

**45th Annual Report
2014 - 2015**



INCON ENGINEERS LIMITED



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BOARD OF DIRECTORS

SRI SREEDHAR CHOWDHURY	Managing Director
SRI S.MANO HAR RAJU	Director
SRI A.SUBBA RAO	Director
Dr. B. NEETA KUMARI	Director
AUDITORS	M/s Brahmayya & Co Flat No.403 & 404 Golden Green Apartment Irrum Manzil Colony, Hyderabad – 500 082
BANKERS	M/s. State Bank of India Commercial Branch Flat No.101 to 106 A, Ashoka My Home Chambers Block B., S.P. Road, Secunderabad
REGISTERED OFFICE & FACTORY	B-6/3, I.D.A., Uppal, Hyderabad —500 039
REGISTRARS & SHARE TRANSFER AGENTS (PHYSICAL & DEMAT)	Venture Capital and Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar, Hyderabad-500 018.
STOCK EXCHANGE LISTINGS	Bombay Stock Exchange Ltd. P.J.Towers, 25 th Floor, Dalal Street, MUMBAI-400 001 The Calcutta Stock Exchange Association Limited., 7, Lyons Range, KOLKATA-700001. (Applied for delisting and awaiting delisting approval)

Note on Depository

It may be noted that the Shares of the Company have been included in the list of securities for compulsory trading in dematerialised form for all investors w.e.f. 01.01.2002. Shareholders are therefore advised to dematerialise their shareholding to avoid inconvenience in future. The Company has entered into necessary arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), to enable the Shareholders to dematerialise their shareholding in the Company, for which they may contact the depository participants of either of the above Depositories.



INCON ENGINEERS LIMITED

NOTICE:

NOTICE is hereby given that the 45th Annual General Meeting of the members of Incon Engineers Limited will be held on Wednesday, the 30th September, 2015 at 11.00 a.m. at the Registered Office of the Company at B-6/3, I.D.A. Uppal, Hyderabad - 500039 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2015 including the Balance Sheet, Profit & Loss Account and report of the Board of Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:
"RESOLVED that M/s. Brahmayya & Co., Chartered Accountants, bearing Registration No.000513S, be and are hereby reappointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

3. **APPOINTMENT OF Dr. B. NEETA KUMARI AS ADDITIONAL DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution for regularization of Additional Director, Dr. B. Neeta Kumari.:

"RESOLVED that Dr. B. Neeta Kumari, who was appointed as an Additional Director with effect from 30th March, 2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, who hold this office upto the date of this Annual General Meeting and in respect of whom a Notice has been received from a member in writing under section 160 of the Companies Act, 2013 along with requisite deposit proposing her candidature for office of the Director be and is hereby appointed as Director of the Company."

4. **TRANSACTIONS WITH RELATED PARTIES:**

To consider and if thought fit, to pass with or without modifications, the following resolution as special resolution:

"RESOLVED that pursuant to provision(s) of section 188 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into any contract or arrangements with related party, M/s. Oxeeco Technologies Private Limited, with respect to leasing of office building of 3250 sft. aggregating to Rs.66550/- per month for a period of three years with 10% increase per annum."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, documents that may be required on



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behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary or incidental thereto for the purpose of giving effect to this resolution."

5. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY:

To Consider and if thought fit, to pass the following resolution with or without modification(s) as an ordinary resolution:

"RESOLVED that pursuant to provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments thereof and re-enactments thereof), the Articles of the Association of the Company be and are hereby altered by replacing all the existing Regulations 1 to 161 with the new Regulations 1 to 133, a copy of this is annexed to the explanatory statement, be and is hereby adopted as new Regulations and the Articles of Association of the Company."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, Mr. Sreedhar Chowdhury (DIN: 00188924) Managing Director of the Company, be and is hereby authorized on behalf of the Company to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to file, sign and execute all necessary documents, applications and returns for the purpose giving effect to the aforesaid resolution along with filing necessary e-form with the Registrar of Companies."

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
MANAGING DIRECTOR

Registered Office :
B-6/3, I.D.A. Uppal, Hyderabad-500039 (Telangana)
CIN: L74210TG1970PLC001319
Email: incon@incon.in / inconengineers@gmail.com
Website: www.incon.in
Tel.No.+91-40-27203943
Fax No.: +91-40-27201271



NOTES

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (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. THE INSTRUMENT APPOINTMENT A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN AN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT 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 PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**
2. In terms of the provisions of Section 102 of the Companies Act, 2013, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of the Notice.
3. Copies of the Notice of 45th Annual General Meeting together with the Annual Report are being sent by Electronic Mode to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. Hard copies of Annual Report will be supplied to those Shareholders holding shares in Electronic Mode, as and when requested. For Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
5. Details under Clause 49 of the Listing Agreement entered with the Stock Exchanges in respect of the Director seeking appointment at the ensuing Annual General Meeting form an integral part of the Corporate Governance Report.
6. The business set out in this Notice is also being conducted through e-voting in compliance with the provisions of Section 108 of the Companies Act, 2013, and Clause 35B of the Listing Agreement, the Company is pleased to offer the e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. Please note that the Voting through Electronic Mode is optional. For this purpose the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the shareholders to cast their vote electronically.
7. Voting through Electronic means:
 - (i) The voting through electronic means will commence on Sunday, the 27th September, 2015 at 9.00 a.m. and will end on Tuesday, the 29th September, 2015 at 5.00 p.m. During this period, shareholder of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, 22nd September, 2015 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above. PLEASE NOTE THAT USER ID AND PASSWORD FOR E-VOTING ARE AFFIXED ON THE THIRD PAGE OF THIS ANNUAL REPORT, which will be sent to the shareholders, who do not have email IDs. Soft copies of Annual Reports with User ID and Password are sent to the shareholders, who have registered their email IDs with R & T Agents of the Company.



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(ii) The Company has appointed Mr. Sharad Gupta, Company Secretary in whole time practice (email: sharadgupta_2006@yahoo.co.in) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.

(iii) A. The procedure and instructions for the voting through electronic means as follows:

- a. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participants(s)] :

Open e-mail and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

- b. Launch the internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- c. Click on "Shareholder-Login" to cast your vote.
- d. Put your user id and password mentioned at the bottom of the Proxy form being sent along with this notice. Members, whose e-mail addresses are registered with the Company/Depository Participants, are being informed their user Id and password details by email. Please use this password as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing user Id and password for login.
- e. If you are logging in for the first time, Password Change Menu appears. Change the password of your choice with minimum 8 digits/characters or a combination thereof. Please note the new password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of "e-voting" opens. Click on "e-voting": Active Voting Cycles.
- g. Select "EVEN (E-Voting Event Number)" of INCON ENGINEERS LIMITED which is **102515**. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- h. Now you are ready for "e-voting" as "Cast Vote" Page opens.
- i. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
- j. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, Mr. Sharad Gupta, through email at: sharadgupta_2006@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- k. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.

(iii) B. In case a Member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided in e-voting particulars form:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

- (ii) Please follow all steps from Sl. No.iii A(a) to Sl. No. iii A(k) above, to cast vote.

- a. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "downloads" section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in.
- b. Members have an option to vote either through e-voting or casting a vote at the Meeting. If a Member has opted for e-voting, then he should not cast his vote at the Meeting also and vice-a-versa. However, in case a Member has cast his vote at the Meeting and also by e-voting, then voting done through e-voting shall prevail and voting done at the Meeting shall be treated as invalid.



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- c. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorised by him on or before 1st October, 2015.
8. Mr. Sharad Gupta, Company Secretary in Whole-time Practice, has been appointed as a Scrutinizer for conducting the e-voting process in a fair and transparent manner.
9. The resolutions placed for e-voting shall be deemed to be passed on the date of the Annual General Meeting of Members scheduled to be held on 30th September, 2015.
10. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2015 to 30th September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
11. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 5.00 pm upto the date of the Annual General Meeting.

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
MANAGING DIRECTOR

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

Item No.3

Dr. B. Neeta Kumari was appointed as an Additional Director with effect from 30th March, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above Director holds office upto the date of ensuing Annual General Meeting. In this regard, the Company has received a request in writing from a member of the Company proposing Dr. B. Neeta Kumari's candidature for appointment as Director of the Company in accordance with the provisions of section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that the presence of Dr. B. Neeta Kumari on the Board is desirable and would be beneficial to the Company and hence recommend the resolution for adoption.

None of the Directors except Dr. B. Neeta Kumari is in anyway concerned or interested financially or otherwise in the said resolution.

Item No.4

Company proposes to enter into / renew an agreement with M/s. Oxeeco Technologies Private Limited with respect to leasing out its office premises for a period of three years with effect from 1.10.2015. Oxeeco Technologies Private Limited is promoted by Mr. Sreedhar Chowdhury, who is also the main promoter of your Company. Section 188 of the Companies Act, 2013 requires approval of shareholders as value of agreement is likely to exceed the limits specified in the Act.

None of the Directors except Mr. Sreedhar Chowdhury is concerned or interested in the said resolution.

Item No.5

The existing regulations 1 to 161 of Articles of Association are replaced by the new set of the Regulations 1 to 133 and adopted as new set of Articles of Association. The modification in the Articles of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of shareholders by passing a special resolution is required. New set of Regulations 1 to 133 of Articles of Association is attached herewith separately as Annexure "A".

The Board recommends the resolutions set forth in item No.3, 4 & 5 of the above for approval of the Members.

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
MANAGING DIRECTOR



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ANNEXURE - A

ARTICLES OF ASSOCIATION OF INCON ENGINEERS LIMITED CONSTITUTION

1. The regulations contained in Table F in the First Schedule to the Companies Act, 2013 shall apply to the Company except in so far as such regulations are embodied in these following Articles.

INTERPRETATION

2. In these presents, the following words and expression shall have the following meanings unless excluded by the subject or context; words importing the singular shall include the plural and vice versa; words importing the masculine gender shall include the feminine gender and vice versa; and words importing person shall include bodies corporate.

THE ACT AND SECTION

- a) "The Act" means Companies Act, 2013 its rules and any statutory modifications or reenactments thereof and every relevant Companies Act for the time being in force concerning Joint Stock Companies; and the word "Section" relates to the relevant Section in the Companies Act, 2013.

'THE COMPANY' OR 'THIS COMPANY'

- b) "The Company" or "This Company" means INCON ENGINEERS LIMITED.

AUDITORS

- c) "Auditors" means Auditor or Auditors for the time being of the Company.

THE BOARD OR BOARD OF DIRECTORS

- d) "The Board" or "Board of Directors" means a meeting of the Directors duly called and constituted, as the case may be, the Directors assembled as a Board or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.

DEBENTURE

- e) "Debenture" includes debenture stocks

IN WRITING

- f) "In Writing" includes printing, lithography, typewriting and other usual substitutes for writing.

MEMBERS

- g) "Members" means a member as defined under Section 2(55) of the Act.

MONTH

- h) "Month" shall mean Calendar Month.

OFFICE

THESE PRESENTS OR REGULATIONS

- k) "These Presents or Regulations" mean these Articles of Association as originally framed or altered from time to time including the Memorandum where the context so requires.



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THE SEAL

- l) "The Seal" means the Common Seal for the time being of Company.

SECRETARY

- m) "Secretary" means any individual possessing qualification prescribed for the time being by any rule made under the Act and appointed by the Board to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.

SPECIAL RESOLUTION

- n) "Special Resolution" shall have the meaning assigned therein by Section 114 of the Act.

BENEFICIAL OWNER*

- o) "Beneficial Owner" shall mean the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

DEPOSITORIES ACT, 1996

- p) "Depositories Act, 1996" shall include any statutory modifications or re-enactment thereof.

DEPOSITORY

- q) "Depository" shall mean Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

SHARE CAPITAL

3. The Authorised Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the company.

INCREASE IN CAPITAL

4. The Company in General Meeting, may from time to time, by an Ordinary Resolution increase the capital by the creation of new shares, the increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company in conformity with Sections 47 of the Act.

NEW CAPITAL SAME AS EXISTING CAPITAL

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained, with reference, to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

REDEEMABLE PREFERENCE SHARES

6. Subject to the provision of Section 55 of the Act, the Company shall have the power to issue Preference shares which are, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

PROVISION TO APPLY ON ISSUE OF REDEEMABLE PREFERENCE SHARES

7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect:



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- a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of other proceeds of fresh issue of shares made for the purpose of redemption.
- b) no such shares shall be redeemed unless they are fully paid.
- c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed.
- d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall out of profits which would otherwise have been available for dividends be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provision of the Act relating to the reduction of the share capital of the Company shall except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

REDUCTION OF CAPITAL

8. a) The Company may (subject to the provisions of Sections 52, 55, 66 the Act) from time to time by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted
- b) Notwithstanding anything contained in sub-clause (a) above, in the event it is permitted by the Law and subject to such limits, terms, conditions and consents as may be prescribed and laid down for the purpose, the Company shall have the power to buy- back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.

SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARES

9. Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, consolidate all or any of its share capital into shares of larger amount than its existing shares or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the memorandum and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject to as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

MODIFICATION OF RIGHTS

10. If at any time, share capital of the company, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided, by the terms of issue of the shares of that class) may subject to the provisions of Sections 48 of the Act and whether or not the Company is being wound-up be varied, modified commuted, affected or abrogated with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of



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that class. This Article shall not derogate from any power which the Company would have if these Articles were omitted. The provision of these articles relating to general meetings shall mutatis mutandis, apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined above is not present, those persons who are present shall be the quorum.

BOARD MAY ACCEPT SURRENDER OF SHARES

11. Subject to the provisions of Sections 66 (inclusive) of the Act, the Board may accept from any member on such terms and conditions as shall be agreed a surrender of all or any of his shares

SHARES AND CERTIFICATES REGISTER AND INDEX OF MEMBERS

12. The Company shall keep a Register and Index of Members in accordance with Section 88 of the Act and the details of the members holding shares both in material and dematerialised form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any state or country outside India a Branch Register of Members resident in that state or country

SHARES TO BE NUMBERED PROGRESSIVELY AND NO SHARE TO BE SUB-DIVIDED

13. a) The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
- b) Nothing contained in sub-clause (a) above, shall apply to shares held in the Depository form.

FURTHER ISSUE OF CAPITAL

14. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
 - I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
 - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
 - d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
- II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
- III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:



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- (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
- (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

SHARES UNDER CONTROL OF DIRECTORS

15. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

POWER ALSO TO COMPANY IN GENERAL MEETING TO ISSUE SHARES

16. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.

ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

17. Subject to these Articles and the provisions of the Act, the Board may issue and allot shares in the capital of the Company as payment or in consideration or as part payment or in part consideration of the purchase or acquisition of any property or for services rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid-up shares. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

ACCEPTANCE OF SHARES

18. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a Member.

DEPOSIT AND CALL ETC., TO BE A DEBT PAYABLE IMMEDIATELY

19. The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall, immediately on the insertion of the name or the name of the allottee in



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the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

CALL IN ADVANCE

20. Amount paid in advance of calls may entail a right for interest but will not confer a right to dividend or to participate in the profits of the company.

LIABILITY OF MEMBERS

21. Every, member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amount, at such time or times, and in such manner as the Company's, regulations require or fix for the payment thereof.
22. The company will have a first and paramount lien upon all the shares (other than full paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys whether presently payable or not) called or payable at fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause

SHARE CERTIFICATES

23. a) Every member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issue of letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall subject to the provisions of the Act be issued within a period of two months from the date of allotment and within fifteen days after application for registration of the transfer of any share or debenture under the seal of the company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, atleast one of the aforesaid two Directors shall be a person other than a Managing or a whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
- b) Any two or more joint allottees of a share shall for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound to prescribe charge not exceeding Rupee one. The Company shall comply with the provisions of the Act.
- c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipments or other material used for the purpose.



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- d) Share/Debenture Certificates shall be issued in marketable lots and where Share/Debenture Certificate are issued for either more or less than marketable lots, subdivision/ consolidation into marketable lots shall be done free of charge.
- e) The Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
- f) Not with standing anything contained in these articles, the Board shall not accept application(s) for subdivision or consolidation of shares or debentures or bonds into denominations of less than marketable lots except when such a subdivision or consolidation is required to be made to comply with a statutory order or an order of a competent court of law or a request from a member to convert his holding of odd lots of shares or debentures or bonds into transferable/ marketable lot subject, however to verification by the Company.

RENEWAL OF SHARE CERTIFICATE

- 24. a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfer have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.
- b) When a new share Certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. sub-divided/replaced/on consolidation of shares".
- c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
- d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate" issued in lieu of share certificate No. The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- f) All blank forms to be issued for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of those forms to the Board.
- g) The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f) of this Article.



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- h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.

THE FIRST NAMED OF JOINT-HOLDERS DEEMED SOLE HOLDER

25. If any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipts of dividends or bonus or service of notice and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installment and calls due in respect of such share and for all incidents thereof according to the Company's regulations.

COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER

26. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more person or the survivor or survivors of them.

DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARE

27. a) Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 89 of the Act.
- b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 89 of the Act.
- c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such, change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 89 of the Act.
- d) Notwithstanding anything contained in the Act and Articles hereof, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
- e) Nothing contained in Section 89 of the Companies Act, 2013 shall apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository

UNDERWRITING AND BROKERAGE COMMISSION MAY BE PAID

28. Subject to the provision of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company or procuring, or agreeing to



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procure subscription (whether absolute or conditional) for any share or debentures in the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

BROKERAGE

29. Subject to provisions of the act, The Company may pay a reasonable sum for brokerage.

INTEREST OUT OF CAPITAL INTEREST MAY BE PAID OUT OF CAPITAL

30. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

TRANSFER AND TRANSMISSION OF SHARES AND REGISTER OF TRANSFERS

31. The Company shall keep a Register of Transfers and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share.

INSTRUMENT OF TRANSFER

32. A transfer of shares in the Company shall be by an instrument of transfer in writing in the prescribed form and shall be duly stamped and delivered to the Company in accordance with the provisions of the Act.

TRANSFER FORM TO BE COMPLETED AND PRESENTED TO THE COMPANY

33. a) The instrument of transfer shall be accompanied by such evidence as the board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of transfer the certificate of the shares must be delivered to the Company.
- b) The company shall effect transfer, transmission, sub-division or consolidation within 15 days from the date of lodgement of documents.
- c) Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

34. The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.



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NOTICE OF APPLICATION WHEN TO BE GIVEN

35. Where in the case of partly paid shares, an application for registration is made by the transferor; the Company shall give notice of the application to the transferee in accordance with the provisions of the Act.

DEATH OF ONE OR MORE JOINT-HOLDERS OF SHARES

36. In case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability on shares held by him jointly with any other persons.

TITLE OF SHARES OF DECEASED MEMBER

- 37 The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the share registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holder or a Succession Certificate or the legal representatives unless they have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion, thinks fit, it may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 36, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

NO TRANSFER TO MINOR ETC.

38. No share shall in any circumstance be subscribed for transfer to any infant, minor, insolvent or person of unsound mind.

REGISTRATION OF PERSONS ENTITLED TO SHARES OTHERWISE THAN BY TRANSFER

39. Subject to the provisions of the Act and Articles 34 and 35 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some persons nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing infavour of his nominee an instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

PERSONS ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS MEMBER

- 40 A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends of money as hereinafter provided, be entitled to receive any and may give discharge for any dividends or other moneys payable in respect of the share.



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FEE ON REGISTRATION OF TRANSFER, PROBATE, ETC

- 41 a) No fee shall be charged for :
- i) registration of transfer of the Company's shares and debentures;
 - ii) sub-division and consolidation of shares and debenture certificates and for sub- division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading;
 - iii) sub-division of renounceable letters of right;
 - iv) issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilised;
 - v) registration of any power of attorney, probate, letters of administration or similar other documents.
- b) Fees as agreed upon with the Stock Exchanges will be charged for
- i) issue of new certificates in replacement of those that are torn, defaced, lost or destroyed;
 - ii) sub-division and consolidation of shares and debenture certificates and for sub- division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market unit of trading.

COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER

- 42 The company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or to be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

BORROWING POWERS POWER TO BORROW

43. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be



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expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

TERMS OF ISSUE OF BONDS, DEBENTURES

44. Any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Bonds or debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.

REGISTER OF MORTGAGES, ETC. TO BE KEPT

45. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of, Sections 77 to 85 of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.

REGISTER AND INDEX OF DEBENTURE HOLDER

46. The Company shall, if at any time issues debentures, keep a Register and Index of debenture-holders in accordance with Section 88 of the Act and the details of the members holding debentures both in material and dematerialised form in any media as permitted by law including electronic media. The Company shall also be entitled to keep in any state or country outside India a Branch Register of debenture-holders resident in that state or country.

MEETINGS OF MEMBERS ANNUAL GENERAL MEETING

47. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of 96 of the Act to extend the time within which any Annual General Meeting may be held.

EXTRAORDINARY GENERAL MEETING

48. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less



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than one-tenth of such of the paid-up capital as at that date carries the right of the voting in regard to the matter in respect of which the requisition has been made.

REQUISITION OF MEMBERS TO STATE OBJECT OF MEETING

49. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

ON RECEIPT OF REQUISITION, DIRECTORS TO CALL MEETING, IN DEFAULT REQUISITIONISTS MAY DO SO

50. Upon receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within twenty one days from the date of the requisition being deposited at the office cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

MEETING CALLED BY REQUISITIONISTS

51. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

LENGTH OF NOTICE AND NATURE OF BUSINESS

52. a) Twenty-one days' notice at least of every General Meeting, Annual, Extraordinary, and by whomsoever called specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company.

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

- b) All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
- c) Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the



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first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

OMISSION TO GIVE NOTICES NOT TO INVALIDATE A RESOLUTION PASSED

53. The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

MEETING NOT TO TRANSACT BUSINESS NOT MENTIONED IN NOTICE

54. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

QUORUM AT GENERAL MEETING

55. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

BODY CORPORATE DEEMED TO BE PERSONALLY PRESENT

56. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

IF QUORUM NOT PRESENT, MEETING TO BE DISSOLVED OR ADJOURNED

57. If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company-
- (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
 - (b) the meeting, if called by requisitionists under section 100, shall stand cancelled. If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum. In case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

CHAIRMAN OF GENERAL MEETING

58. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair, then the Vice-Chairman of the Board of Directors shall be entitled to take the chair, at such General Meeting. If at any meeting the Vice-Chairman shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair, then the Directors present shall elect any Director present and willing to take the chair as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the members present shall elect one of their member to be the Chairman of such meeting.



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BUSINESS CONFINED TO THE ELECTION OF CHAIRMAN WHILST CHAIR VACANT

59. No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.

CHAIRMAN WITH CONSENT MAY ADJOURN MEETING

60. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city or town in which the office of the company is for the time being situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

QUESTIONS AT GENERAL MEETING HOW DECIDED

61. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108,, unless a poll is (before or on declaration of the result of the show of hands/e-voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.

CHAIRMAN'S CASTING VOTE

62. In the case of an equality of votes, the Chairman shall, both on a show of hands or electronically and at poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

POLL TO BE TAKEN IF DEMANDED

63. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

IN WHAT CASE POLL BE TAKEN WITHOUT ADJOURNMENT

64. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith.

DEMAND FOR POLL NOT TO PREVENT TRANSACTION OF OTHER BUSINESS

65. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

MINUTES OF MEETINGS

MINUTES OF GENERAL MEETING AND INSPECTION THEREOF BY MEMBERS

66. a). The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b.) The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.



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- c) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such period not being less in the aggregate than two hours in each days as the Directors determine to inspection of any member without charge.

DIRECTORS

NUMBER OF DIRECTORS

67. Subject to the provisions of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.

FIRST DIRECTORS

68. The following persons are the first Directors of Company:

- i) Smt. Garapaty Vijayeswari
- ii) Smt. Prabha Sukumar Koneru
- iii) Sri Sreedhar Chowdhury

DIRECTORS OF THE COMPANY

69. Subject to the provisions of Section 152 of the Act, not less than two-thirds of total number of Directors of the Company shall:
- a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
 - b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

APPOINTMENT OF NOMINEE DIRECTORS

70. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Banks or a State Finance Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves or by any agency nominated by the central government (each of the above is hereinafter this Article referred to as "the Corporation") out of any loan/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/ Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non whole-time (which Director or Directors, is/are hereinafter referred to as Nominee Directors) on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their place/s. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The corporation shall also be entitled to receive all such notices and minutes. The Board of Directors of the company shall have no power to remove from office the Nominee Director/s. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights privileges and subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation



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or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to Corporation or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fees, commission monies and remuneration in the relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the company directly to Corporation.

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided also that in the event of the Nominee Director/s being appointed as whole- time Director/s, such Nominee Director/s shall exercise such power and duties as may be approved by the Corporation and have such rights as are exercised or available to whole time director in the management of the affairs of the Company. Such whole-time Director(s) shall be entitled to receive such remuneration, fee, commission, and monies as may be approved by the Corporation.

POWER TO APPOINT EX-OFFICIO DIRECTORS

71. Whenever the Directors enter into a contract with any Government, Central, State or local authority, Institution or any person or persons for borrowing any money or for providing any guarantee of security or for technical collaboration of assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have subject to the provisions of the Act, the power to agree that such government authority, institution, person or persons shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may also agree that any such Director or Directors may be removed from time to time by the Government, institution, person or persons entitled to appoint or nominate them and such person or persons may appoint another or others in his or their place and also fill in any vacancy, which occurs as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid.

DEBENTURE DIRECTORS

72. If it is provided by the Trust Deed securing or otherwise, in connection with any issue of debenture of the Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the



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time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation.

