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COUNCIL RVA

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COUNCIL RVA

MROTEK®

Integrating Next Generation Networks

MRO: FS: 16-17:240
29th September, 2016

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400 051

Fax No. 022-2659 8237/38

The Manager
Listing Department
BSE Limited
PJ Towers, Dalal Street, Fort
Mumbai – 400 001

Fax No. 022- 2272 3121

Dear Sir/Madam,

Sub: Copy of approved and adopted Annual Report for the year 2015-16

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the adopted copy of Annual Report of 32nd Annual General Meeting of the Company held on September 21, 2016 at 12:30 P M at Bhartiya Vidya Bhavan, # 43, Race Course Road, Bangalore -560 001 as per the Companies Act, 2013.

Please take the documents on record and kindly treat this as compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you
Yours faithfully
For MRO-TEK Realty Limited

Barun Pandey
Company Secretary and Compliance Officer
(Encl.: as above)



| | |
|--------------------|-----------------------|
| Scrip Code: | |
| NSE | : MRO-TEK |
| BSE | : 532376 |
| Demat ISIN | : INE398B01018 |

MRO - TEK REALTY LIMITED
(FORMERLY KNOWN AS MRO-TEK LIMITED)

Registered & Corporate Office
#6, New BEL Road
Chikkamahanahalli
Bangalore - 560 054
Ph : +91 80 42499000
Email : info@mro-tek.com
CIN No. L28112KA1984PLC005873

www.mro-tek.com

Annual Report 2015-16



MRO-TEK REALTY LIMITED

BOARD OF DIRECTORS

| | |
|--------------------|------------------------------|
| S. Narayanan | Chairman & Managing Director |
| H. Nandi | Managing Director |
| N. Sivaram | Director |
| N. K. Rajasekharan | Director |
| K. Rajamani | Director |
| Srivatsa | Chief Financial Officer |

Registered Office
6, New BEL Road,
Chikkamaranahalli,
Bangalore - 560 054
Ph : (91) (80) 2333 2951

Manufacturing Unit
29-B, Electronic City
Hosur Road, Bangalore - 560 100
Ph : (91) (80) 2852 0544

Marketing Office
Flat No. 2313, Building No.48,
Gandhi nagar, Bandra (E)
Mumbai - 400 051
Ph : (91) (22) 2640 7311

Flat No. 210, Gadore House
51-52, Nehru Place,
New Delhi - 110 019

Bankers
State Bank of India
Canbank Factors Ltd.,

Statutory Auditors
Messrs. Singhvi, Dev & Unni
Chartered Accountants
6th Floor, 'Trade Centre, #29/4
Race Course Road
Bengaluru - 560001.

Secretarial Auditors
Vijayakrishna KT
Company Secretary
496/4, II Floor,
10th Cross, Near Bashyam Circle,
Sadashivanagar,
Bangalore- 560 080

Internal Auditors
Messrs. Padiyar & Associate
Chartered Accountants
No. 327, 1st Floor, Shri Sai Vision
8th Cross, 8th Main, Shastrinagar
Bangalore-560028

**Registrars &
Share transfer Agents**
Karvy Selenium Tower B,
Plot number 31 & 32
Financial District
Gachibowli Hyderabad 500 032
Ph no: 040-67162222
Fax : 040-23001153
e-mail : einward.ris@karvy.com

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NOTICE

To
The Members
MRO-TEK REALTY LIMITED
(Formerly known as MRO-TEK LIMITED)

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Company will be held at 12.30 P M on Wednesday, the 21st day of September, 2016, at Bhartiya Vidya Bhavan, # 43, Race Course Road, Bangalore -560 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements as at 31st March, 2016 which includes Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended as on that date, along with the Board's Report including Secretarial Audit Report and Auditor's Report thereon.

SPECIAL BUSINESS

2. To consider appointment of Messrs K. S. Aiyar and Co. (Firm Registration No. 100186W) as Auditor in the Casual Vacancy:

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

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), Messrs K. S. Aiyar and Co. Bangalore, (Firm Registration No. 100186W) be and are hereby appointed as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of Messrs Singhvi, Dev & Unni, Chartered Accountants, Bangalore, (Firm Registration No 003867S) to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with the Auditors."

3. Appointment of Mr. Aniruddha Bhanuprasad Mehta (DIN: 00720504) as the Director of the Company:

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

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mr. Aniruddha Bhanuprasad Mehta (DIN- 00720504), who was appointed as Additional Director of the Company by the Board of Directors at its meeting held on August 8, 2016 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this

Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

4. Appointment of Mr. Aniruddha Bhanuprasad Mehta (DIN: 00720504) as the Chairman and Managing Director of the Company:

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

"RESOLVED THAT in accordance with the provisions of Sections 2(54), 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to such sanctions as may be necessary, approval of the Members be and is hereby accorded to appoint Mr. Aniruddha Bhanuprasad Mehta (DIN: 00720504) as Chairman and Managing Director of the Company for a period of three (3) years with effect from August 8, 2016 on the terms and conditions of appointment as may be determined, at a remuneration which shall not exceed Rs. 36,00,000/- (Rupees Thirty Six Lakhs only) per annum till such time as may be reviewed by the Nomination and Remuneration Committee from time to time.

The overall remuneration (inclusive of all allowances and perquisites) shall not exceed Rs. 36,00,000/- (Rupees Thirty Six Lakhs only) per annum:

- i) A salary at the rate of Rs.36,00,000/- (Rupees Thirty Six Lakh only) per year for a period of three years w.e.f 8th August, 2016.
- ii) Reimbursement of medical and hospitalization expenses of the Managing Director and his family subject to a ceiling of one month salary in a year.
- iii) Leave Travel Allowance for the Managing Director and his family once in a year in accordance with the Company policy.
- iv) Bonus for the financial year, at the discretion of the Company, as may be reviewed by the Board and with such approvals as may be needed.
- v) Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.
- vi) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

- vii) Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.
- viii) Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence.
- ix) The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine.

Minimum Remuneration:

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration by way of salary and perquisites mentioned above shall be paid as the Minimum Remuneration, subject to the provisions under Schedule V of the Companies Act, 2013 and revised from time to time."

5. Appointment of Mrs. Gauri Aniruddha Mehta (DIN: 00720443), as the Director of the Company:

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mrs. Gauri Aniruddha Mehta (DIN: 00720443), who was appointed as Additional Director of the Company by the Board of Directors at its meeting held on August 8, 2016 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company."

6. Appointment of Mr. Radhakrishnan Seetharaman (holding DIN: 07492511), as the Director of the Company:

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mr. Radhakrishnan Seetharaman (DIN: 07492511), who was appointed as Additional Director of the Company by the Board of Directors at its meeting held on August 8, 2016 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of

Director, be and is hereby appointed as a Director of the Company."

7. Appointment of Mr. Radhakrishnan Seetharaman (holding DIN: 07492511), as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and provisions of Listing Regulations, Mr. Radhakrishnan Seetharaman (DIN- 07492511), Director of the Company be and is hereby appointed as Independent Director of the Company to hold office from August 8, 2016 to August 7, 2021."

8. Appointment of Mr. Sudhir Kumar Hasija (holding DIN: 00157168), as the Director of the Company:

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mr Sudhir Kumar Hasija (DIN: 00157168), who was appointed as Additional Director of the Company by the Board of Directors at its meeting held on August 8, 2016 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

9. Appointment of Mr. Sudhir Kumar Hasija (holding DIN: 00157168), as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and provisions of Listing Regulations, Mr. Sudhir Kumar Hasija (DIN-00157168), Director of the Company, be and is hereby appointed as Independent Director of the Company to hold office from August 8, 2016 to August 7, 2021."

10. Appointment of Mr. M V Sampath Kumar, as the Director of the Company:

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

“RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), Mr M V Sampath Kumar (Subject to obtaining valid DIN), who was appointed as Additional Director of the Company by the Board of Directors at its meeting held on August 8, 2016 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

11. Appointment of Mr. M V Sampath Kumar, as an Independent Director of the Company:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and provisions of Listing Regulations, Mr. M V Sampath Kumar (Subject to obtaining valid DIN), Director of the Company be and is hereby appointed as Independent Director of the Company to hold office from August 8, 2016 to August 7, 2021.”

