b. Instructions for e-voting are as under-
 - I. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - II. Click on Shareholder – Login
 - III. Enter your User ID and existing password. The User-id is your Demat account number which is (DP-ID + CLENT – ID)
 - IV. Click login
 - V. Home Page of e-voting-Active Voting Cycles
 - VI. Select E-voting Event Number (Even) of Precision Electronics Limited for casting vote in favour or against the Item(s) of business. (Kindly note that vote once caste cannot be modified. For an EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end date of voting period i.e. up to close of 23rd September, 2014, whichever is earlier).
 - VII. Now you are ready for e-voting as 'Caste Vote' page opens.
 - VIII. Caste your vote by selecting appropriate option and click on "Submit" and also "confirm" when prompted.
 - IX. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - X. Institutional Shareholders (ie other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who are authorized to vote, to the Scrutinizer through email scrutinizer@pel-india.com with a copy marked to evoting@nsdl.co.in
 - c. The Board of Directors has appointed M/s. Munish K Sharma & Associates, Company Secretaries, as the Scrutiniser for conducting the e-voting process in a fair and transparent manner.
 - d. The e-voting period shall commence on Monday, September 22, 2014 (09:00 AM) to Tuesday, September, 23, 2014 (6:00 PM). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd August, 2014 (cut-off date) may cast their vote electronically. Thereafter, the portal shall be disabled by the NSDL for voting.



- e. The Scrutinizer will submit the report to MD after the completion of scrutiny of the e-voting on or before 26th September, 2014.
- f. The results shall be announced by the Chairman after Annual General Meeting of the Company. The results declared along with the Scrutinizers Report shall be placed on the Company's website www.pel-india.com and on the website of the NSDL within two (2) days of passing of resolution at the Annual General Meeting and communicated to the Stock Exchanges.

Pursuant to clause 49 of the Listing Agreement, the brief profile of Directors eligible for re-appointment/appointment vide item no. 2, 4, 5, 6, 7, and 8 is as follows:

Item No. 2:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------|----------|---------------|---------------------|--------------------------------------|
| Mr. Rahul Goenka | 00002440 | 15-03-1976 | 25-09-2004 | NIL |

Qualification and experience: Mr. Rahul Goenka is a Commerce graduate and an MBA from Clark University, Worcester, USA having over 12 years of work experience, including with Consultants Inc., Boston USA one of the leading Technology Solutions Provider in the world. Presently he is a Director with Apparel & Textiles manufacturing and export company that employs over a 1000 people across 3 manufacturing sites and exports their products to some of the best known brands in the UK. Mr Rahul Goenka has in depth knowledge and experience of manufacturing and international trade, which has proved to be a tremendous asset for the Company.

List of outside Directorships held on 31st March, 2014:

-Kohinoor Design Pvt. Ltd.

Item No. 4:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------|----------|---------------|---------------------|--------------------------------------|
| Mr. Anant Kanoi | 00150667 | 22-03-1979 | 08-08-2005 | NIL |

Qualification and experience: Mr. Anant Kanoi is a graduate from the University of Michigan and specializes in Industrial & Operations Engineering and has more than 10 years of work experience with various international companies like Pepsi and Ford Motors. He is an active member of the Entrepreneur's Organization (EO), New Delhi and is currently serving on the Board of the EO in a leadership position as the Learning Chair.

List of outside Directorships held on 31st March, 2014:

-Bhabani Pigments Pvt. Ltd.

-Golden Pigments Pvt. Ltd.

-Rapid Properties Pvt. Ltd.

-Indo Leather Pvt. Ltd.

-Dharower Financial Services Pvt. Ltd.

Item No.5:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------|----------|---------------|---------------------|--------------------------------------|
| Mr. Suresh Vyas | 00085571 | 07-12-1958 | 03-011-2012 | NIL |

Qualification and experience: He is Fellow Member of the Institute of Chartered Accountant of India. A senior member of profession, he has got about 28 years of experience in the industry and Profession of handling a number of projects and companies of national and international level. He has mastered the activities relating to corporate world such as corporate law matter, acquisitions and mergers, liaison with Government agencies etc. While in practice he has assisted a number of international companies to set up their business in India and was

also associated with Indian companies acquiring projects overseas.

List of outside Directorships held on 31st March, 2014:

- Concord Capital Management Company Pvt. Ltd.
- Bizindia Consulting Pvt. Ltd.
- Gateway Mercantile Pvt. Ltd.
- SPS Infotech Pvt. Ltd.