APPOINTMENT OF ALTERNATE DIRECTOR

73. The Board may, in accordance with and subject to the provision of Section 161 of the Act, appoint an Alternate Director to act for a Director during latter's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office, if and when the original Director returns, to India. If the term of office of the original Director is determined before he so returns, any provisions in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the original Director and not the alternate Director

DIRECTOR'S POWER TO ADD TO THE BOARD

74. Subject to the provisions of 161 of the Act the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 67. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

INDEPENDENT DIRECTORS

75. The Board of Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or Clause 49 of Listing Agreement, whichever is higher, from time to time) Independent directors shall possess such qualification as required under Section 149 of the Companies Act, 2013 and Clause 49 of Listing Agreement. Independent Director shall be appointed for such period as prescribed under relevant provisions of the Companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.

WOMEN DIRECTOR

76. The Board of Directors shall appoint one women director as per the requirements of Section 149 of the Act.

DIRECTOR'S POWER TO FILL CASUAL VACANCIES

77. Subject of the provisions of the Act, the Board shall have power at any time to appoint any other person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

KEY MANAGERIAL PERSONNEL

- 78 a). Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
- b). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer subject to provisions of the Act.
- c). The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.



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REMUNERATION OF DIRECTORS

79. a). Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b). Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c). Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d). Subject to the provisions of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

DIRECTOR MAY ACT NOTWITHSTANDING ANY VACANCY

80. The continuing Director may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum, the continuing Directors not being less than two may act for the purpose of increasing the number of Director to that number, or of summoning a General Meeting, but for no other purpose.

WHEN OFFICE OF DIRECTORS TO BECOME VACANT

81. The office of a Director shall be vacated if:
1. he is found to be unsound mind by a Court of competent jurisdiction;
 2. he applies to be adjudicated as an insolvent;
 3. he is an undischarged insolvent;



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4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; Notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:
 1. for thirty days from the date of the adjudication, sentence or order;
 2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
 3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

DIRECTOR MAY CONTRACT WITH COMPANY

82. Subject to the provisions of Section 188 of the Act and other limitations, if any, prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

DISCLOSURE OF INTEREST

83. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in 184 of the Act. Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.



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GENERAL NOTICE OF DISCLOSURE OF INTEREST

84. A general notice given to the Board by the directors to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any notice shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

RETIREMENTS AND ROTATION OF DIRECTORS

85. At every Annual General Meeting of the Company, one third of such of the Directors, for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In the following Articles 'a Retiring Director' means a Director retiring by rotation. The Company shall comply with the provisions of Section 152 in this regard.

PROVISION IN DEFAULT OF APPOINTMENT

86. a) If the place of the retiring Director is not so filled up and the meeting had not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
- b) If at the adjourned meeting also it has been not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless,
- at that meeting or at the previous meeting resolution for the reappointment of such Director has been put to the meeting and lost;
 - the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
 - he is not qualified or is disqualified for appointment;
 - a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
 - the provision to 162 of the Act is applicable to the case.

COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS

87. Subject to of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provision of Section 169 of the Act) remove any Director before the expiration of his period of office and appoint another person instead. The person so appointed shall hold office during such time as Director in whose place he is appointed would have held the same if he had not been removed.

NOTICE OF CANDIDATE FOR OFFICE OF DIRECTOR EXCEPT IN CERTAIN CASES

88. a) No person not being a retiring Director shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office along with deposit of such sum as



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may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director gets more than 25% of total valid votes cast either on show of hands or on poll on such resolution.

- b) Every person other than a Director or a person who has left at the office of the Company a notice under 160 of the Act signifying his candidature for the office of a Director posted as a candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of Director under the Act immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

REGISTER OF DIRECTORS ETC., AND NOTIFICATION OF CHANGE TO REGISTRAR

89. a) The company shall keep at its office a Register containing the particulars of its Directors, Manager, Secretary and other persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respect.

DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE

90. Every Director including a person deemed to be a Director by virtue of the Explanation to 170 of the Act, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 170 of the Act.

DISQUALIFICATION OF DIRECTORS

91. The Company shall not appoint any person as its Director if:
- a) he has been found to be of unsound mind by a Court of competent jurisdiction and the findings is in force;
 - b) he is an undischarged insolvent;
 - c) he has applied to be adjudicated as an insolvent and his application is pending;
 - d) he has been convicted by a Court of any offence whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months, and a period of five years has not elapsed from the date of expiry of the sentence;
 - e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call; or
 - f) an order disqualifying him for appointment as Director has been passed by a Court and it is in force
 - g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years
 - h) he has not complied with sub-section (3) of section 152
- No person who is or has been a director of a company which-



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- a) has not filed financial statements or annual returns for any continuous period of three financial years; or
- b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

MANAGING DIRECTOR

THE BOARD MAY APPOINT MANAGING DIRECTOR

92. Subject to the provisions of the Act and of these Articles, the Board shall have the power to appoint from time to time any of its members as Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the act, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for such meeting or participation in profits or by any or all of these modes or any other mode not expressly prohibited by the Act.

SPECIAL POSITION OF MANAGING DIRECTOR

93. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation in accordance with Article 85 if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

MEETING OF DIRECTOR

94. a) The Directors may meet together as a Board for despatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year with a maximum time gap of 120 days between two meetings. The Directors may adjourn and otherwise regulate their meetings as they think fit.
- b) Subject to the provisions of Section 173, the Board and/or the Committees of the Board may, if the circumstances warrant, meet and/or discuss, resolve by means of telephone, fax, electronic mail, television or through any other audio-visual links known as audio and/or video conferencing instead of physical meetings.

NOTICE OF MEETINGS

95. At least seven days notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director provided however that in the case of a Director resident outside India, notice of every meeting of the Board shall also be given to such Director at his address outside India and to his alternate, if any, in India at his usual address in India. Such notice shall be accompanied by the agenda setting out the business proposed to be transacted at the meeting of the Board. Provided that a meeting of the Board may be convened in accordance with Article 52 by a shorter notice in the case of an emergency or if special circumstances so warrant, subject to compliance with provisions of the Act.



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QUORUM

96. Subject to provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, provided, that where at any time the number of interested Director exceeds or is equal to two-thirds of the total strength in number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

ADJOURNMENT OF MEETING FOR WANT OF QUORUM

97. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

WHEN MEETING TO BE CONVENED

98. The Secretary shall, as and when directed by the Chairman or Vice Chairman or by a Director or Directors to do so, convene a meeting of the Board by giving a notice in writing to every Director.

CHAIRMAN AND VICE CHAIRMAN

99. a) The Board may appoint from amongst its members a Chairman, and a Vice Chairman.
b) The Chairman of the Board shall be entitled to take the chair at every meeting of the Board. If at any meeting of the Board the Chairman shall not be present within fifteen minutes of the time appointed for holding the same or if he be unable or unwilling to take the chair then the Vice Chairman shall be entitled to take the chair at such Board Meeting.,

POWERS OF THE BOARD MEETING

100. A meeting of the Board for the time being in which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

DIRECTORS MAY APPOINT COMMITTEE

101. Subject to the provisions of the Act and the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to committees of the Board consisting of such members or of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board.

RESOLUTIONS BY CIRCULATION

102. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved



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by a majority of the directors or members, who are entitled to vote on the resolution. Company shall comply with provisions of Section 175 in this regard.

ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

103. All acts done by any meeting of the Board or by a committee of the Board, or by any person acting, as a Director shall notwithstanding that it shall afterwards be discovered that there is some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated, provided that nothing in this Article shall be deemed to give validity to Acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

MINUTES OF PROCEEDINGS OF MEETINGS OF BOARD

104. i) The company shall cause minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of every meeting in such books shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- iii) In no case shall the minutes of proceedings of a meeting be attached to any such books as aforesaid by pasting or otherwise.
- iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- v) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- vi) The minutes shall also contain:
- a. the names of the Directors present at the meeting; and
 - b. in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
- vii) Nothing contained in sub-clauses (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting;
- a. is or could reasonably be regarded as defamatory of any person.
 - b. is irrelevant or immaterial to the proceedings, or
 - c. is detrimental to the interests of the company

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in minutes on the grounds specified in this sub- clause.

- viii) Minutes of meeting kept in accordance with aforesaid provisions shall be evidence of the proceedings recorded therein.

POWERS OF DIRECTORS

105. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for



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the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

CERTAIN POWERS OF THE BOARD

106. Without prejudice to the general powers conferred by the Article 105 and so as not in any way to limit or restrict those powers conferred by these Articles, but subject to the restrictions contained in the Article 105, it is hereby declared that the Directors shall have the following powers, that is to say, power:
1. To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the company.
 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of the Act.
 3. Subject to the provisions of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
 5. To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
 6. To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purpose, and to execute and do all such deeds and things as may be required in relation to any trust and to provide for the remuneration of such trustee or trustees.
 8. To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon.
 9. To act on behalf of the Company in all matters relating to bankrupts and insolvents.
 10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
 11. Subject to the provisions of the Act, to invest and deal with any moneys of the Company not



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immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit and from time to time to vary or realise such investments, save as provided in 187 of the Act, all investments shall be made and held in the Company's own name.

12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability, whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
13. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases contracts and documents and to give the necessary authority for such purpose.
14. To distribute by way of bonus amongst the staff of the Company a share or shares in the profit of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transactions and to charge such bonus or commission as part of the working expenses of the Company.
15. To provide for the welfare of Directors or ex-Directors or ex-employees of the Company and their wives, widow and families or dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the company, either by reason of locality of operation, or of public and general utility or otherwise.
16. Before recommending any dividend, to set aside out of the profits of the Company, such sum as they may think proper for depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture-stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in its absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the funds including the depreciation of debentures or debenture-stock and without being bound to pay interest on the same with power, however, to the Board at its discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum.



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17. To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following subclasses shall be without prejudice to the general powers conferred by this sub clause.
18. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
19. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local boards, and to fix their remuneration.
20. Subject to provisions of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and to authorise the members for the time being of any such local board, or any of them, to fill up any vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annul or vary any such delegation.
21. At any time and from time to time by power of attorney under the seal of the Company, to appoint, any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the members of any local board, established as aforesaid or in favour of any company, or the shareholders, directors, nominee or managers, of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such powers of the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
22. Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deed and things in the name and on behalf of the Company as they may consider expedient.
23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.

THE SECRETARY

107. The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the paid-up capital of the Company is more than or equal to the limit



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prescribed under Section 203 of the Act read with the relevant rules made thereunder and as amended from time to time, it shall have a whole- time secretary. The Directors may also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.

THE SEAL, ITS CUSTODY AND USE

108. a) The Board shall provide a common seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- b) The company shall also be at liberty to have an official seal in accordance with of the provisions of the Act, for use in any territory, district or place outside India.

DEEDS HOW EXECUTED

109. Every deed or other instrument to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose provided that in respect of the share certificate the seal shall be affixed in accordance with Articles hereof.

DIVIDENDS DIVISIONS OF PROFITS

110. The Profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles and the Act shall be divisible among the members in proportion to the amount of capital paid or credited paid-up on the shares held by them respectively.

THE COMPANY IN GENERAL MEETING MAY DECLARE A DIVIDEND

111. The company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

DIVIDENDS ONLY TO BE PAID OUT OF PROFITS

112. No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that:
- a) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of 123 of the Act or against both.



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INTERIM DIVIDEND

113. The Board may, from time to time, pay to the members such interim dividend as in their judgement the position of the Company justifies.

CAPITAL PAID - UP IN ADVANCE AND INTEREST, NOT TO EARN DIVIDEND

114. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participation in profits.

DIVIDENDS IN PROPORTION TO AMOUNT PAID-UP

115. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

TRANSFER OF SHARE MUST BE REGISTERED

116. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

DIVIDENDS HOW REMITTED

117. Unless otherwise directed any dividend may be paid by cheques or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the member or persons entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

INTEREST ON UNPAID DIVIDEND

118. Subject to the provisions of 123 to 127 of the Act, no unpaid dividend shall bear interest as against the Company.

UNCLAIMED DIVIDEND

119. No unclaimed dividend shall be forfeited by the Board and the dividends unclaimed will be dealt with in accordance with the provisions of 123, 124 or other provisions, if any of the Act as may be applicable from time to time.

DIVIDEND AND CALL TOGETHER

120. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend may, if so arranged between the Company and the member, be set off against the calls.

CAPITALISATION

121. a) The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, or any Capital Redemption Reserve Accounts, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of



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dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum provided that a Share Premium Account and Capital Redemption reserve account may, for the purpose of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus share.

- b) A General Meeting may resolve that any surplus money arising from the realisation of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed among the members on the footing that they receive the same as capital.
- c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Articles the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates.

ACCOUNTS

DIRECTORS TO KEEP TRUE ACCOUNTS

122. The Company shall keep at the office or at such other place in India as the Board thinks fit, proper books of accounts in accordance with Section 128 of the Act with respect to:
- a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditures take place;
 - b) all sales and purchases of goods by the Company.
 - c) the assets and liabilities of the Company.