By Order of the Board of Directors

Aniruddha Bhanuprasad Mehta

Place: Bangalore Chairman and Managing Director
Date: 8th August, 2016 DIN : 00720504

Notes:

1. A Member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total Share Capital of the Company. The instrument of proxy in order to be effective must be deposited/ lodged at the Registered / Corporate Office of the Company duly completed and signed not later than 48 hours before the time fixed for holding the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.

3. The Register of Members and Share transfer books of the Company will remain closed from 14th September, 2016 to 21st September, 2016 (both days inclusive) for the purpose of Annual General Meeting.

4. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund of the Central Government and under Section 205-C, of the Companies Act, 1956, no claim shall lie against the Company or the said Fund, in respect of individual amount/s which remain unclaimed or unpaid for a period of seven years from the date of payment, and no payment shall be made in respect of any such claims. Interim unpaid Dividend Account Balance after settling the claim requests, were transferred to Investor Education and Protection Fund.

5. Members who have not encashed the dividend warrant(s) so far, for any of the dividends declared for the year 2009-2010, or for any subsequent year/s, are requested to make their claims immediately to the Company.

6. Members are requested to address all their communications:

- relating to dividend or any other grievance/s, directly to the Shares Department to the Company's Registered Office or send e-mail to the dedicated e-mail id - grd@mro-tek.com;
- relating to change of Bank account details, address etc, directly to their respective Depository Participant (DP), with whom Demat Account is held.

7. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Pvt. Limited ('Karvy').

8. The instructions for e-Voting are as under:

Voting through electronic voting system (Remote E-Voting) :

Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members,

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

whose names appear in the Register of Members / list of Beneficial Owners as on 14th September, 2016 (Wednesday) i.e. the date prior to the commencement of Book closure date are entitled to vote on the Resolution set forth in this Notice. The remote e-voting period will commence at 9 A.M. on 18th September, 2016 (Sunday) to 5.00 P.M. on 20th September, 2016 (Tuesday). It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility, and a Member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for the Annual General Meeting. The Members desiring to vote through remote e-voting mode may refer to the detailed procedure on e-voting given hereinafter.

INSTRUCTION FOR REMOTE E-VOTING:

To use the following URL for remote e-voting:

From Karvy website : <https://evoting.karvy.com>

- (a) Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, may cast their vote electronically.
- (b) Enter the login credentials [i.e., user id and password mentioned in the Notice of the AGM]. The Event No+ Folio No/DP ID-Client ID will be your user ID.
- (c) After entering the details appropriately, click on LOGIN.
- (d) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@,#,\$). The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the EVENT i.e., MRO-TEK REALTY LIMITED and click on SUBMIT.
- (g) Now you are ready for e-voting as "Cast Vote" page opens. On the voting page, the number of shares as held by the Shareholder as on 14th September, 2016 (record date) will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click FOR / AGAINST as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.
- (h) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.
- (i) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
- (j) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (k) The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the Portal will be open for voting from: 9 A.M. on September 18, 2016 (Sunday) to 5.00 P.M. on September 20, 2016 (Tuesday). The e-voting module shall be disabled by Karvy at 5.00 p.m on the same day. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th September, 2016 (record date.), may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. P. Srikrishna of Karvy Computershare Pvt. Ltd at 040-67162222 8 OR at Tel No. 1800 345 4001 (toll free).
- (m) The Company has appointed Mr. Parameshwar G. Bhat, Practising Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner: provided that the scrutinizer so appointed may take assistance of a person who is not in employment of the Company and who is well-versed with the electronic voting system.
- (n) The voting rights of the Shareholders shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the cut-off date of 14th September, 2016 (Wednesday).

(o) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 14th September, 2016 (Wednesday) are entitled to vote on the Resolutions set forth in this Notice.

(p) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Annual Report and holding shares as of the cut-off date i.e. 14th September, 2016 (Wednesday) may obtain the login ID and password by sending an email to evoting@karvy.com by mentioning their Folio No./DP ID and Client ID No. Else, if your Mobile number is registered against Folio No./DP ID-Client ID, the Member may send SMS:MYEPWD <space> Event Number + Folio or DP ID Client ID to +91 9212993399.

Example for NSDL :MYEPWD <SPACE> IN12345612345678

Example for CDSL :MYEPWD <SPACE> 1402345612345678

Example for PHYSICAL :MYEPWD <SPACE> XXX1234567

However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If e-mail or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate as password.

(q) A Member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

(r) Voting at AGM: The Members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

(s) The scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two(2) witnesses not in the employment of the Company and make not later than Forty Eight (48) hours of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

(t) The results declared along with the report of the scrutinizer shall be placed on the website of the

Company www.mro-tek.com and on <https://evoting.karvy.com> immediately after the result is declared by the Chairman. The Company shall, simultaneously, forward the results to the stock exchanges where the shares are listed.

(u) In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

(v) Institutional Members (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., to the Scrutinizer through e-mail at parameshwar@vjkt.in, with a copy marked to evoting@karvy.com. File naming convention should be 'Corporate Name EVENT NO.' The documents should reach the Scrutinizer on or before the close of working hours on 14th September, 2016 (Wednesday).

(w) In case a Member receives physical copy of the Notice of AGM (for Members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy) in the permitted mode:

(i) Initial password as below is given in the attendance slip for the AGM:

| EVEN (E-Voting Event Number) | USER ID | PASSWORD |
|------------------------------|----------|----------|
| XXXXXXXX | XXXXXXXX | XXXXXXXX |

(ii) Please follow all steps from Sl. No. (c) to (j) above to cast your vote.

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

Item No. 02:

The erstwhile Auditors of the Company namely Messrs Singhvi, Dev & Unni, Chartered Accountants, (Firm Registration No 003867S) retire at the ensuing Annual General Meeting; the said Auditors have expressed inability to continue to act as Auditors. Your Board, based on the proposal from a Shareholder and on the recommendation of the Audit Committee, has appointed Messrs K. S. Aiyar and Co. (Firm Registration No. 100186W) as the Statutory Auditors of the Company.

The Company has received a certificate under Section 141 of the Companies Act, 2013 from the said firm that their appointment would be within the limits specified therein.

Your Directors recommend the appointment of Messrs K. S. Aiyar and Co., Chartered Accountants as the Statutory Auditors for the financial year ending 31st March 2017.

Pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the appointment of Messrs K. S. Aiyar and Co. Bangalore, (Firm Registration No.100186W) as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of Messrs Singhvi, Dev & Unni, Chartered Accountants, Bangalore, (Firm Registration No 003867S) may be considered by the Shareholders.

The Board recommends the proposed resolution for approval by the Shareholders.

None of the Directors, Key Managerial Personnel of the Company and relatives of any of the Directors or Key Managerial Personnel of the Company are concerned or interested in Resolution set out at Item no. 2.

Item No. 03:

At the Meeting of the Board held on 08th August, 2016, Mr. Aniruddha Bhanuprasad Mehta was inducted as Additional Director of the Company. Pursuant to Section 161 of the Companies Act, 2013 ("the Act") he will hold office up to the date of the ensuing Annual General Meeting. Notice has been received from a Member signifying his intention to propose him as a Director at the ensuing Annual General Meeting along with a deposit of Rs. 1,00,000/- (Rupees One Lakh only).

Except Aniruddha B Mehta, being an appointee and Mrs. Gauri A Mehta, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

Item No. 04:

Mr. Aniruddha Bhanuprasad Mehta, who was inducted as Additional Director of the Company was appointed as the Managing Director. The Board has been restructured post Open Offer undertaken by the Acquirers as explained in the Board's Report.