Item No. 6:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------------|----------|---------------|---------------------|--------------------------------------|
| Mr. Sharvan Kumar Kataria | 03399949 | 14-10-1958 | 05-02-2011 | NIL |

Qualification and experience: He is practicing as a Chartered Accountant since 1983. He is an expert in Company Law, Corporate Laws, Income Tax, Direct Taxes, Indirect Taxes, Accounts and Audit Laws, Tax Planning, Tax management and Tax Jurisprudence and has many publications to his credit in the above subjects.

List of outside Directorships held on 31st March, 2014: NIL

Item No. 7:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------|----------|---------------|---------------------|--------------------------------------|
| Ms. Ranjna Gudoo | 06956595 | 19-10-1949 | N.A. | NIL |

Qualification and experience: Ms. Ranjna Gudoo is a graduate with BA, LLB. She has retired as DGM – Law of Power Grid Corporation of India Ltd (PGCIL) and has been an in-house lawyer for twenty seven years in the Power sector with NTPC and PGCIL. She has acted as Borrower’s Counsel to Indian Financial Institutions, International Banks, Multilateral agencies including World Bank and ADB for financial closure of the project and has drafted commercial contracts viz Procurement/Supply Contracts, Service Contracts, Joint Venture Agreements, Shareholder Agreements, Employment Contracts, Lease Agreements etc. She has conducted litigations matters including civil, commercial disputes in Courts of India and has briefed Senior Advocates including AGI/SGI/ASGI on behalf of PGCIL.

List of outside Directorships held on 31st March, 2014: NIL

Item No. 8:

| Name of Director(s) | DIN | Date of Birth | Date of Appointment | Number of Shares held in the Company |
|---------------------|----------|---------------|---------------------|--------------------------------------|
| Mr. Deepto Roy | 01241534 | 29-09-1980 | N.A. | NIL |

Qualification and experience: Mr. Deepto Roy is a graduate with BA, LLB Hons from the West Bengal National University of Juridical Sciences and has been admitted to the Bar Council of Maharashtra and Goa since 2005. He is a corporate lawyer specializing in projects, infrastructure, Companies Law and Foreign Direct Investment.

List of outside Directorships held on 31st March, 2014:

- Dragages Engineering and Construction (India) Pvt. Ltd.
- Indigram Skill and Knowledge Initiatives Pvt. Ltd.



EXPLANATORY STATEMENTS

(Pursuant to the Section 102 of the Companies Act, 2013)

In respect of Item No. 04, 5 and 6:-

Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria are independent Directors of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

Pursuant to Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, it is proposed to appoint Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria as Independent Directors to hold office for five (5) consecutive years for a term up to 31st March, 2019.

Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria that they meet with the criteria of independence as prescribed both under Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria fulfil the conditions specified in the Act and the rules made there under and they are independent of the management.

Brief resume of Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria, nature of expertise in specific functional area and names of the companies in which they hold directorships and memberships/chairmanships of Board Committees, are provided in this Notice.

Mr. Anant Kanoi, Mr. Suresh Vyas and Mr. Sharvan Kumar Kataria are interested in the resolutions set out respectively at item no. 4, 5 and 6 of the Notice with regard to their respective appointments.

None of the other Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at item no. 4, 5 and 6 of the Notice for the approval of the Shareholders.

In respect of Item No. 07 and 8:-

The Company has received a notices under section 160(1) of the Companies Act, 2013 in writing from a member proposing the candidature of Ms. Ranjna Gudoo and Mr. Deepto Roy for the office of Non- Executive Directors liable to retire by rotation along with the deposit of Rs. 1,00,000/- (One Lakh) each as prescribed under the section. Ms. Ranjna Gudoo and Mr. Deepto Roy, have filed with the Company their consent, pursuant to the provisions of section 152(5) of the Companies Act, 2013, to act as Non-Executive Director, if appointed. The Board considers their appointment as beneficial and in the best interest of the Company to have the guidance and advice of Ms. Ranjna Gudoo and Mr. Deepto Roy and accordingly recommend their appointment as Non-Executive Director of the Company.

Brief resume of Ms. Ranjna Gudoo and Mr. Deepto Roy, nature of expertise in specific functional area and names of the companies in which they hold directorships and memberships/chairmanships of Board Committees, are provided in this Notice.

Mr. Deepto Roy advises the company on various Corporate Law aspects in his capacity as a legal adviser and receives legal fees from the Company against such services.

Ms. Ranjna Gudoo and Mr. Deepto Roy are concerned and are interested in their appointment and none of the other directors and/or Key Managerial Personnel of the Company are interested or concerned in the said appointments.

**By Order of the Board
For Precision Electronics Limited**

Place: Noida
Date: September 2, 2014

Sd/-
Gurvinder Singh Monga
Company Secretary