ACCOUNTS

123. Where the Board decides to keep all or any of the books of accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such books of account. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office and proper summarised returns, made up-to-date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's books of account are kept as aforesaid. The books of accounts shall give a true and fair view of the state of affairs of the Company or branch office as the case may be, and explain its transactions. The books of accounts and other books and papers shall be open to inspection by any Director during business hours.

INSPECTION OF ACCOUNTS OR BOOKS BY MEMBERS

124. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors and no



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member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

STATEMENT OF ACCOUNTS TO BE FURNISHED TO GENERAL MEETING

125. The Directors shall from time to time, in accordance with Sections 129, 133, 134 and other provisions of the Act cause to be prepared and to be laid before the Company in General Meeting, such Financial Statements and other reports as are required by the Act.

COPIES SHALL BE SENT TO EACH MEMBER

126. a) A copy of every such financial statement (including the Auditors' Report and every other documents required by law to be annexed or attached to them), shall at least twenty one days before the meeting at which the same are to be laid before the members be sent to the members of the company, to holders of debentures issued by the Company (not being debentures which extacic are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.
- b) Without prejudice to the generality of the above provisions the company may; if its shares are listed at any recognised Stock Exchange make available for inspection at its registered office for a period not exceeding twenty one days before the date of the meeting and send a statement containing the salient features of such documents in the prescribed forms or copies thereof as the Company may deem fit to every member of the Company and to every trustee for the holder of any debenture issued by the Company not less than 21 days before the date of the meeting.

AUDITED AND APPROVED FINANCIAL STATEMENT TO BE CONCLUSIVE EVIDENCE

127. Every financial statement of the Company when audited and approved by the Company at an Annual General Meeting shall be conclusive except as regards any error discovered therein. Whenever any such error is discovered the financial statement shall forthwith be corrected by the Board and henceforth shall be conclusive.

AUDIT ACCOUNTS TO BE AUDITED

128. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 143, and 145 to 148 of the Act.

WINDING UP LIQUIDATOR MAY DIVIDE ASSETS IN SPECIE

129. The Liquidator on any winding-up (whether voluntary, under supervision of the Court of compulsory) may, with the sanction of Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit.

INDEMNITY AND RESPONSIBILITY DIRECTORS AND OTHERS RIGHT OF INDEMNITY

130. Subject to Section of the Act, every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company, against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Company.



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SECRECY CLAUSE

131. a) Every Director, (except institution/ex-officio director) Auditor, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company and all matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the directors or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which, in the opinion of the Director, it would be inexpedient in the interest of the Company to disclose.

REGISTERS, INSPECTION AND COPIES THEREOF

132. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.
- b. Any ,Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

GENERAL AUTHORITY

133. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.



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Sl. No	Names, Description, occupation and address of Subscribers	Signature of the Subscriber	Signature, Name, description, occupation and address of witness
1	Srimati Garapaty Vijayeswari Business Sri Nagar Colony Hyderabad-500038	Sd/-	Signature, Name, description, occupation and address of witness
2	Sri Valamati Chandra Sekhara Janardana Rao Engineer, Srinagar Colony, Hyderabad-500038	Sd/-	Sri A. Madhusudana Rao Chartered Accountant C/o Brahmayya & Co. Tilak Road, Hyderabad

Dated : this 10th day of February, 1970
Place : Hyderabad



INCON ENGINEERS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors take pleasure in presenting the 45th Annual Report of the Company together with the Audited Accounts and Auditors' Report for the financial year ended on 31st March, 2015.

FINANCIAL RESULTS AND OPERATIONS

The performance of the Company for the financial year ended 31st March, 2015 is summarized hereunder: (Rupees in lakhs)

Details	For the year ended 31.03.2015	For the year ended 31.03.2014
Sales/ Income from operations	73.45	59.18
Other Income	8.35	7.66
Manufacturing Expenses	52.83	38.35
Other Expenses	37.41	19.48
Interest	0.30	0.29
Gross Profit (+)/(Loss)(-) after Interest before Depreciation and Tax	(8.74)	8.72
Depreciation	5.58	5.18
Net Profit (+)/(Loss) before Tax for the year	(14.32)	3.54
Net Profit(+)/(Loss) for the year	(14.32)	3.54

OPERATIONS

The operations of the Company have improved with the income going up to Rs.73.45 lakhs as compared to Rs.59.18 lakhs during the previous year. The Company made a net loss of Rs.14.32 lakhs after providing for depreciation of Rs.5.58 lakhs.

DEPOSITS/LOANS, ADVANCES, GUARANTEES OR INVESTMENTS:

Your Company has not accepted any deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 forms part of this Report.

None of the employees whether employed throughout the year or part of the year were in receipt of remuneration exceeding the limits specified in the Act.

FOREIGN EXCHANGE EARNINGS AND OUTGO : Nil

CONSERVATION OF ENERGY

Steps to optimize energy consumption in various manufacturing operations is being continuously taken; however, the Company's operations are not energy intensive

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Specific areas in which R & D carried out by the Company Design of Fluid Energy Mill and Classifiers.

INDUSTRIAL RELATIONS

Your Company continues to enjoy the support from the workforce. Industrial relations were cordial during the year under review.

BOARD OF DIRECTORS

During the year under review, Dr. B. Neeta Kumari resigned as Director of the Company on 30th September, 2014. She was appointed as Additional Director of the Company with effect from 30th March, 2015.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION :

The Governance policies laid down by the Board of Directors of your Company include -

1) Policy on appointment and removal of Directors, key management personnel and senior management.

2) Policy on remuneration to Directors, key management personnel and senior management and other employees.

Board of Directors met 5 times i.e. on 27.5.2014, 4.8.2014, 16.9.2014, 12.11.2014 and 6.2.2015 during the year.



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SUBSIDIARY COMPANIES :

Company does not have a subsidiary Company.

STATUTORY AUDITORS:

M/s. Brahmayya & Company, Chartered Accountants, (Regn. No.000513S) Auditors of your Company, who hold office upto the conclusion of forthcoming Annual General Meeting of the Company pursuant to provisions of Section 139(2) of Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, M/s. Brahmayya & Company are eligible for appointment as auditors.

Your Company has received a written confirmation from M/s. Brahmayya & Company, Chartered Accountants, to the effect that their appointment, if made, would satisfy the criteria provided in Section 141 of the Companies Act, 2013 for their appointment. The Board recommends the appointment of M/s. Brahmayya & Company, Chartered Accountants, as auditors of the Company from the conclusion of ensuing Annual General Meeting to the conclusion of next Annual General Meeting.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 in the options (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company had appointed Mr. Sharad Kumar Gupta, Practicing Company Secretary, Hyderabad, to undertake secretarial audit of the Company. The secretarial audit report is provided as Annexure-I. The Secretarial Audit Report says that the Company does not have a full time Company Secretary and the Managing Director is the Compliance Officer of the Company, who is not a qualified Company Secretary.

We hereby state that the Company is facing severe financial crisis and cash crunch and is not in a position to appoint a full time Company Secretary. Managing Director is looking into the statutory matters and is being assisted by a practicing company secretary.

ANTI-SEXUAL HARASSMENT POLICY:

Your Company laid down Anti-Sexual Harassment policy. The Company has zero tolerance on sexual harassment at work place during the year under review. There were no cases filed pursuant to sexual harassment of women at work place (Prevention, Prohibition & Redressal).

AUDIT COMMITTEE

Pursuant to the provisions of the Companies Act, 2013 and provisions of the Listing Agreement, the Company has constituted an Audit Committee. The composition, scope and powers of Audit Committee together with details meetings held during the year under review forms part of Corporate Governance Report.

EXTRACT OF THE ANNUAL RETURN:

Pursuant to the provisions of 134(3)(a) of Companies Act, 2013, the extract of the Annual Return in Form MGT-9 is attached as Annexure-II.

MANAGERIAL REMUNERATION:

Disclosures of ratio of Remuneration of each Director to the median employees remuneration and other details as required pursuant to section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies (Appointment of Managerial Personnel) Rules 2014 as provided in Annexure-III. The details of the remuneration paid to the Directors including Managing Director of the Company are given in the form MGT-9 forming part of the Directors Report.

PARTICULARS OF CONTRACTS OR SHARES WITH RELATED PARTIES:

All transactions entered into with related parties as defined under section 2(76) of Companies Act, 2013 in clause 49 (vii) of Listing Agreement during the financial year were in the ordinary course of business and on an arms-length pricing basis and do not contradict the provisions of Section 188 of the Companies Act, 2013. There was no materially significant transactions with related parties in the financial year which were in conflict of the interest of the



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Company and requiring compliance of the provisions of the required clause 49 of the Listing Agreement.

Suitable disclosure as required by Accounting Standards (AS-18) has been made in notes forming part of the financial statements. The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions.

The particulars of related party transactions in prescribed form AOC-2 is attached as Annexure-IV.

CORPORATE GOVERNANCE:

The Company's policies have always been in accordance with the Code of Corporate Governance and hence the mandatory regulations now placed are being complied with. The Company's continued endeavor is to maintain a high level of accountability and transparency to its stakeholders.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the management discussions and analysis report which forms part of this Annual Report.

EMPLOYEES STOCK OPTION PLAN:

Details as required under Rule 12 Sub-section 9 of the Companies (Share Capital & Debentures) Rules 2014 and as required to be provided under Securities Exchange Board of India guidelines on March 31, 2015: The Company does not have an Employee Stock Option Scheme.

DIRECTORS' RESPONSIBILITY STATEMENT

The Audited Accounts for the year under review in conformity with the requirements of the Companies Act, 2013 and the Accounting Standards. The financial statements reflect fairly the form and substances of transactions carried out and reasonably present the Company's financial condition and results of operations. Your Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have

been followed along with proper explanations relating to material departures, if any;

- ii) that the accounting policies selected have been applied consistently and judgments and estimates that are made reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015.
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv) that the Annual Accounts of the Company have been prepared on 'going concern' basis.
- v) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) the proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

ACKNOWLEDGEMENT

The Board of Directors would like to thank Business Partners, Bankers, Investors and Auditors for their continued support and association. We would also like to place on record our appreciation of the collective contribution made by all the employees during the last year.

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
Managing Director



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ANNEXURE-I

SECRETARIAL AUDIT REPORT

To,
The Members,
Incon Engineers Limited
B-6/3, IDA Uppal,
Hyderabad-500039.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Incon Engineers Limited" (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives, during the conduct of secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, according to the provisions of:

- (i) the Companies Act, 2013 (the Act) and the rules made there under;
- (ii) the securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) the Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) the following Regulations and Guidelines prescribed under the securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 2011, as amended from time to time.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. However, the regulations are not applicable to the Company during the audit period since the Company has not raised any money from the public and hence, these regulations have not been considered for the purpose of this report.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and employee stock Purchase scheme) Guidelines, 1999. However, the regulations are not applicable to the Company during the audit period since the Company does not have any scheme in operation and hence, these guidelines have not been considered for the purpose of this report.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008. However, the regulations are not applicable to the Company during the audit period since the Company has not raised any money through debt securities from the public and hence, these regulations have not been considered for the purpose of this report.



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- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share transfer Agents) Regulations, 1993 as amended from time to time, regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. However, the regulations are not applicable to the Company during the audit period since the Company has not bought back any of its securities and hence, these regulations have not been considered for the purpose of this report.

We have also examined compliance with the applicable Clauses of the following:

- (i) secretarial standards issued by the Institute of Company Secretaries of India. since these standards are applicable with effect from July 1, 2015, they have not been considered for the purpose of this report.
- (ii) the Listing Agreements entered into by the Company with the Bombay Stock Exchange and Calcutta Stock Exchange Limited.

During the period under review, the Company has generally complied with the provisions of the Act, Rules Regulations, Guidelines, etc. mentioned above.

We further report that :

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director in terms of Companies Act 2013 and Clause 49 of Listing Agreement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions are carried unanimously. None of the members of the Board have expressed dissenting views on any of the agenda items during the financial year under review.
4. **We report that the Company does not have a Company Secretary in its wholetime employment.**
5. **We further report that Managing Director is also the Compliance Officer of the Company who is not a qualified Company Secretary.**

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For the purpose of examining adequacy of compliances with other applicable laws including industry/sector specific, under both Central and state legislations, reliance has been placed on the information given by the Management. Based on the aforesaid, we are of the opinion that the Company has generally complied with the following :

- i) Deposit of Provident Fund, Employee State Insurance, Employee Deposit Linked Insurance and other employee related statutory dues.
- ii) Deposit of taxes relating to Income Tax, Value Added Tax, Central Sales Tax, Professional Tax and other applicable taxes including Tax deducted at source.