Mr. Mehta is a Graduate in Commerce and has immense experience and knowledge in business space. He is not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013 and has given his consent to act as Managing Director. Shareholders may recall that the erstwhile Chairman & Managing Director and Managing Director stepped down from the Board.

The terms of appointment are described in the Resolution itself.

Other than Mr. Aniruddha B Mehta himself and Mrs. Gauri Aniruddha Mehta, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested in the proposed Resolution as set out in item no. 4 of this notice.

The Board recommends an Ordinary Resolution set out in Item No. 4 of the Notice for approval by the Shareholders.

Brief Profile of Mr. Aniruddha Bhanuprasad Mehta is as mentioned below:-

Mr. Aniruddha Mehta, a born entrepreneur and a visionary leader, has been the iconic figure behind the success of the Umiya Group. He possesses a wide range of expertise and special skills instrumental in building a company committed to develop quality projects with sheer passion, diligence and a burning desire to achieve excellence. A graduate from Mumbai, Mr Mehta is blessed with keen business acumen that was honed while working along with his uncle, who ran a public limited company and his grandfather in the Clearing & Freight Forwarding business.

He manages business in Bangalore, Goa and Mumbai.

Item No. 05:

At the Meeting of the Board held on 08th August, 2016, Mrs. Gauri Aniruddha Mehta was inducted as an Additional Director of the Company. Pursuant to Section 161 of the Companies Act, 2013 ("the Act") she will hold office up to the date of the ensuing Annual General Meeting. Notice has been received from a Member signifying his intention to propose her as a Director at the ensuing Annual General Meeting along with a deposit of Rs. 1,00,000/- (Rupees One Lakh only).

Except Mrs. Gauri A Mehta, being the appointee and Mr. Aniruddha B Mehta, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

The Board recommends the appointment of Mrs. Gauri A Mehta for the approval of the Shareholders.

Brief Profile of Mrs. Gauri Mehta is as mentioned below:

Mrs. Gauri Aniruddha Mehta, born in business family, graduated in Arts and a landscape architect by passion, having vast experience in designing.

Item No. 6 & 7:

At the Meeting of the Board held on 08th August, 2016, Mr. Radhakrishnan Seetharaman was inducted as an Additional Director of the Company. Pursuant to Section 161 of the Companies Act, 2013 ("the Act") he will hold office up to the date of the ensuing Annual General Meeting. Notice has been received from a Member signifying his intention to propose him as a Director at the ensuing Annual General Meeting along with a deposit of Rs. 1,00,000/- (Rupees One Lakh only).

Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, 2015, it is proposed to appoint Mr. Radhakrishnan Seetharaman as an Independent Director of the Company to hold office for 5 (five) consecutive years from August 8, 2016 to August 7, 2021.

Except Mr. Radhakrishnan Seetharaman, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item Nos.6 & 7.

The Board recommends the appointment of Mr. Radhakrishnan Seetharaman for the approval of the Shareholders.

Brief Profile of Mr. Radhakrishnan Seetharaman is as mentioned below:

Formerly Business Unit CFO, CIO at Nestlé India; Chartered Accountant (FCA); Company Secretary (ACS); Mr. Radhakrishnan Seetharaman is a dynamic Professional having vast experience in the field of Finance and Accounts; He has worked in different positions in Top management during his entire Career and contributed immensely in the key strategic planning .

Item No. 8 & 9:

At the Meeting of the Board held on 08th August, 2016, Mr. Sudhir Kumar Hasija was inducted as an Additional Director of the Company. Pursuant to Section 161 of the Companies Act, 2013 ("the Act") he will hold office up to the date of the ensuing Annual General Meeting. Notice has been received from a Member signifying his intention to propose him as a Director at the ensuing Annual General Meeting along with a deposit of Rs. 1,00,000/- (Rupees One Lakh only).

Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, 2015, it is proposed to appoint Mr. Sudhir Kumar Hasija as an Independent Director of the Company to hold office for 5 (five) consecutive years from August 8, 2016 to August 7, 2021

Except Mr. Sudhir Kumar Hasija, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item Nos.8 & 9.

The Board recommends the appointment of Mr. Sudhir Kumar Hasija for the approval of the Shareholders.

Brief Profile of Mr. Sudhir Kumar Hasija is as mentioned below:

Mr.Sudhir Hasija, is first generation entrepreneur and pioneer in the field of electronics and telecommunication.

He is the founder of well known mobile manufacturing company "KARBONN".

Item No. 10 & 11:

At the Meeting of the Board held on 08th August, 2016, Mr. M V Sampath Kumar was inducted as an Additional Director (Subject to obtaining of valid DIN) of the Company. Pursuant to Section 161 of the Companies Act, 2013 ("the Act") he will hold office up to the date of the ensuing Annual General Meeting. Notice has been received from a Member signifying his intention to propose him as a Director at the ensuing Annual General Meeting along with a deposit of Rs. 1,00,000/- (Rupees One Lakh only).

Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, 2015, it is proposed to appoint Mr. M V Sampath Kumar (Subject to obtaining Valid DIN) as an Independent Director of the Company to hold office for 5 (five) consecutive years from August 8, 2016 to August 7, 2021.

Except Mr. M V Sampath Kumar, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item Nos.10 & 11.

The Board recommends the appointment of Mr. M V Sampath Kumar for the approval of the Shareholders.

Brief Profile of Mr. M.V. Sampath Kumar is as mentioned below:

Mr. M.V. Sampath Kumar is Bachelor of Engineering, Mech., Bangalore University, He has been a successful manager with a proven track record and is now holding a senior position in a large organization.

He held management consultant positions in Indonesia - Commonwealth – UK, President / Director in various companies in India, Africa, Indonesia, with offices in Europe, USA, Canada, South east Asia.

By Order of the Board of Directors

Aniruddha Bhanuprasad Mehta

Place: Bangalore

Date: 8th August, 2016

Chairman and Managing Director

DIN : 00720504

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

Annexure to Notice

Information pertaining to Directors seeking appointment or reappointment at the 32nd Annual General Meeting as required by Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

| Particulars | Mr. Aniruddha Bhanuprasad Mehta | Mrs. Gauri Aniruddha Mehta | Mr. Radhakrishnan Seetharaman | Mr. Sudhir Kumar Hasija | Mr. M V Sampath Kumar |
|--|--|-----------------------------------|---|--------------------------------|---|
| Date of Birth | 17.04.1961 | 14.01.1964 | 13.05.1965 | 01.06.1956 | 23.05.1944 |
| Date of Appointment | 08.08.2016 | 08.08.2016 | 08.08.2016 | 08.08.2016 | 08.08.2016 |
| Qualifications | Commerce Graduate | Arts Graduate | B.com, M.com, CA, CS. | | BACHLOR OF ENGINEERING, MECHANICAL, PG Diploma in Management , IIM Calcutta |
| Expertise in specific functional area | Business | Business | Management and Financial Accounting, Cost Management, Decision Support, Enterprise Risk Management. | Business | Marketing and Consultation |
| Directorships held in other Public Companies (excluding foreign companies) | NIL | NIL | NIL | 2 | NIL |
| Membership / Chairmanships of Committees of other public companies (included only Audit and Shareholders/ Investors Grievance Committee) | NIL | NIL | NIL | NIL | NIL |

BOARD'S REPORT

TO
THE MEMBERS OF
MRO-TEK REALTY LIMITED

Your Board of Directors has pleasure in presenting the 32nd Annual Report and Audited financial results for the year ended 31st March, 2016 together with the Independent Auditors' Report and the Secretarial Audit Report.