Place: Hyderabad
Date : 27.05.2015

SHARAD GUPTA
Company Secretary
Membership No.ACS5499
CP: 1464



INCON ENGINEERS LIMITED

ANNEXURE-II

FORM No. MGT - 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies]
(Management and Administration) Rules, 2014

I REGISTRATION AND OTHER DETAILS

1.	CIN	L74210TG1970PLC001319
2.	Registration Date	13.02.1970
3.	Name of the Company	INCON ENGINEERS LIMITED
4.	Category/Sub-category of the Company	PUBLIC LIMITED
5.	Address of the Registered office & Contract details	B-6/3, IDA, UPPAL, HYDERABAD-500 039. Telephone No. +91-40-27203943 Fax No. +91-4027201271 Email.incon@incon.in/ inconengineers@gmail.com
6.	Whether Listed Company	YES
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any	Venture Capital and Corporate Investments Pvt Ltd. 12-10-167, Bharat Nagar, Hyderabad-18. Name of Cotact Person : ESK. Prasad Phone : +91-40-23818475, Fax No. +91-40-23868024

II PRICIPAL BUSINESS ACTIVITES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

S.No	Name and Description of Main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Chemical Process Equipment (Fluid Energy Mills & Others)	Not available	97%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPNIES

S.No	Name and Address of the Company	CIN	Holding / subsidiary/ Associate	% of Share Held	Applicable section
1	Nil	Nil	Nil	Nil	Nil



INCON ENGINEERS LIMITED

IV SHARE HOLDING PATTERN: (Equity Share Capital Breakup as percentage of Total Equity)

1. Category -wise Share Holding

Category -wise Share Holding		No. of Share held at the beginning of the year (01.04.2014)				No. of Share held at end of the year (31.03.2015)			
Category code	Category off Share Holders	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
(A)	PROMOTER AND								
1	PROMOTER GROUP	2482534	38200	2520734	58.25	2482534	38200	2520734	58.25
(a)	INDIAN	0	0	0	0	0	0	0	0
(b)	Individual/HUF	0	0	0	0	0	0	0	0
(c)	Central Govt/state Govt	350000	0	350000	8.09	350000	0	350000	8.09
(d)	Bodies Corporate	0	0	0	0	0	0	0	0
(e)	Financial Institutions/banks	0	0	0	0	0	0	0	0
	Others (specify)	0	0	0	0	0	0	0	0
	Sub-Total A(1)	2832534	38200	2870734	66.34	2832534	38200	2870734	66.34
2	FOREIGN								
(a)	Individuals/NRI /Foreign	0	0	0	0	0	0	0	0
(b)	Individuals	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0
(d)	Institutions	0	0	0	0	0	0	0	0
(e)	Qualified Foreign Investor	0	0	0	0	0	0	0	0
	Others(specify)	0	0	0	0	0	0	0	0
	Sub-Total A(2)	0	0	0	0	0	0	0	0
	Total Shareholding of promoter and promoter								
	Group(A)=(A)(1)+(A)(2)	2832534	38200	2870734	66.34	2832534	38200	2870734	66.34



INCON ENGINEERS LIMITED

(B) PUBLIC SHARE HOLDING											
1	INSTITUTIONS	0	600	600	0.01	0	600	600	0.01	0	0
(a)	Mutual funds/UTI	0	0	0	0	0	0	0	0	0	0
(b)	Financial Institutions/banks	0	0	0	0	0	0	0	0	0	0
(c)	Central Govt/State Govts	0	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0
(h)	Others (specify)	0	0	0	0	0	0	0	0	0	0
	Sub-Total B(1)	0	600	600	0.01	0	600	600	0.01	0	0
2	NON-INSTITUTIONS										
(a)	Bodies Corporate	53094	100	53194	1.23	43407	100	43507	1.01	(0.22)	
(b)	Individuals										
	(i) Individuals shareholding nominal share capital up to Rs. 1 Lakh	567610	162900	730510	16.88	574181	162400	736581	17.02	0.14	
	(ii) Individuals shareholding nominal share capital in excess of Rs. 1 Lakh	344689	95173	439862	10.17	347551	95173	442724	10.23	0.06	
(c)	Qualified Foreign Investor										
(c-i)	Others (specify)	2809	0	2809	0.06	3563	0	3563	0.08	0.02	
(c-ii)	Clearing Members	0	200000	200000	4.62	0	200000	200000	4.62	0	
(c-iii)	Corporate OCB	22391	7000	29391	0.68	22391	7000	29391	0.68	0	
	Non Resident Individuals										
	Sub-Total B(2)	990593	465173	1455766	33.64	991093	464673	1455766	33.64	0	
	Total Public Shareholding (B)=B(1)+B(2)	990593	465773	1456366	33.65	991093	464673	1456366	33.66	0	
	Total (A+B)	3823127	503973	4327100	100.00	3823627	503473	4327100	100.00	0	
(C)	Share held by Custodians and against which Depository Receipts have been issued										
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0	0
	Public	0	0	0	0	0	0	0	0	0	0
	Sub-Total C	0	0	0	0	0	0	0	0	0	
	GRAND TOTAL (A)+(B)+(C)	3823127	503973	4327100	100.00	3823627	503473	4327100	100.00	0	



INCON ENGINEERS LIMITED

(ii) SHARE HOLDING OF PROMOTERS

		Shareholding at the beginning of the year (01.04.2015)				Shareholding at the end of the year (31.03.2015)			
S.No	Share Holders Name	No.of Shares	%of the Shares of the company	%of Shares Pledged/ encumbered to total shares	No.of Shares	%of the Shares of the company	%of Shares Pledged/ encumbered to total shares	% change in share-holding during the year	
1	Sreedhar Chowdhury	2057079	47.54	0	2057079	47.54	0	0	
2	Renuka Chowdhury	214594	4.96	0	214594	4.96	0	0	
3	Oxeeco Meditek Pvt Ltd	200000	4.62	0	200000	4.62	0	0	
4	Fusion Chemicals & Products Pvt. Ltd	150000	3.47	0	150000	3.47	0	0	
5	Poojita Chowdhury	101506	2.35	0	101506	2.35	0	0	
6	Tejuswini Chowdhury	64000	1.48	0	64000	1.48	0	0	
7	G.Vijayeswari	38200	0.88	0	38200	0.88	0	0	
8	Jayadev Chowdhury G	30804	0.71	0	30804	0.71	0	0	
9	Prabha Sukumar Koneru	14551	0.34	0	14551	0.34	0	0	
		2870734	66.35		2870734	66.35	0	0	
(iii) CHANGE IN PROMOTERS' SHARE HOLDING (please specify, if there is no change) There is no change in the Shareholding of Promoter Group. [Refer (ii) above]									



INCON ENGINEERS LIMITED

(iv) SHARE HOLDING PATTERN OF TOP TEN SHARE HOLDERS (Other than Directors, Promoters and Holders of GDRs ADRs)

Sl. No.	For the Top 10 Share Holders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Share Holding at the end of the year (31.03.2015)	
		No.of Shares	%of the Shares of the company	No.of Shares	%of the Shares of the company
1	MAHENDRA GIRDHARILAL	84165	1.95	84165	1.95
2	SANJAY SHAH	38678	0.89	0	0
3	"SHAILESH BABULAL SHAH"	32300	0.75	32194	0.74
4	JAYESH BABULAL SHAH"				
5	REETA MAHENDRA MEHTA	31000	0.72	31000	0.72
6	"DEEPAK HARIBHAI GAUDANI"	23177	0.54	23177	0.54
7	RASILABEN DEEPAKBHAI GAUDANI"				
8	LAKSHMI S NARAYANA	22673	0.52	22673	0.52
9	"HAFIZAA NATHANI"	20008	0.46	20008	0.46
10	AKHTAR S NATHANI"				
11	G STALIN	20000	0.46	20000	0.46
12	G BHARADWAJ	20000	0.46	20000	0.46
13	G NARAYANA RAO	20000	0.46	20000	0.46
14	MAHENDRA KUMAR JAIN	17000	0.39	17000	0.39

(v) SHARE HOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	For the Top 10 Share Holders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Share Holding at the end of the year (31.03.2015)	
		No.of Shares	% of the Shares of the company	No.of Shares	% of the Shares of the company
1	Sreedhar Chowdhury	2057079	47.54	2057079	47.54
2	S.Manohar Raju	52600	1.22	52600	1.22
3	A.Subba Rao	10100	0.23	10100	0.23
4	D.Ramachandra Reddy	200	0	200	0
	TOTAL	2119979	48.99	2119979	48.99



INCON ENGINEERS LIMITED

V INDEBTENDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Sl. No.	Indebtedness at the beginning of the financial year	Secured deposits	Loans excluding	un secured Loans	Depo-sits	Total Indebtend ness
i	Principal Amount	nil	nil	nil	nil	nil
ii	Interest due but not paid	nil	nil	nil	nil	nil
iii	Interest accrued nut but due	nil	nil	nil	nil	nil
	Total(i+ii+iii)	nil	nil	nil	nil	nil
	Change in indebtedness during the financial year					
	* Additions	nil	nil	nil	nil	nil
	* Reduction	nil	nil	nil	nil	nil
	NET CHANGE					
	Indebtedness at the end of the financial year	nil	nil	nil	nil	nil
i	Principal Amount	nil	nil	nil	nil	nil
ii	Interest due but not paid	nil	nil	nil	nil	nil
iii	Interest accrued nut notdue	nil	nil	nil	nil	nil
	Total(i+ii+iii)	nil	nil	nil	nil	nil

VI REMUNERATION TO DIRECTORS AND KEY MANEGERICAL PERSONNEL

A Remuneration to Managing director, Whole-time Directors and /or Manager

Sl. No.	Particulars of Remuneration	Name of MD MD	Total Amount in Rs.
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act,1961	Nil	Nil
	b) Value of perquisites u/s17(2) of the Income Tax Act,1961	Nil	Nil
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act,1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission as % of profit	Nil	Nil
5	Others please specify Ceiling as per the Act	Nil	Nil
	TOTAL	Nil	Nil



INCON ENGINEERS LIMITED

B REMUNERATION TO OTHER DIRECTORS

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount in Rs.
		S.Manohar Raju	A.Subba Rao	Dr.B.Neeta Kumari	
1	Independent Directors				
	Fee for attending board /Committe meetings	8000	8000	---	16000
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
	Total (1)	8000	8000	---	16000
2	Other Non-Executive Directors				
	Fee for attending board /Committe meeting	---	---	---	---
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
	Total (2)	---	---	---	16000
	Total (B)=(1+2)	8000	8000	---	16000
	Total Managerial Remuneration	8000	8000	---	16000

C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Amount in Rs.
		CFO	CS	CEO	
1	Gross Salary	Nil	Nil	Nil	Nil
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit	Nil	Nil	Nil	Nil
5	Others	Nil	Nil	Nil	Nil
	Others please specify				
	Total	Nil	Nil	Nil	Nil



INCON ENGINEERS LIMITED

VII PENALITES / PUNISHMENT/ COMPOUNDING OF OFFENCES

	Type	Section of the compa-nies Act	Brief descrip-tion	Details of penalty/ punishment/ compound-ing fee imposed	Authority made if any give details
A	COMPANY Penalty Punishment Compounding	Nil	Nil	Nil	Nil
B	DIRECTORS Penalty Punishment Compounding	Nil	Nil	Nil	Nil
C	OTHER OFFICERS IN DEFALUT Penalty Punishment Compounding	Nil	Nil	Nil	Nil



INCON ENGINEERS LIMITED

ANNEXURE-III

Disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- 1) Ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Directors & KMPs in the Financial Year :

Sl No.	Name of the Director/ KMP	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2014-15
1	Mr. Sreedhar Chowdhury	Managing Director	Nil	Nil
2	Mr. S. Manohar Raju	Director	Nil	Nil
3	Mr. A. Subba Rao	Director	Nil	Nil
4	Dr. B. Neeta Kumari	Director	Nil	Nil

Note: Mr. Sreedhar Chowdhury, Managing Director of the Company is not drawing any remuneration from the Company. Hence, ratio of remuneration of Mr. Sreedhar Chowdhury to the median remuneration of employees does not arise. Mr. S. Manohar Raju and Mr. A. Subba Rao are paid only sitting fees for attending the board meetings. Dr. B. Neeta Kumari was not paid sitting fee for attending the board meetings.

2) Percentage increase in the median remuneration of employees in the financial year	Nil
3) Number of permanent employees on the rolls of Company as at March 31, 2015	6 (4 employees and 2 workers)
4) Explanation on the relationship between average increase in remuneration and Company performance	Company has not given any increase in the remuneration to staff during the year under review. However, two workers were given an increase of 15.55%.
5) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Company has not paid any remuneration during the period under review.
6) i. Variations in the market capitalisation of the Company	The market capitalisation as on March 31, 2015 was Rs.1.09 crores (Rs.1.55 crores as at March 31, 2014)
ii. Price Earnings ratio of the Company	(0.33) as at March 31, 2015 and 0.08 as at March 31, 2014.
iii. Percentage increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year	The company has not come out with any Public Issue Since past 20 years
7) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There is no increase in managerial remuneration



INCON ENGINEERS LIMITED

- 8) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company

Names of the KMPs	Remuneration in FY 2014-15	Revenue	Remuneration as % of revenue	Profit Before Tax	Remuneration (as % of PBT)
Mr. Sreedhar Chowdhury	Nil	81.80	Nil	(14.32)	Nil

9) The key parameters for any variable component of remuneration availed by the Directors	No remuneration paid to any Directors.
10) Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable
11) Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMPs and other Employees.