1. FINANCIAL RESULTS:

| Particulars | 2015-16 (Rs. Lakhs) | 2014-15 (Rs. Lakhs) |
|---|------------------------|------------------------|
| Net Revenue from operations | 2,928.52 | 4,095.14 |
| Other Income | 24.70 | 68.87 |
| Operational Profit (Loss) before Interest and Depreciation | 9.29 | (219.41) |
| Operational Profit (Loss) before Interest | (109.61) | (353.43) |
| Interest and other Finance Costs | (149.02) | (207.21) |
| Operational Loss before Taxation and Extraordinary/ Exceptional items | (258.63) | (560.64) |
| Exceptional Items and Extraordinary items | (1,288.97) | - |
| Profit / (Loss) before Tax | (1547.60) | (560.64) |
| Provision for Taxation (Deferred Tax Adjustments) | (0.88) | (8.26) |
| Profit / (Loss) after Taxation | (1548.48) | (568.90) |
| Loss from Discontinuing Operations | (1,320.90) | (548.48) |
| Loss for the period | (2,869.38) | (1,117.38) |

The Company has incurred losses during the year and hence, there is no question of transfer of profits to reserves during the year.

PERFORMANCE:

During the year under review

- The Company earned operational profit of Rs 9.29 Lakhs before exceptional items / extraordinary items, discontinuing operations, finance cost and depreciation during the year 2015-16 as against operational loss of Rs 219.41 Lakhs during the previous year.
- The recessionary trend in overall business continued to prevail in the market creating complex environment to capture the business.
- The Company faced cash flow deficiency and hence adopted the method of liquidating the non- moving and slow moving inventory to strengthen the fund flow position. With this, the Company achieved contribution margin of 44.15 % as compared to previous year's 33.97 %.
- The Company carried out restructuring activities including reduction of manpower and consequently incurred retrenchment and compensatory expenditures of Rs 353.01 Lakhs.
- The Company reduced the manpower cost to significant extent by bringing down the number of employees to 16 during the year. The required manpower resources are being met on need basis by hiring through agencies.
- The Company carried out the impairment testing for the existing building at Hebbal, Corporate Office which is subject to development as per Development agreement entered on January 1, 2016 and recognized impairment of building to the extent of Rs 756.59 Lakhs.
- Due to continued cash losses, the Board of Directors resolved to discontinue "Solar Based Equipment & Projects" in the Meeting held on January 14, 2016.
- The Company incurred loss of Rs 1320.90 Lakhs from discontinuing operations of Solar business segment during the year as Rs 548.48 Lakhs during the corresponding previous year.
- The Total turnover of the Company reduced to Rs 2,953.22 Lakhs from Rs 4,164.01 Lakhs due to tough competition and working capital constraints.
- To overcome working capital constraint and to meet restructuring cost, the Company decided to opt for development of property situated at Hebbal and received the non refundable amount of Rs 900 Lakhs.
- The Company decided to include Real estate development as an additional main object of the Company after complying with all the prescribed procedures and converted immovable property situated at Hebbal into stock in trade.
- Serious efforts are being infused to reduce the general and administration cost during the year under review.
- The Networking Products Space recorded turnover of Rs. 2928.52 Lakhs as compared to Rs. 4095.13 Lakhs in the previous year. Details on segmental revenue and performance are furnished in Para II (g) of Note 26 on 'Additional Notes' to Accounts.
- Accumulated losses stood at Rs 7,849.24 Lakhs for the year ended 31st March 2016 as against Rs 4,979.86 Lakhs in the last year.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

The net worth of the Company is negative due to recognition of impairment cost of building, substantial restructuring cost and the loss recognized under the Discontinuing operation. However, the Company has not recognized the non refundable amount received to the tune of Rs 900 Lakhs as revenue during the year under review.

The Company proposed to the Board of its Joint Venture Company, RAD-MRO Manufacturing Private Limited to initiate the liquidation proceedings. The hearing in respect of appeal before CESTAT is yet to take place and we are waiting for disposal of the case to initiate the liquidation proceedings.

2. SHARE CAPITAL:

The Company has Authorised share capital of Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 3,00,00,000 (Three crores) equity share of Rs. 5/- (Rs. Five only) each. During the year Company has Paid-up Equity Capital of Rs. 9,34,23,010/- (Rs. Nine Crores Thirty Four Lakhs Twenty Three Thousand and Ten only) divided into 1,86,84,602 equity shares of Rs. 5/- (Rs. Five only) each.

During the year under review the Company has not issued shares with/without differential voting rights nor granted stock options or sweat equity shares.

3. CHANGE IN NATURE OF BUSINESS , NAME AND REGISTERED OFFICE:

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

However, the Company altered its Object Clause of the Memorandum of Association by adding two new Clauses 2 and 3 relating to Real Estate activities to the existing Clause of Memorandum of Association vide approval of Members by way Special Resolution dated 19th March, 2016 passed through Postal Ballot notice dated 9th February, 2016.

The Company has obtained necessary approval from the Registrar of Companies for alteration of Main Objects.

The Company has obtained necessary approval from its Shareholders by way of Special Resolution through Postal Ballot for change of name to MRO-TEK Realty Limited and further it has obtained the approval from the Registrar of Companies, Karnataka endorsing the change of name vide certificate dated 11th day of May, 2016. The Company has obtained in principle approval from BSE Limited and National Stock Exchange Limited for change of name of the Company.

The Company has shifted its Registered office from Bellary Road, Hebbal, Bangalore – 560024 to No.6, New BEL Road, Chikkamaranahalli, Bangalore – 560054 with effect from 12th May, 2016 as per the resolution passed at the Board Meeting of the Company held on 5th May, 2016.

4. MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments between the end of the Financial Year and the Date of the Report, which affect the financial position of the Company.

On 19th May, 2016, Mr. Aniruddha Mehta, Mrs. Gauri A. Mehta and Messrs Umiya Holding Private Limited collectively called as 'the Acquirers' entered into Share Purchase Agreement with the Promoters of the Company to acquire 74,10,056 Equity Shares of Rs. 5/- each at a price of Rs.40/- per Equity Share, which triggered the 'Open Offer' pursuant to Regulation 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Subsequently, the Acquirers engaged Investment Bankers and initiated actions on the 'Open Offer'.

Pervious promoters of the Company i.e. Mr. S. Narayanan, Mr H Nandi, Mrs. Jayashree Narayanan, Mrs. Shyamali Nandi, Mr. Murari Narayanan and Mrs. Prakrithy N, who were collectively holding 74,10,056 shares (39.66 % of total Share Capital) transferred their shareholding to Mr. Aniruddha Mehta, Mrs. Gauri A Mehta and Messrs Umiya Holding Private Limited as New Promoters of the Company and their shareholding are as follows:

New Promoters Share holding:

| S. No | Name of Promoters | Acquisition of shares through SPA | Through Open offer | Total Share holding | % to total Paid up Capital |
|-------|-------------------------------|-----------------------------------|--------------------|---------------------|----------------------------|
| 1. | Aniruddha Mehta | 30,00,000 | 12,223 | 30,12,223 | 16.12 |
| 2. | Gauri A. Mehta | 4,00,000 | 86,064 | 4,86,064 | 2.60 |
| 3. | Umiya Holding Private Limited | 40,10,056 | 1,98,719 | 42,08,775 | 22.53 |
| | Total | 74,10,056 | 2,97,006 | 77,07,062 | 41.25 |

Further, the Management carried out the physical verification of assets as part of management process and observed assets having net book value of Rs 48,20,843 / to be written off.

5. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no significant events subsequent to the date of financial statements apart from the matters specified in the above Para 4.

6. DIVIDEND:

Whilst your Directors understand the sentiments of the Investors, the losses incurred in the year that has

passed, constrained the Board to state that the dividend could not be recommended.

However, the Directors will strive hard to bring the Company back to dividend track before long and the improving performance of the Company is hoped to continue to facilitate consideration of dividend in the days to come.

7. BOARD MEETINGS:

During the year, six(6) meetings of the Board of Directors were held on the following dates: 27.05.2015, 03.08.2015, 04.11.2015, 24.12.2015, 14.01.2016 and 09.02.2016 and related details including that of the various committees constituted by the Board, are made available in the Report of Directors on Corporate Governance forming part of the Annual report placed before the Members.