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
Managing Director



INCON ENGINEERS LIMITED

ANNEXURE-IV

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:										
Sr. No	Name(s) of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Salient features of the Transactions	Transactions value	Justification for transaction	Date(s) of approval by the Board	Amount paid as advances	Date of special resolution
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Details of material contracts or arrangement or transactions at arm's length basis

Sr. No	Name(s) of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Transactions value (Rs.)	% to Consol revenue	Date(s) of approval by the Board, if any	Amount paid as advances
1	Oxeeco Technologies Private Limited	Associate	Rent Received		780450		Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable.	NA
			Loan taken		1100000			
			Interest paid		20178			
2	Mr. Sreedhar Chowdhury	Key Management Personnel	Loans Taken from Mr. Sreedhar Chowdhury		620000		However, these are reported to the Audit Committee/ Board at their quarterly meetings.	

By order of the Board of Directors of
INCON ENGINEERS LIMITED

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
Managing Director



INCON ENGINEERS LIMITED

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Application of micronized powders in the pharmaceutical, paints and pesticides industries is growing rapidly in the country. At present, micronized powders are used extensively in the technologically advanced countries and this practice will come here also in view of the benefits. The Company needs to improve its pilot plant facilities so that these benefits can be demonstrated to prospective customers. Custom grinding services have need to be examined for this purpose and also with the intention of generating additional revenues for the Company.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all interactions with its stakeholders, including the shareholders, investors, employees, lenders and government.

BOARD OF DIRECTORS:

A. Composition:

The Board presently consists of four members. The Managing Director, Mr. Sreedhar Chowdhury, is the only Executive Director and manages the affairs of the Company subject to the general supervision, control and directions of the Board consisting of one non-executive Director and two independent Directors bring to the Company their wide experience in industry, finance and administration and contribute significantly to the various Board Committees.

All Directors except Managing Director receive only sitting fees and do not have any other material pecuniary relationship or transactions with the Company, its management or its subsidiaries. Your Board comprises two Independent Directors out of total strength of four Directors:

S.No. Name of the Director

1. Shri Sreedhar Chowdhury (Managing Director)	Executive
2. Shri S. Manohar Raju	Independent Director
3. Shri A. Subba Rao	Independent Director
4. Dr. B. Neeta Kumari	Non-Executive

The Board Meetings are held generally once in 3 months. During the year 2014-15, Five Board Meetings were held.

B) Other Directorships Held :

Sl. No.	Name of the Director	Category	No. of other Directorships
1.	Shri Sreedhar Chowdhury (Managing Director)	Executive	8
2.	Shri S. Manohar Raju	Independent Director	2
3.	Shri A. Subba Rao	Independent Director	—
4.	Dr. B. Neeta Kumari	Non-Executive	—

Dr. B. Neeta Kumari, has been appointed as Woman Director pursuant to Section 161 of the Companies Act, 2013 with effect from 30th March, 2015.

Brief profile of the Director proposed to be appointed, as required in terms of the provisions of Clause 49 of the Listing Agreement:

Sl No	Particulars	Profile of the Director
1.	Name of the Director	Dr. B. Neeta Kumari
2.	Date of Birth	10.06.1959
3.	Educational Qualification	Ph.D
4.	Date of appointment on the Board	30.03.2015
5.	Category of the Director	Non-Executive
6.	Area of Expertise / Senior Position Held / Work Experience	Worked in senior technical positions in various companies for over 25 years.
7.	Details of Directorships in other Public Limited companies (including subsidiaries of Public Company)	Nil
8.	Names of the other Committees in which Chairman	Nil
9.	Names of the other Committees in which Member	Nil
10.	No. of shares held	Nil



INCON ENGINEERS LIMITED

RESPONSIBILITIES:

The Board has responsibilities like reviewing Corporate performance, ensuring availability of supplies at competitive rates and fulfilling shareholders' expectations. The Board members ensure that other responsibilities do not materially affect their responsibilities as a Director of the Company.

ROLE OF INDEPENDENT DIRECTORS:

The shareholders in its last Annual General Meeting held on 30th September, 2014 appointed two Independent Directors to hold office for a term of five consecutive years. A formal letter of appointment letter was issued to each Independent Director pursuant to the provisions of the Companies Act, 2013.

The Independent Directors play an important role in taking major decisions at the Board Meetings and bring to the Company their wide experience in different fields like finance, accounts, capital market, law and engineering. The Audit Committee consists of two Independent Directors, Investors' Grievance Committee consists of two Independent Directors and Managing Director and Remuneration Committee consists of two Independent Directors.

BOARD MEETINGS:

As required by statute, the Board meets at least once in a quarter to review quarterly financial results and performance of the Company. The Directors have access to all information and records of the Company. Senior Officials are invited to attend the meetings and provide clarifications as and when required.

The Directors met Five times during the financial year 2014-15 i.e. on 27th May 2014, 4th August, 2014, 16th September, 2014, 12th November, 2014 and 06th February, 2015. The gap between Board Meetings did not exceed four months.

A Sitting fee of Rs.2,500/- is paid to the Directors and a sitting fee of Rs.1,000/- is paid to Committee Members (other than to Shri Sreedhar Chowdhury, Managing Director) for

every Board Meeting attended by them. No Director is paid any commission on the net profit of the Company.

BOARD COMMITTEES:

The Company is committed to transparency in all its dealings and to provide efficient and effective service. The Board has constituted Committees of Directors to deal with matters that need quick and timely decisions and overall supervision and guidance.

The Board has delegated certain powers to some of the Committees of the Board members, and these Committees decide the matters referred to it and report to the Board at the subsequent Board meetings. Board has constituted three Committees namely Audit Committee, Investors' Grievance Committee and Remuneration Committee.

AUDIT COMMITTEE:

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement. The terms of reference to the Audit Committee inter alia includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Approval or preapproval or any subsequent modification of transactions of the Company with related parties.
4. Evaluation of internal financial controls and risk management systems;
5. To review the functioning of the Whistle Blower mechanism.

The composition of the Audit Committee, meetings held, and attendance of the members are given below:



INCON ENGINEERS LIMITED

The Committee met four times during the year under review i.e. 27.5.2014, 4.8.2014, 12.11.2014 and 6.2.2015. Both Audit Committee members attended all the Audit Committee meetings.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement.

The terms of reference to the Nomination & Remuneration Committee are as given below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board;
3. Devising a policy on Board diversity;

Remuneration Committee met two times during the financial year 2014-15 on 12.11.2014 and 6.2.2015.

INVESTORS GRIEVANCE COMMITTEE:

This Committee consisting of Shri Sreedhar Chowdury, Managing Director, Shri S. Manohar Raju, and Shri A. Subba Rao, Directors, has been formed on 30.04.2002 to review the complaints in respect of share transfer, transmission, splitting and consolidation of shares, issue of duplicate share certificates and other related matters. Chairman of the Committee is a non-executive Director. As per SEBI's instructions, the transaction of the Company's shares has to be compulsorily in demat form. However, in respect of requests received for share transfer in physical form, the power to approve the same has been delegated to a Committee of Company Officials.

Shri Sreedhar Chowdhury, Managing Director is the Compliance Officer. During the year under review, no complaints were received from investors.

The attendance of Directors at the Board Meetings, Committee Meetings and 44th Annual General Meeting is as under:

	No. of Board Meetings attended	No. of Audit Committee Meetings attended	No. of Investors' Grievance Committee Meetings attended	Attendance at 44 th AGM
No. of Meetings held	5	4	1	1
Directors				
Shri Sreedhar Chowdhury	5	N.A.	1	Present
Shri S. Manohar Raju	5	4	1	Present
Shri A. Subba Rao	4	4	1	Present
Dr. B. Neeta Kumari	2	1	N.A.	Present

N.A. = Not Applicable

GOING CONCERN:

The Directors are satisfied that the Company has adequate resources to continue its business and accordingly has been adopting the going concern accounting principle in preparing Financial statements.

LISTING OF EQUITY SHARES:

The Company's equity shares are listed on the stock exchanges at Mumbai and Kolkata and have been trading on BSE. However, as the Company's shares are very thinly traded on Stock Exchange at Hyderabad and Kolkata, it was decided to delist the same from these Stock Exchanges and application made by the Company in November 2005. The Company has received the delisting approval from the Regional Stock Exchange i.e Hyderabad Stock Exchange (HSE) and is under process at Calcutta Stock Exchange Association Ltd (CSE).

STEPS TAKEN FOR PROTECTION OF INVESTORS INTEREST:

I. SHARE CERTIFICATES

a) Dematerialisation of Shares:

As on 31st March, 2015, 3823627 Equity Shares representing 88.36% of the Share Capital of the Company have been dematerialised.



INCON ENGINEERS LIMITED

b) Shares to be traded in Demat form:

With effect from 1st January, 2002, the equity shares of the Company are traded on the Stock Exchanges only in dematerialized form.

c) How to Dematerialise Shares:

Shareholders who desire to dematerialise their shares can do so by opening a depository account with a Depository Participant (DP). They can then submit to the DP a dematerialisation request along with the relevant share certificates who will forward the same to the concerned Company or its Registrars and Transfer Agent (R&T Agent) for dematerialisation. After getting confirmation electronically from the Company / Registrars and Transfer Agent (R&T Agent) the DP will give credit for that holding in the shareholder's demat account.

The Company continues to have Depository facility with NSDL and CDSL for trading its shares in Demat form to give a wider choice to its shareholders.

II. DELIVERY OF SHARE CERTIFICATES

Where Shares are still held in physical form, the Company after effecting transfer of shares, sends intimation to the shareholders regarding the transfer and dispatch of share certificates. Where the share certificates have not been received by the concerned shareholders, the Company on being informed, immediately puts a temporary alert tag in respect of such share certificates. This would help to avoid fraudulent transfers.

III. PREVENTION FROM TAMPERING

In order to prevent forged transfer of shares, which might have been intercepted in transit, the Company has started intimating the shareholders, especially in cases where share certificates are re-lodged for transfer within 2 months of the earlier transfer. Such intimations are sent by way of notice of lodgment inviting any objections to the proposed transfer of shares.

IV. ELECTRONIC TRANSFER

As 88.36% Shares of the Company are held in electronic form, transfer of shares takes effect promptly eliminating processing time as well ensuring safety of holdings.

V. DUPLICATE SHARES

The procedure for issue of duplicate share certificates has been streamlined. Efforts are made to dispatch duplicate share certificate/s within a period of 30 days from the date of receipt of duly completed documents by the R&T Agent of the Company.

NOMINATION FACILITY TO THE SHAREHOLDERS:

As per the latest amendment to the Companies Act, 1956, a shareholder can nominate the successors in case of his / her death. Shareholders who are interested in recording the nomination for their holdings may send Form 2B to the Company. Blank Nomination forms will be supplied on request.

MEANS OF COMMUNICATION:

The audited financial results are generally published in one National Newspaper and in the Regional Language newspaper.

Management Discussion and Analysis forms part of this Annual Report is provided elsewhere in this report.

GENERAL BODY MEETINGS:

Date, Time and venue for the last three Annual General Meetings are given below:

Financial year	Date	Time	Venue
31 st March, 2012	14.09.2012	11.00 am	Registered office of the Company
31 st March, 2013	26.09.2013	11.00 am	Registered office of the Company
31 st March, 2014	30.09.2014	10.00 am	Registered office of the Company

GENERAL SHAREHOLDERS INFORMATION:

a) As indicated in the Notice to our shareholders, the Annual General Meeting of the Company will be held on 30th September,



INCON ENGINEERS LIMITED

2015 at 11.00 a.m. at the Registered Office at B-6/3, Industrial Development Area, Uppal, Hyderabad-500039.

b) Tentative calendar of events for the Financial Year (2015-16) is given below:

i) Un-audited/Audited Financial Results for :

* First quarter	July, 2015
* Second quarter	October, 2015
* Third quarter	January, 2016
* Fourth quarter	April, 2016

c) **Book Closure** : The books will be closed from **23-09-2015 to 30-09-2015** (both days inclusive) for the purpose of Annual General Meeting.

d) The shares of the Company are listed on:

" The Bombay Stock Exchange Ltd., Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.

" The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkatta-700001. (applied for delisting and awaiting delisting approval)

Depository for Equity Shares: CDSL and NSDL.

e) The listing fee for the years 2015-16 has been paid to Bombay Stock Exchange. However, the listing fee for Calcutta Stock Exchange is outstanding for 10 years.

f) **Market Price Data:**

The shares of the Company are thinly traded. The 52nd week high and low on BSE was Rs.6.38 and Rs.2.51

Distribution of Share Holding as on 31.03.2015

No. of Equity shares held	Shareholders Number	Shareholders percentage	No. of Shares	Percentage
Upto - 500	680	64.58	146267	3.38
501 - 1000	193	18.33	175671	4.06
1001 - 2000	72	6.84	113611	2.63
2001 - 3000	31	2.94	79300	1.83
3001 - 4000	11	1.04	40646	0.94
4001 - 5000	18	1.71	86529	2.00
5001 - 10000	19	1.80	136227	3.15
10001 and Above	29	2.75	3548849	82.01
Total	1053	100.00	4327100	100.00

MANDATORY / NON-MANDATORY PROVISIONS

We have adopted all the mandatory requirements (except where not relevant or applicable). Of the non-mandatory suggestions, we have adopted those relating to a Chairman's Office. There have been no transactions of a material nature of the Company with its promoters, Directors or the management, their subsidiaries or relatives, etc. and accordingly no potential conflict with the interests of the Company. There has been no case of non-compliance by the Company nor any strictures or penalties imposed by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets. The above report represents the Company's philosophy on, and implementation of, its corporate governance. Auditor's certification as required forms a part of this Annual Report.

DECLARATION OF CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Directors and Senior management personnel of the Company it is further confirmed that all Directors and Senior management personnel of the company have affirmed compliance with the code of conduct of the Company for the financial year ended on 31.03.2015, as envisaged in clause 49 of the Listing Agreement with the Stock Exchanges.

Place: Hyderabad
Date : 27.05.2015

SREEDHAR CHOWDHURY
Managing Director



INCON ENGINEERS LIMITED

CERTIFICATION

To,
The Board of Directors
INCON ENGINEERS LIMITED

We, Head-Operations and Chief Financial Officer of the Company, certify to the Board that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on 31st March, 2015 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting, evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and the Audit Committee and take steps or propose to take steps to rectify these deficiencies.
- d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i. Significant changes in Internal Control over financial reporting during the year;
 - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware.

For INCON ENGINEERS LIMITED

D. RAMACHANDRA REDDY

Chief Financial Officer

Place : Hyderabad

Date: 27.05.2015

CORPORATE GOVERNANCE CERTIFICATE

To the members of INCON ENGINEERS LIMITED, HYDERABAD

We have examined the compliance of conditions of Corporate Governance by INCON ENGINEERS LIMITED, HYDERABAD for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Grievance Committee.

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

For Sharad Gupta & Company

Place:Hyderabad

Date :27-05-2015

Sharad Gupta

Company Secretary

Membership No. ACS 5499 : CP 1464



INCON ENGINEERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INCON ENGINEERS LIMITED, HYDERABAD.

Report on the Financial Statements

We have audited the accompanying financial statements of INCON ENGINEERS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.



INCON ENGINEERS LIMITED

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial

statements - Refer Note 27 to the financial statements

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Brahmayya & Co;
Chartered Accountants
Firm's Registration Number. : 000513S

(P. CHANDRAMOULI)

Place: Hyderabad
Date : 27.05.2015

Partner
Membership Number 025211

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of INCON ENGINEERS LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2.
 - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies



INCON ENGINEERS LIMITED

- noticed on physical verification between the physical stocks and book records were not material.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
 4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
 5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
 6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.
 7. a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
b. According to the records of the Company, no undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
 - d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
 8. The accumulated losses of the Company at the end of the financial year are more than fifty percent of net worth of the Company. The Company has incurred cash losses during the year covered by our audit and has not incurred any cash losses in the immediately preceding financial year.
 9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
 10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
 11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
 12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.
- For Brahmayya & Co;
Chartered Accountants
Firm's Registration Number. : 000513S
(P. CHANDRAMOULI)
Partner
Membership Number 025211
- Place: Hyderabad
Date : 27.05.2015



INCON ENGINEERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
EQUITY AND LIABILITIES			
Share holders funds			
Share Capital	04	57,137,500	57,137,500
Reserves and Surplus	05	(48,966,808)	(47,534,657)
		<u>8,170,692</u>	<u>9,602,843</u>
Non - Current liabilities			
Long Term Provisions	06	61,203	46,017
		<u>61,203</u>	<u>46,017</u>
Current liabilities			
Trade Payables	07	404,908	925,366
Other Current Liabilities	08	898,103	380,578
Short Term Provisions	09	1,254,597	1,074,747
		<u>2,557,608</u>	<u>2,380,691</u>
TOTAL		<u><u>10,789,503</u></u>	<u><u>12,029,551</u></u>
ASSETS			
Non - Current assets			
Fixed assets :			
Tangible	10	6,897,714	7,846,672
Intangible	11	22,161	11,765
Long Term Loans and Advances	12	116,223	98,579
		<u>7,036,098</u>	<u>7,957,016</u>
Current Assets			
Inventories	13	7,95,118	2,632,243
Trade Receivables	14	727,712	-
Cash and Cash Equivalents	15	1,563,238	846,855
Short Term Loans and Advances	16	128,048	254,514
Other Current Assets	17	539,289	338,923
		<u>3,753,405</u>	<u>4,072,535</u>
TOTAL		<u><u>10,789,503</u></u>	<u><u>12,029,551</u></u>

NOTES FORMING PART OF FINANCIAL STATEMENTS 01 - 37

Per our report of even date

For Brahmayya & Co.

Chartered Accountants

Firm's Registration No. : 000513S

For and on Behalf of the Board

Place: Hyderabad

Date : 27.05.2015

P. Chandramouli

Partner

Membership No. 025211

Sreedhar Chowdhury

Managing Director

S. Manohar Raju

Director

Chief Financial Officer



INCON ENGINEERS LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2015

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
INCOME			
Revenue from operations	18	7,345,448	5,917,969
Other Income	19	834,997	766,540
	TOTAL REVENUE	<u>8,180,445</u>	<u>6,684,509</u>
EXPENSES			
Cost of Raw Materials and Stores Consumed	20	817,123	2,974,243
(Increase)/Decrease in Inventories	21	1,804,294	(1,743,944)
Employee Benefit Expense	22	2,661,128	2,604,921
Finance Costs	23	30,391	29,201
Depreciation expense	24	558,242	518,418
Other Expenses	25	3,741,418	1,947,560
		<u>9,612,596</u>	<u>6,330,399</u>
	TOTAL EXPENSES	<u>9,612,596</u>	<u>6,330,399</u>
PROFIT / (Loss) BEFORE TAX		(1,432,151)	354,110
TAX EXPENSE		-	-
Profit / (Loss) for the year after Tax		<u>(1,432,151)</u>	<u>354,110</u>
Earnings per Share of face Value of Rs.10/- each: Basic and diluted	26	(0.33)	0.08
NOTES FORMING PART OF FINANCIAL STATEMENTS 01 - 37			

Per our report of even date
For Brahmayya & Co.
Chartered Accountants
Firm's Registration No. : 000513S

For and on Behalf of the Board

Place: Hyderabad
Date : 27.05.2015

P. Chandramouli
Partner
Membership No. 025211

Sreedhar Chowdhury
Managing Director

S. Manohar Raju
Director

Chief Financial Officer



INCON ENGINEERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	(1,432,151)	354,110
Adjustments for:		
Depreciation	558,242	518,418
Interest on Loans	20,178	27,732
Interest Received	(33,727)	(5,564)
Loss on Assets Discarded	538,871	-
Warranty Period Maintenance	100,000	-
Operating profit before Working Capital changes	(248,587)	894,696
Adjustments for :		
Increase/(Decrease) in Long Term Provisions	15,186	(22,018)
Increase/(Decrease) in Trade Payables	(520,458)	545,774
Increase/(Decrease) in Other Current Liabilities Payable	517,525	(195,573)
Increase/(Decrease) in Short Term Provisions	79,850	73,642
(Increase)/Decrease in Long Term Loans & Advances	(17,644)	-
(Increase)/Decrease in Short Term Loans & Advances	126,466	(150,816)
(Increase)/Decrease in Trade Receivables	(727,712)	-
(Increase)/Decrease in Inventories	1,837,125	(1,724,430)
(Increase)/Decrease in Other Current Assets	(91,648)	(1,420)
Cash generated from operations	970,103	(580,145)
Income tax	(81,762)	(82,016)
NET CASH FROM OPERATING ACTIVITIES	888,341	(662,161)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(158,551)	(35,795)
NET CASH USED IN INVESTING ACTIVITIES	(158,551)	(35,795)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(20,178)	(27,732)
Interest Received	6,771	18,769
NET CASH GENERATED IN FINANCING ACTIVITIES	(13,407)	(8,963)
Net increase in cash and cash equivalents (A+B+C)	716,383	(706,919)
Cash and Cash equivalents as at the beginning of the year	846,855	1,553,774
Cash and Cash equivalents as at the end of the year #	1,563,238	846,855
# including restricted amount of	1,177,590	-

Per our report of even date

For Brahmayya & Co.

Chartered Accountants

Firm's Registration No. : 000513S

For and on Behalf of the Board

Place: Hyderabad

Date : 27.05.2015

P. Chandramouli

Partner

Membership No. 025211

Sreedhar Chowdhury

Managing Director

S. Manohar Raju

Director

Chief Financial Officer



INCON ENGINEERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015.

1 NATURE OF OPERATIONS

Incon Engineers Limited (the Company) has been incorporated on 13.02.1970. At present the Company is engaged in the business of manufacturing of Chemical process equipment and agricultural Equipment.

2. BASIS OF ACCOUNTING:

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 and in accordance with the generally accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation

I. Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013.

II. Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.

d) Intangible assets:

Computer software: Costs incurred towards purchase of computer software are amortised using straight line method based on Management's estimate of useful lives of such software, which ranges from 3 to 5 years.

e) Prior period items

All items of income/expenditure pertaining to prior period, which are material, are accounted through "prior period adjustments" and the others are shown under respective heads of account in the Profit and Loss Account.



INCON ENGINEERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015.

f) Inventories

- i. Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.
- ii. Finished goods, Work in progress, Scrap, by-products, loose tools and other stock in trade are valued at lower of cost and net realizable value.
- iii. Cost includes direct materials, labor and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a FIFO basis and Cost of finished goods includes excise duty wherever applicable. Cost of traded goods includes purchase and allied costs incurred to bring inventory to its present condition and location.
- iv. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

- I. Sale of Goods: Revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. Sales are inclusive of excise duty and value added tax/sales tax and is net of sales returns and discounts.
- II. Income from Services: Revenue is recognized as and the Services rendered as per the terms of individual Service Contract. Income from Services is accounted inclusive of service tax.
- III. Interest: Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

h) Retirement and Other Employee Benefits

- i. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- ii. The Provident Fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- iii. Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year.



INCON ENGINEERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015.

- iv. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

i) **Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalized. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

j) **Segment Reporting Policies**

i. Identification of Segments:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets.

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- * Sales within India include sales to customers located within India.
- * Sales outside India include sales to customers located outside India.

ii. Allocation of Common Costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

iii. Unallocated Items:

Includes general corporate income and expense items which are not allocated to any business segment:

k) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term and vice versa.

l) **Earnings per Share (Basic and Diluted)**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



INCON ENGINEERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015.

m) Cash Flow Statement

Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and Fixed Deposits with Banks.

n) Taxes on Income

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

o) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

p) Provisions

A provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
04 SHARE CAPITAL		
<i>AUTHORISED :</i>		
8,400,000 Equity Shares of Rs.10/- each	84,000,000	84,000,000
TOTAL	84,000,000	84,000,000
<i>ISSUED AND SUBSCRIBED:</i>		
7,100,400 Equity Shares of Rs. 10/- each	71,004,000	71,004,000
TOTAL	71,004,000	71,004,000
<i>PAID UP</i>		
4,327,100 Equity Shares of Rs 10/- each fully paid up	43,271,000	43,271,000
Add: Forfeited Shares(amount originally paid up)	13,866,500	13,866,500
TOTAL	57,137,500	57,137,500

a. Rights attached to equity Shares :

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Details of shareholders holding more than 5% shares in the company

	31.03.2015		31.03.2014	
	Nos	% in the class	Nos	% in the class
Equity Shares of Rs 10/- each fully paid				
Sri Sreedhar Chowdhury	2,057,079	47.54	2,057,079	47.54



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
05 RESERVES AND SURPLUS:		
Capital Reserves :	157,259	157,259
Revaluation Reserve :		
Opening and Closing Balance	1,414	1,414
Surplus i.e. balance in Statement of Profit and Loss		
Opening balance	(47,693,330)	(48,047,440)
Add: Net profit after tax transferred from Statement of Profit and Loss	(1,432,151)	354,110
Amount available for appropriation	(49,125,481)	(47,693,330)
Appropriations:	-	-
Closing Balance	(49,125,481)	(47,693,330)
TOTAL	(48,966,808)	(47,534,657)
06 LONG TERM PROVISIONS		
Provision for employee benefits :		
Provision for Leave Encashment	61,203	46,017
TOTAL	61,203	46,017
07 TRADE PAYABLES		
Creditors for Supplies and Services (refer Note 31)	202,217	721,580
Creditors for accrued wages and salaries	202,691	203,786
TOTAL	404,908	925,366
08 OTHER CURRENT LIABILITIES		
Advance from Customers	-	-
Others		
Security deposit from a related Party	180,000	180,000
Other Statutory dues	50,238	103,163
Other Payables	47,865	97,415
Due to Directors	620,000	-
TOTAL	898,103	380,578
09 SHORT TERM PROVISIONS		
Provision for employee benefits :		
Provision for Gratuity	1,154,091	1,074,319
Provision for leave Encashment	506	428
Provision for Warranties	100,000	-
TOTAL	1,254,597	1,074,747