8. Committees of the Board:

Currently the Board has six Committees viz. Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, Independent Directors Committee, the Risk Management Committee and prevention of Sexual Harassment against Women at Work place Committee. A detailed note on the composition of the Board and its Committee and other related particulars are provided in the Report of Directors on Corporate Governance forming part of this Annual Report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Consequent upon the Open Offer and change in Management, the Committees were reconstituted on 8th August, 2016 and the information on the same are as below:

Re-constitution of Board of Directors:

Outgoing Directors:

Mr. S. Narayanan, Chairman and Managing Director and Mr. H. Nandi, Managing Directors of the Company, Mr. N. Sivaram, Mr. N.K. Rajasekharan and Mr. K. Rajamani respective Independent Director of the Company.

Ms. Sunanda Nag, Woman Director on Board, resigned from the office of directorship w.e.f 14th January, 2016.

Incoming Directors:

Mr. Aniruddha Mehta as Chairman and Managing Director of the Company, Mrs. Gauri A Mehta as Director of the Company, Mr. S.Radhakrishnan, Mr. Sudhir Kumar Hasija, and Mr. M V Sampat Kumar as Independent Directors.

Brief profile of each new Director:

1. Mr. Aniruddha Mehta – Chairman & Managing Director : (Age: 55 years)

Mr. Aniruddha Mehta, a born entrepreneur and a visionary leader, has been the iconic figure behind the success of the Umiya Group. He possesses a wide range of expertise and special skills instrumental in building a company committed to develop quality projects with sheer passion, diligence and a burning desire to achieve excellence. A graduate from Mumbai, Mr. Aniruddha Mehta is blessed with a keen business acumen that was honed while working with his uncle, who ran a public limited company and his grandfather in the Clearing & Freight Forwarding business. An opportunity that presented itself while on a business trip established him in Bangalore.

A small up market residential project saw the birth of Umiya in the year 2000 and there was no looking back. A few more residential projects gave Mr. Mehta the confidence to expand his horizon beyond Bangalore and the first step to his dream was fulfilled by setting up his business in Goa in the year 2007.

2. Mrs. Gauri Aniruddha Mehta - Non Executive Non Independent Director : (Age: 52 years)

Mrs. Gauri Aniruddha Mehta, born in business family, graduated in Arts and a landscape architect by passion, having vast experience in designing.

3. Mr. Radhakrishnan Seetharaman – Independent Director : (Age: 51 years)

Business Unit CFO, CIO at Nestlé India; Chartered Accountant (FCA); Company Secretary (ACS); Mr. Radhakrishnan Seetharaman is a dynamic Professional having vast experience in the field of Finance and Accounts; He had worked in different position in Top management during his entire Career and contributed immensely in the key strategic planning .

4. Mr. Sudhir Kumar Hasija – Independent Director: (Age: 60 years)

Mr. Sudhir Kumar Hasija, is first generation entrepreneur and pioneer in the field of electronics and telecommunication. He is the founder of well known mobile manufacturing company "KARBONN".

5. Mr. M V Sampath Kumar – Independent Director: (Age: 72 years)

Mr. M.V. Sampath Kumar is Bachelor of Engineering, Mech., Bangalore University has been a successful manager with a proven track record and is now holding a Senior position in a large organization.

He held management consultant positions in Indonesia - commonwealth – UK, President /

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Director in various companies in India, Africa, Indonesia, with offices in Europe, USA, Canada, and South East Asia.

Mr. Srivatsa who was appointed as Compliance Officer of the Company w.e.f 09.02.2016, ceased to be so with effect from 8th August, 2016.

During the year, Mr. M. D. Muralidharan, who was appointed as Company Secretary and Key Managerial Person on 3rd August, 2015 resigned from office w.e.f. 9th February 2016. Your Management has appointed Mr. Barun Pandey, a qualified Company Secretary in his place and appointed him as Compliance officer with effect from August 8, 2016.

The newly constituted Board thanks Mr. S Narayanan and Mr. H Nandi, who have promoted your Company and who have been responsible for nourishing the Company to take to higher levels.

Your Board places on record its appreciation for the contribution and support extended by the outgoing Directors.

10. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(6) & 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) (Annexure I).

11. COMPOSITION OF AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE & STAKEHOLDERS RELATIONSHIP COMMITTEE:

Following are the compositions of various Committees:

| | Up to 8.8.2016 | After 8.8.2016 | |
|--|-----------------------|-------------------------|------------|
| i) Audit Committee: | | | |
| a) | Mr. K. Rajamani | Mr. S. Radhakrishnan | - Chairman |
| b) | Mr. N. Sivaram | Mr. Sudhir kumar Hasija | - Member |
| c) | Mr. N K. Rajasekharan | Mr. M V Sampath Kumar | - Member |
| d) | - | Mrs. Gauri A Mehta | - Member |
| ii) Nomination and Remuneration Committee | | | |
| a) | Mr. K Rajamani | Mr. Sudhir kumar Hasija | - Chairman |
| b) | Mr. N. Sivaram | Mr. S. Radhakrishnan | - Member |
| c) | Mr. N K. Rajasekharan | Mr. M V Sampath Kumar | - Member. |
| d) | - | Mrs. Gauri A Mehta | - Member |
| iii) Stakeholders Relationship Committee: | | | |
| a) | Mr. K Rajamani | Mr. Sudhir kumar Hasija | - Chairman |
| b) | Mr. N. Sivaram | Mr. S. Radhakrishnan | - Member |
| c) | Mr. N K. Rajasekharan | Mr. M V Sampath Kumar | - Member |
| d) | - | Mrs. Gauri A Mehta | - Member |

12. ANNUAL BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and The Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, its Committee and the Directors individually. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

13. VIGIL MECHANISM:

Report details of establishment of Vigil Mechanism (for Directors and Employees to report genuine concerns) pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and as per Regulation 22 of SEBI (Listing obligations and Disclosure Requirements) Regulation 2015 of the Listing Agreement is posted on the website of the Company <http://mro-tek.com/pdf/Whistle%20Blower%20Policy.pdf>

14. DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- In the preparation of the Financial Statements, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the Financial Statements on a going concern basis; and
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual return in MGT-9 is attached as a part of this Annual Report (**Annexure II**).

16. AUDITORS:

The Auditors Messrs Singhvi, Dev & Unni, Chartered Accountants, (Firm Registration No 003867S) retire at the ensuing Annual General Meeting; the said Auditors have expressed inability to continue to act as Auditors. Your Board, based on the proposal from a Shareholder and on the recommendation of the Audit Committee, has appointed Messrs K. S. Aiyar and Co. (ICAI Firm Registration No. 100186W) as the Statutory Auditors of the Company.

The Company has received a certificate under Section 141 of the Companies Act, 2013 from the said firm that their appointment would be within the limits specified therein.

Your Directors recommend the appointment of Messrs K. S. Aiyar and Co., Chartered Accountants as the Statutory Auditors for the financial year ending 31st March 2017. The Resolution seeking approval of the Members for appointment of Statutory Auditors and fixation of their remuneration and authorization to the Board of Directors are included in the notice convening the ensuing Annual General Meeting.

17. SECRETARIAL AUDIT:

The Secretarial Audit for the Financial year 2015-16 was conducted as required under Section 204 of the Companies Act, 2013 by Mr. Vijayakrishna K T, Company Secretary in terms of Section 204(3) of the Act. Your Directors are pleased to inform that there was no qualification made by the said Company Secretary in their Secretarial Audit report. The Secretarial Audit report is enclosed to the report of the Board of Directors in terms of Section 134(3) (f) read with Section 204 (1) of the Act is annexed to this Report (**Annexure III**). **The observations made in the said Report have been duly considered by the Board and will be addressed suitably.**

18. DISCLOSURE ABOUT COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, dated December 31, 2014 issued by Ministry of Corporate Affairs (MCA), the cost audit records maintained by the such Companies, as may be prescribed, in respect of the products covered as per the above dated notification issued by MCA is required to be audited by an Cost Accountant.

However, the Company not being a prescribed company as per the rules, the Cost Audit is not applicable for the year under report.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(a) Conservation of Energy:

Your Company is duly certified under ISO 14001:2004 (Environment Management System).

Every possible effort is made / introduced to conserve and avoid wastage of energy.

Adequate facilities have been installed for rain water harvesting, recycling of used water, solar-powered energy and maximum usage of natural lighting and ventilation, and thus implementing Go Green Policy in its total spirit.

(b) Technology Absorption:

Efforts also continue to maximize utilization of the technological skills, in finding state-of-the-art solutions, to provide more effective and revolutionary solutions, for all segments of Networking Products Industry.

During the year no amount was incurred towards Capital Expenditure in this division. On revenue account, an amount of Rs 1.24 Crores (Prev. year- Rs. 1.70 Crores) was expended and absorbed in these accounts, in accordance with the applicable Accounting Standards.

The in-house technical and commercial teams consistently engage themselves in their endeavor to indigenize technology and components, as well as implementation of value-engineering and cost-saving methods.

(c) Foreign Exchange Earnings and Outgo:

Full details of foreign exchange earnings and expenditure are furnished under para 12 and 13 of Note 26 II on 'additional notes to accounts'. However, following are exhibited:

Earning - Rs. 11,40,411/-

Outgo - Rs. 13,77,61,143/-

20. DEPOSITS:

Your Company has not invited/accepted/renewed any deposits from the public as defined under the provisions of Companies Act, 2013 and accordingly, there were no deposits which were due for repayment on or before 31st March, 2016.

21. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company continued to maintain, high standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid-down systems and policies are comprehensively and frequently monitored by your Company's management at all levels of the organization.

The Audit Committee, which meets at least four times a year, actively reviews internal control systems as well as financial disclosures, statutory compliances with adequate participation, inputs from the Statutory, Internal and Corporate Secretarial Auditors.

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22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made any loan, guarantees or investments of any nature during the year under review.

23. RISK MANAGEMENT POLICY:

The Company has formulated a Risk Management Policy and has in place a mechanism to inform the Board about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework. The policy details available at this link http://www.mro-tek.com/pdf/MRO-TEK-Risk_Management_Policy.pdf

24. RISK AND AREA OF CONCERN:

The Company has laid down a well defined risk management mechanism covering the risk mapping and trending analysis, risk exposure, potential impact and risk mitigating process. A details exercise is being carried out to identify, evaluate, manage and monitor and non business risk. The Audit Committee, Risk Management Committee, and the Board periodically review the risks and suggest steps to be taken to manage/mitigate the same.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the Company.

25. NOMINATION AND REMUNERATION COMMITTEE POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and for other employees and their remuneration. The same has been disclosed in the website at <http://www.mro-tek.com/>

26. CORPORATE SOCIAL RESPONSIBILITY:

The Company has continuously been incurring losses from past three financial years. Hence, the Company was not required to incur any CSR Expenditures during the year.

27. RELATED PARTY TRANSACTIONS:

All related party transactions which were entered into, during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior

omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. Web link for the same is http://mro-tek.com/pdf/20_5_15_RPT_Policy.pdf and also Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 annexed to this report as (Annexure IV).

28. ANNUAL BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

29. RATIO OF REMUNERATION TO EACH DIRECTOR:

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration are annexed to this report as (Annexure-V).

30. LISTING WITH STOCK EXCHANGES:

The Equity Shares of the Company continued to be listed on the BSE Limited (BSE) Mumbai and the National Stock Exchange of India Ltd, (NSE) Mumbai. The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 to NSE and BSE where the Company's Shares are listed.

The Securities Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, on September 02, 2015 with the aim to consolidate and streamline the provisions of Listing Agreement for different segments of capital to ensure better enforceability. The Regulations were made effective from December 01, 2015. Accordingly, as per the requirements, your Company entered into Listing Agreements with the NSE and BSE within the prescribed period.

Mr. Barun Pandey, a Company Secretary has been appointed as Compliance Officer of the Company consequent upon resignation of Mr. M. D. Muralidharan, Company Secretary of the Company. The Board of Directors has authorized Chairman, Managing Director and the Chief Financial Officer, severally for reporting disclosure of the material events, if any in terms of Regulations 30 of the said Regulations.

31. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

As required under the Companies Act, 2013, your Company has taken adequate steps to adhere to all the stipulations laid down Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. A report on Corporate Governance is included as a part of this Annual Report as (Annexure –VI).

Certificate from a Practising Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, obtained is attached to this report.

32. CAPITAL EXPENDITURE:

As on 31st March, 2016, the gross tangible and intangible assets stood at Rs. 36,58,80,267/- and the net tangible and intangible assets, at Rs 9,41,98,598/-. Additions during the year amounted to Rs. 72,001/-. The Company has incurred impairment loss of Rs 7,56,59,286 for Corporate office building. Further, an amount of Rs 5,06,077 has been recognized as impairment loss towards assets related to solar business. The Company has not purchased any assets under lease.

33. JOINT VENTURE

As reported in prior year/s, the activities in the JV Company viz., RAD-MRO Manufacturing Private Limited, Bangalore, were suspended from November, 2007. The Company still awaits procedural completion of requisite legal formalities, soon after which, further actions for (Members voluntary) winding-up of this JV Company will be initiated. Efforts are being taken to expedite the same.

In the meanwhile, this JV Company continues to register revenue by way of Interest Income (on Fixed Deposit/s with the Bank) which earning is adequate to meet its outgo commitments (by way of professional charges and connected expenses) for completion of the presently-pending activities, and also leave behind a nominal surplus, thereby retaining positive Net Worth in the Company. Such financials are detailed in Para (I) of Note 26 II on 'additional notes to accounts'.

Steps have been taken towards winding up of Joint Venture under the Companies Act, 1956/2013.

34. MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNALS IMPACTING GOING CONCERN STATUS OF COMPANY:

No order was passed by any court or regulator or tribunal during the period under review which in the opinion of the Board affects going concern status of the Company.

35. INDUSTRIAL RELATIONS:

Due to sustained losses incurred by the Company, Board of Directors decided to carry out restructuring activity in the interest of the Company to reduce overhead costs including manpower cost. Subsequently, the Company offered retrenchment compensation to the Factory workers as per the Industrial Disputes Act, 1947 and other terminal benefits as agreed with workers. However, Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-2016:

No of complaints received : NIL

No of complaints disposed off: NIL

37. MANAGEMENT DISCUSSION AND ANALYSIS:

The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements and accompanying notes ("Financial Statements") of MRO-TEK REALTY LIMITED for Financial Year ended March 31, 2016.

1. Segment wise or Product wise performance
2. Risk and Concerns
3. Internal Control Systems and their adequacy
4. Discussion on financial performance with respect to operational performance
5. Material Developments in Industrial Relations front

In addition to the above, the following points have been furnished below.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

The statements in this report describing the Company's objectives, estimations, expectations or projections, outlook etc., may constitute forward looking statements within the meaning of the applicable Rules, Laws and Regulations. Actual results may vary from such expectations, projections etc., whether express or implied. These statements are based on certain

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

assumptions and expectations of future events over which the Company has no direct control.

Industry Structure and Development, Strengths, Weakness, Opportunities and Threats, Major initiatives undertaken and planned to ensure sustained performance and growth;

There has been lot of emphasis on human resources skill development, special universities to catering to the Electronics and Renewable Energy industry. This will have a positive impact on the Company, as it gives lot of emphasis on the indigenous development of products. MRO-TEK has always tried to do indigenization of design and manufacture to reduce the cost of the equipments and less dependency on the foreign vendors for spares and other maintenance activities.

In the networking sector, though, there is nothing much happening on indigenous lines. All the products which are in use in data and communication networks in India are designed/developed/manufactured/tested outside the country. We have networking and communication equipments from every fathomable part of the world right from USA in the West to the far eastern countries like Taiwan, but hardly any from India.

MRO-TEK is a Public Limited Company that is doing its bit to help hold up the Indigenous flag in the networking space for India. Since its inception in 1984, The Company has been, is and will be an Indigenous player in the true sense of the word.