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

10. FIXED ASSETS : TANGIBLE

(Amount in Rupees)

		GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
S.NO.	DESCRIPTION	As at 31.3.2014	Additions	Deletions	As at 31.3.2015	Up to 31.3.2014	For the Year	On Deletions	Up to 31.3.2015	As at 31.03.2015	As at 31.03.2014
1	Land	3,778,773	-	-	3,778,773	-	-	-	-	3,778,773	3,778,773
2	Buildings - Factory	5,752,171	-	-	5,752,171	3,455,828	159,729	-	3,615,557	2,136,614	2,296,343
3	Plant and Machinery	5,072,850	-	2,426,216	2,646,634	3,433,076	357,591	1,996,610	1,794,057	852,577	1,639,774
4	Furniture and Fixtures	235,931	132,500	235,931	132,500	232,757	8,083	232,757	8,083	124,417	3,174
5	Office Equipment	597,107	2,850	583,307	16,650	496,269	8,595	488,904	15,960	690	100,838
6	Data Processing Equipment	415,853	-	339,780	76,073	388,083	11,439	328,092	71,430	4,643	27,770
Total Rs.		15,852,685	135,350	3,585,234	12,402,801	8,006,013	545,437	3,046,363	5,505,087	6,897,714	7,846,672
PREVIOUS YEAR Rs.		15,833,890	18,795	-	15,852,685	7,492,830	513,183	-	8,006,013	7,846,672	8,341,060

11. FIXED ASSETS : INTANGIBLE

		GROSS BLOCK			AMORTISATION			NET BLOCK			
S.NO.	DESCRIPTION	As at 31.3.2014	Additions	Deletions	As at 31.3.2015	Up to 31.3.2014	For the Year	On Deletions	Up to 31.3.2015	As at 31.03.2015	As at 31.03.2014
1	Computer Software	17,000	23,201	-	40,201	5,235	12,805	-	18,040	22,161	11,765
Total Rs.		17,000	23,201	-	40,201	5,235	12805	-	18,040	22,161	11,765
PREVIOUS YEAR Rs.		-	17,000	-	17,000	-	5,235	-	5,235	11,765	-



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
12 LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Security Deposits	116,223	98,579
TOTAL	<u>116,223</u>	<u>98,579</u>
13 INVENTORIES		
Raw Materials at Cost	542,231	575,062
Finished Goods at realisable Value	144,815	174,990
Work in Progress at Cost	108,072	1,882,191
TOTAL	<u>795,118</u>	<u>2,632,243</u>
14 TRADE RECEIVABLES		
(Unsecured, Considered good)		
Due for less than Six months	727,712	-
TOTAL	<u>727,712</u>	<u>-</u>
15 CASH AND CASH EQUIVALENTS		
Balances with Banks:		
on Current accounts	353,583	811,267
Cash on hand	32,065	35,588
Other Bank balances:		
Margin Deposits	1,177,590	-
TOTAL	<u>1,563,238</u>	<u>846,855</u>
16 SHORT TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Advance for Expenses	-	65,000
Staff advances	55,910	51,600
Balance with Statutory authorities	72,138	137,914
TOTAL	<u>128,048</u>	<u>254,514</u>
17 OTHER CURRENT ASSETS		
Interest Accrued	30,706	3,750
Prepaid Expenses	36,142	32,711
Advance income Tax	384,224	302,462
Other Receivables		
Due from a Related Party	88,217	-
TOTAL	<u>539,289</u>	<u>338,923</u>
18 REVENUE FROM OPERATIONS		
Sale of Product : Finished Good		
Fluid Energy Mills	6,530,576	4,371,420
FEM Spares	624,984	1,431,829
Services Rendered		
Manpower Supply	-	114,720
Erection Charges	189,888	-
TOTAL	<u>7,345,448</u>	<u>5,917,969</u>



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
19 OTHER INCOME		
Interest on		
Bank Deposits	29,675	564
Others	4,052	5,000
	-	-
Other Non Operating Income (net of expenses)		
Rent earned	780,450	709,500
Excess Provision / credit balance written back	20,820	51,476
	<u>834,997</u>	<u>766,540</u>
20 COST OF RAW MATERIAL AND STORES CONSUMED		
Inventory at the beginning of the year	575,062	594,576
Add : Purchases	718,317	2,673,906
Purchase of Components	<u>65,975</u>	<u>292,244</u>
	1,359,354	3,560,726
Less : Cost of Inventory Sold	-	11,421
: Inventory at the end of the year	<u>542,231</u>	<u>575,062</u>
TOTAL	<u>817,123</u>	<u>2,974,243</u>
Details of raw material and components consumed :		
MS Steel	120,194	1,695,758
Others	<u>696,929</u>	<u>1,278,485</u>
	<u>817,123</u>	<u>2,974,243</u>
Details of Inventory :		
Others	<u>542,231</u>	<u>575,062</u>
	<u>542,231</u>	<u>575,062</u>
21 (INCREASE)/DECREASE IN INVENTORIES		
Inventories at the end of the year		
Finished Goods	144,815	174,990
Work in Progress	<u>108,072</u>	<u>1,882,191</u>
	<u>252,887</u>	<u>2,057,181</u>
Inventories at the beginning of the year		
Finished Goods	174,990	205,165
Work in progress	<u>1,882,191</u>	<u>108,072</u>
	<u>2,057,181</u>	<u>313,237</u>
(Increase)/Decrease	<u>1,804,294</u>	<u>(1,743,944)</u>
22 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and Bonus	2,314,403	2,255,946
Contribution to Provident and Other Funds	202,101	198,673
Staff Welfare Expenses	64,852	76,472
Gratuity Expenses	<u>79,772</u>	<u>73,830</u>
TOTAL	<u>2,661,128</u>	<u>2,604,921</u>



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
23 FINANCE COSTS		
Interest	20,178	27,732
Bank Charges	10,213	1,469
TOTAL	<u>30,391</u>	<u>29,201</u>
24 DEPRECIATION EXPENSE		
Depreciation on Tangible Assets	545,437	513,183
Depreciation on Intangible Assets	12,805	5,235
TOTAL	<u>558,242</u>	<u>518,418</u>
25 OTHER EXPENSES		
Job Work Charges	121,692	332,711
Power and Fuel	86,500	199,437
Rates and Taxes	1,182,877	328,801
Insurance	47,347	31,314
Advertisement	46,268	46,655
Communications	65,474	48,007
Travelling and Conveyance	273,450	90,839
Legal and Professional Charges	244,265	231,917
Payments to Auditors		
as auditors	33,708	33,708
for certification	10,113	10,113
Repairs and Maintenance to:		
Machinery	3,916	4,400
Buildings	204,825	130,527
Other Assets	45,496	16,826
Watch and Ward Expenses	351,192	186,624
Miscellaneous expenses	385,424	249,042
Warranty Period Maintenance	100,000	-
Loss on sale of Inventory	-	6,639
Loss on Assets discarded	538,871	-
TOTAL	<u>3,741,418</u>	<u>1,947,560</u>
26 EARNING PER SHARE		
Net Profit for the Year attributable to Equity Shareholders	(1,432,151)	354,110
Weighted average number of equity Shares of Rs. 10/- each	4,327,100	4,327,100
Earning per Share (Basic and Diluted) (Rs.)	<u>(0.33)</u>	<u>0.08</u>
27 COMMITMENTS AND CONTINGENT LIABILITIES		
Bank Guarantees	1,121,672	-
Claims against the Company not acknowledged as debts	1,708,905	1,689,105
Disputed Sales Tax Demands	-	125,101
TOTAL	<u>2,830,577</u>	<u>1,814,206</u>



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

28	Analysis of materials consumed.	31.03.2015		31.03.2014	
		Percentage	Value in Rs.	Percentage	Value in Rs.
	Imported	---	---	-	-
	Indigenous	100.00	817,123	100.00	2,974,243
		100.00	817,123	100.00	2,974,243

29. In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.
30. Disclosure of dues to Micro, Small and Medium Enterprises is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors.
31. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable for the time being.
32. Disclosure relating to the Gratuity liability (unfunded) as per Accounting Standard 15 "Employee Benefits"

(amount in rupees)

a)	The amounts recognised in the Balance Sheet	31.03.2015	31.03.2014
	Present Value of obligation	1,154,091	1,074,319
	Fair value of plan assets	Nil	Nil
	Net liability recognised in the Balance sheet as Provision	1,154,091	1,074,319
b)	Changes in the present value of the defined obligation		
	Opening defined benefit obligation	1,074,319	1,000,489
	Current service Cost	46,895	80,039
	Interest Cost	85,946	44,973
	Benefits paid	--	--
	Actuarial (gain)/loss on obligation	(53,069)	(51,182)
	Closing defined benefit obligation	1,154,091	1,074,319
c)	Amounts recognised in the Statement of Profit and Loss		
	Current service Cost	46,895	44,973
	Interest Cost	85,946	80,039
	Actuarial (gain)/loss on obligation	(53,069)	(51,182)
	Net benefit Expenditure	79,772	73,830
d)	Principal actuarial assumptions		
	Rate of escalation in Compensation	4%	4%
	Discount Rate	8%	8%
	Attrition Rate	1%	1%
	Retirement Age in years	58	58



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is certified by an actuary.

33. The company's main business is manufacturing of various equipment and machinery and all other activities of the company revolve around the main business and as such there are no separate reportable business segments as per the Accounting standard " Segment Reporting " (AS 17)

34. The details of the transactions with related parties to be disclosed as required by Accounting Standard - 18 are as follows.

a) Names of Related parties and description of relationship.

- i) Key Management Personnel : Sri Sreedhar Chowdhury,
Managing Director.
- ii) Relatives of Key Management Personnel : Not Applicable
- ii) Associates : Oxeeco Meditek Private Limited
Oxeeco Technologies Private Limited,
The Oxeeco Limited.
Fusion Lastek Technologies Private Limited

b) Transactions with related Parties during the year	31.03.2015	31.03.2014
	(amount in Rs.)	
i) Key Management Personnel		
Sri Sreedhar Chowdhury.		
Advances Taken	620,000	580,000
Advances Repaid	–	580,000
ii) Associates		
Oxeeco Technologies Private Limited,		
Services Rendered	–	114,720
Rents Received	780,450	709,500
Security Deposit	–	30,000
Loan Taken	1,100,000	–
Loan Repaid	1,100,000	–
Interest paid on loan	20,178	–
Fusion Lastek Technologies Private Limited		
Loan Taken	–	550,000
Loan Repaid	–	550,000
Interest paid on loan	–	27,732
c) Year end Balances { due from/(due to) }		
i) Sri Sreedhar Chowdhury.	(620,000)	–
ii) Oxeeco Technologies Private Limited,	(91,783)	(180,000)



INCON ENGINEERS LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

35. The Company does not have any current income tax as per the normal provisions of the Income tax Act, 1961 . In view of the ineligibility to assess future taxable income under normal provisions, the extent of net deferred tax asset which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income", and based on general prudence, the Company has not recognised any Deferred tax Asset while preparing the accounts for the current year.
36. In terms of Accounting Standard (AS 28) on "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.
37. Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

Per our report of even date
For Brahmayya & Co.
Chartered Accountants
Firm's Registration No. : 000513S

For and on Behalf of the Board

Place: Hyderabad
Date : 27.05.2015

P. Chandramouli
Partner
Membership No. 025211

Sreedhar Chowdhury
Managing Director

S. Manohar Raju
Director

Chief Financial Officer



INCON ENGINEERS LIMITED

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form No. MGT-11]

INCON ENGINEERS LIMITED

CIN: L74210TG1970PLC001319

Regd. Office: B-6/3, I.D.A., Uppal, Hyderabad -500039

Tel.: +91-40-27203943 Fax: +91-40-27201271

45th Annual General Meeting - 30th September, 2015

Name of the Member(s)	<input type="text"/>																				
Registered Address	<input type="text"/> <input type="text"/>																				
Email ID	<input type="text"/>																				
Folio No. / Client ID	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				
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I/we, being the Member(s) ofshares of the above named Company, hereby appoint

Name : _____ Email ID : _____

Address _____

Signature : _____

or failing him/her

Name : _____ Email ID : _____

Address _____

Signature : _____

or failing him/her

Name : _____ Email ID : _____

Address _____

Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company be held on Wednesday, the 30th day of September, 2015 at 11.00 a.m. at the Registered Office at B-6/3, I.D.A. Uppal Hyderabad-500039 and at any adjournment thereof in respect of such resolution as are indicated below:

If undelivered please return to :

INCON ENGINEERS LIMITED

B-6/3, IDA, Uppal,

Hyderabad - 500 039.