The entire process involved right from the conception of a new idea and the eventual evolution of this idea into a real world product through the R&D and Manufacturing is done indigenously.

We also take great pride in the fact that with the added activities of R&D and Manufacturing, we are still a Green ISO 14001 certified company. Our complete manufacturing process is certified "GREEN".

Real estate sector is one of the most critical sectors of Indian economy due to its huge multiplier effect on the economy. Any impact on real estate sector has a direct bearing on economic growth. 100% Foreign Direct Investment (FDI) was permitted for Indian real estate sector in 2005, which had led to a boom in investment and developmental activities in later years. According to DIPP, total FDI inflow in construction development sector (including townships, housing, built-up infrastructure) during April 2000 to September 2015 has been around US\$ 24.16 billion which is about 9% of total FDI inflows (in terms of US\$) from April 2000 to September 2015 as per Federation of Indian Chambers of Commerce & Industry (FICCI) survey report.

During the year "MRO-TEK LIMITED" had included Realty Business in its Main object, as per the Company's Business Strategy to overcome its past losses.

CAUSE OF DIVERSIFICATION OF BUSINESS:

1. Cash flow Crisis :

With reference to Resolution passed by Board of Directors at their meeting held on 19th February 2015. The Board had recalled the Continuing cash Losses and resolved to sell its land and properties, where Corporate Office and Manufacturing Premises were presently situated and shift both the facilities to smaller rented premises.

2. Continues Losses in Solar Business;

- Due to high working capital requirement.
- Delayed or non-payment from Customers.
- Non-moving /slow moving inventories.

3. Suitable Property Developer Identified:

With reference to Resolution passed by Board of Directors at its meeting held on 4th November, 2015 for entering into a joint development agreement, which is subject to approval by Shareholders under section 180 of Companies Act, 2013 and other applicable laws with the reputed business house.

Pursuant to Section 110 of the Companies Act, 2013 and other applicable Rules, Companies has passed Special Resolution for entering into Joint venture including the joint development of the Properties through postal ballot held on 22nd December, 2015.

After due deliberation and long search Company found the Suitable and Reputed Business entity called "Umiya Builders and Developers".

TURN AROUND ACTIONS

1. Company has reduced manpower from 197 to 16 (permanent employees/ employees on pay roll) during the year under review.
2. Hired workers or staff on contractual terms to optimize the utilization of resources on need basis.
3. Entered into Development Agreement with reputed business firm to utilize the idle resources to generate working capital and to reduce the maintenance cost of the company.
4. Discontinued Solar Business to mitigate loss of the Company.
5. Included Realty Business in Main object and change the name from "MRO-TEK Limited" to "MRO-TEK Realty Limited" to suit the nature of business carried on by the Company

6. Vacated the corporate office premises and shifted to rented premises and accordingly altered its registered office.

SWOT ANALYSIS

MRO-TEK'S Strength

- We have new component supply agreements at optimum cost and with world class manufacturing unit at Electronic City we address different market segments, our area of operations have gone up in view of this.
- Since our core strength is Quality, Solution Design, On time delivery and effective 24/7 after sales support across India and hence we are recognized for our brand "MRO-TEK".

MRO-TEK'S Weaknesses

- Continuous obsolescence of technology, variation in business dynamics of service providers due to their own velocity of business.
- The above may increase non-moving inventory situations creating funds crisis.
- Also new entrants of competition may enjoy new technology which has just changed

MRO-TEK'S Opportunities

- New technologies, increasing consumer base of service providers will force them to increase the capex which will give us an opportunity to increase our business in 4G roll out, as all our products are internet connectivity oriented, this will serve as excellent growth curve and rapidly benefit us in our revenue.
- During the year the Company has entered into Development Agreement with Umiya Group and ventured into Realty Sector. Experience of Umiya Group in Realty Sector might help Company to recover its past losses.
- Realty Sector is one of the fastest growing sector in Bangalore, Karnataka.

MRO-TEK'S Threats

- A sluggish economy, increasing competition and increased government regulations are just a few external threats that can limit a company's future success. Threats are outside events or influences that create future hurdles for a company.
- Lack of adequate working capital.

Material Developments in Human Resources

The Company to retain the skilled employees made an effort to evaluate the performance and increase the remuneration during the year.

Due to past Financial Performance, The Company made an effort to reduce the manpower count from 197 at the beginning of the financial year to 16 at the end of the financial year. The Company paid compensation to its employees as part of restructure measure to the tune of Rs 3,53,00,539 during the year 2015-16.

38. CODE OF CONDUCT:

In terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, all the Members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management for the year FY 2015-16. As required under Schedule V (D) of the said Regulations, a declaration signed by the Managing Director & Chief Finance Officer of the Company stating that the Members of the Board and the Senior Management Personnel have affirmed compliance of their respective code of Conduct. http://www.mro-tek.com/pdf/Code_of_Conduct%20_MRO-TEK.pdf

39. ACKNOWLEDGEMENTS

Your Directors appreciate and acknowledge the long term involvement and commitment to the Company by the outgoing promoters for building the reputed generally accepted brand in the industry and seek continues support for growth of the Company in future. The Employees who were associated with the Company have relentlessly contributed to the growth of the Company and they deserve to be complimented. Without their support, the Company could not have grown and sustained. The Board whole heartedly thanks employees at all levels including those who exited the Company.

Your Directors would like to acknowledge the role of all its stakeholders viz, shareholders, bankers, lenders, customers, vendors, and all other acquaintances for their continued to support to your Company and the confidence and faith that they have always reposed in your Company.

Your Directors acknowledge and appreciate the guidance and support extended by all the Governmental agencies, the Regulatory authorities including Securities Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Registrar of Companies, Karnataka, Stock Exchanges BSE/NSE and the NSDL/CDSL.

For & on behalf of the Board of Directors

S Narayanan

Chairman & Managing Director
DIN : 00037980

Place : Bangalore
Date : 8th August, 2016

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

Annexure I

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

TO
THE BOARD OF DIRECTORS, MRO-TEK REALTY LIMITED
BANGLORE-560 054

Dear Sirs,

We undertake to comply with the conditions as required under the Requirements 25 & 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 149 (6) and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) We declare that up to the date of this certificate, apart from receiving Director's remuneration, we did not have any material pecuniary relationship or transactions with the Company, its Promoters, Senior Management or its associates as named in the Annexure thereto which may affect my independence as Director on the Board of the Company. We further declare that we will not enter into any such relationship/transactions. However, if and when we intend to enter into such relationships/transactions, whether material or non-material we shall take prior approval of the Board. We agree that we shall cease to be an Independent Director from the date of entering into such relationship/transaction.
- (b) We declare that we are not related to Promoters or persons occupying management positions at one level below the Board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) We were not a Partner or an Executive or was also not Partner or Executive during the preceding three years, of any of the following:
 - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) We have not been a material suppliers, service provider or customer or lesser or lessee of the Company, which may affect independence of the Director, and were not a substantial Shareholder of the Company i.e., owning two percent or more of the block of voting shares.

K Rajamani
DIN: 06956823
Date: 08.08.2016

N Sivaram
DIN: 00018826
Date: 08.08.2016

N K Rajasekaran
DIN: 00076441
Date: 08.08.2016

Annexure-II

Form No.MGT-9

EXTRACT OF ANNUAL RETURN**As on the Financial Period ended on March 31, 2016**

[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:

- i) CIN: - L28112KA1984PLC005873
- ii) Registration Date: 10.02.1984
- iii) Name of the Company: MRO-TEK REALTY LIMITED
- iv) Category /Sub-Category of the Company: Company limited by shares and Indian Non Government Company
- v) Address of the registered office and contact details:
Registered Office: #6, New BEL Road, Chikkamaranhalli, Bangalore-560 054
Tel. : 080-2333 2951
Fax. : 080-2333 3415,
Email : grd@mro-tek.com
Website: www.mro-tek.com
- vi) Whether listed company: Yes

Details of stock exchanges where the shares are listed:

| Sl. No. | Stock Exchange Name | Stock Exchange Code |
|---------|---|---------------------|
| 1 | National Stock Exchange of India Limited (NSE), | MRO-TEK |
| 2 | Bombay Stock Exchange Limited (BSE). | 532376 |

- vii) Name, Address and Contact details of Registrar and Share Transfer Agent:

Karvy Computershare Pvt. Ltd
Karvy Selenium Tower B, Plot No.31 & 32, Financial District,
Gachibowli, Hyderabad- 500 032
Phone No: 040-67162222
Fax No : 040-23001153
E-Mail: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

The entire business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products/ services | NIC Code of the Product/ Service | % total turnover of the Company |
|---------|---|----------------------------------|---------------------------------|
| 1 | Networking product Space | 9983325. | 99.16 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

| Sl. No | Name and Address of The Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|---------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1 | RAD-MRO Manufacturing Private Limited | U03220KA1997PTC022152 | Associate Company | 49% | 2(6) |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 01-Apr-2015] | | | | No. of Shares held at the end of the year [As on 31-March-2016] | | | | % Change during the year |
|--|---|---------------|-----------------|-------------------|---|---------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 7410056 | 0.00 | 7410056 | 39.66 | 7410056 | 0.00 | 7410056 | 39.66 | 0.00 |
| b) Central Govt. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c) State Govt.(s) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| d) Bodies Corp. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e) Banks / FI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| f) Any other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total shareholding of Promoter (A) (1) | 7410056 | 0.00 | 7410056 | 39.66 | 7410056 | 0.00 | 7410056 | 39.66 | 0.00 |
| (2) Foreign | | | | | | | | | |
| a) Individual / HUF | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Bodies Corporate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total shareholding of Promoter (A) (2) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Shareholding Promoter & Promoter Group (A)=(A)(1)+(A)(2) | 7410056 | 0.00 | 7410056 | 39.66 | 7410056 | 0.00 | 7410056 | 39.66 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Banks / FI | 3500 | 0.00 | 3500 | 0.02 | 3500 | 0.00 | 3500 | 0.02 | 0.00 |
| c) Central Govt. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| d) State Govt.(s) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| f) Insurance Companies- | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| g) FIIs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| i) Others (specify) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-total (B)(1):- | | | | | | | | | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 907835 | 0.00 | 907835 | 4.86 | 679182 | 0.00 | 679182 | 3.63 | (1.23) |
| i) Indian | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ii) Overseas | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 2 Lakh | 8038787 | 83812 | 8122599 | 43.47 | 6615871 | 131812 | 6747683 | 36.11 | (7.36) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh | 2064991 | 50000 | 2114991 | 11.32 | 3712296 | 0.00 | 3712296 | 19.87 | 8.55 |
| c) Others (specify) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non Resident Indians | 103782 | 0.00 | 103782 | 0.56 | 81258 | 0.00 | 81258 | 0.43 | (0.13) |
| Overseas Corporate Bodies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Nationals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Clearing Members | 21839 | | 21839 | 0.12 | 49825 | 0.00 | 49825 | 0.27 | 0.15 |
| NBFC | 0.00 | 0.00 | 0.00 | 0.00 | 802 | 0.00 | 802 | 0.00 | 0.00 |
| Foreign Bodies -D R | | | | | | | | | |
| Sub-total (B)(2):- | 11137234 | 133812 | 11271046 | 60.32 | 11139234 | 131812 | 11271046 | 60.32 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 11137234 | 133812 | 11274546 | 60.34 | 11139234 | 131812 | 11274546 | 60.34 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 18550790 | 133812 | 18684602 | 100 | 18552790 | 131812 | 18684602 | 100.00 | 0.00 |

ii) Shareholding of Promoters:

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the period | | | Shareholding at the end of the period | | | % change in share holding during the period |
|---------|---------------------|---|---------------------------------|--|---------------------------------------|---------------------------------|--|---|
| | | No. of Shares | %of total Shares of the company | %of Shares Pledged/ encumbered to total shares | No. of Shares | %of total Shares of the company | %of Shares Pledged/ encumbered to total shares | |
| 1 | Himadri Nandi | 3140903 | 16.81 | 0 | 3140903 | 16.81 | 0 | 0 |
| 2 | S .Narayanan | 3092916 | 16.55 | 0 | 3092916 | 16.55 | 0 | 0 |
| 3 | Jayashree Narayanan | 584228 | 3.13 | 0 | 584228 | 3.13 | 0 | 0 |
| 4 | Shyamali Nandi | 558789 | 2.99 | 0 | 558789 | 2.99 | 0 | 0 |
| 5 | Murari Narayanan | 21820 | 0.12 | 0 | 21820 | 0.12 | 0 | 0 |
| 6 | Prakrithy N | 11400 | 0.06 | 0 | 11400 | 0.06 | 0 | 0 |
| | TOTAL | 7410056 | 39.66 | 0 | 7410056 | 39.66 | 0 | 0 |

iii) Change in Promoters' Shareholding (please specify, if there is no change) -No change during the period

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 7410056 | 39.66 | 7410056 | 39.66 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | 0 | 0 | 0 | 0 |
| | At the End of the year | 7410056 | 39.66 | 7410056 | 39.66 |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):

| Sl. No. | For Each of the Top 10 Shareholders Name | Share holding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|--|---------------------------------|---|---------------------------------|
| | | No. of shares | %of total shares of the company | No. of shares | %of total shares of the company |
| 1 | Jitendra Virwani | 0 | 0 | 1932596 | 10.34 |
| 2 | Prakash Peraje Pai | 0 | 0 | 456544 | 2.44 |
| 3 | Anita Jain | 178500 | 0.96 | 178500 | 0.96 |
| 4 | Varun Jain | 340012 | 1.82 | 157195 | 0.84 |
| 5 | Ketan Narendra Suriya | 0 | 0 | 144472 | 0.77 |
| 6 | Austin Roach | 91667 | 0.49 | 112850 | 0.60 |
| 7 | Athul Vasudeva Kudva | 0 | 0 | 80240 | 0.43 |
| 8 | Nirbhay Mahawar | 0 | 0 | 75000 | 0.40 |
| 9 | N G N Purnik | 0 | 0 | 75000 | 0.40 |
| 10 | Vivekanand Pai Kochikar | 0 | 0 | 62219 | 0.33 |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| | S. Narayanan | 3092916 | 16.55 | 3092916 | 16.55 |
| | Himadri Nandi | 3140903 | 16.81 | 3140903 | 16.81 |
| | Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | 0 | 0 | 0 | 0 |
| | At the end of the Year | | | | |
| | S. Narayanan | 3092916 | 16.55 | 3092916 | 16.55 |
| | Himadri Nandi | 3140903 | 16.81 | 3140903 | 16.81 |

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment - Rs. 18, 20, 40,207/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | Total Amount |
|---------|---|------------------------|------------------|------------------|
| | | Mr. S. Narayanan | Mr. H. Nandi | |
| 1 | 1. Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 36,00,000 | 36,00,000 | 72,00,000 |
| | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 | | | |
| | (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961 | | | |
| 2 | Stock Option | | | |
| 3 | Sweat Equity | | | |
| 4 | Commission | | | |
| | - as % of profit | | | |
| | - Others, specify... | | | |
| 5 | Others, please specify | | | |
| | Total (A) | 36,00,000 | 36,00,000 | 72,00,000 |
| | Ceiling as per the Act | 42,00,000 | 42,00,000 | 84,00,000 |

B. Remuneration to other Directors:

(Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|-------------------|------------|-------------|-------------|--------------|
| | | N. K.Rajasekharan | N. Sivaram | K. Rajamani | Sunanda Nag | |
| 1 | Independent Directors | | | | | |
| | • Fee for attending board / committee meetings | 54000 | 660000 | 66000 | 18,000 | 204000 |
| | • Commission | | | | | |
| | • Others, please specify | | | | | |
| | Total (1) | 54000 | 66000 | 66000 | 18,000 | 204000 |
| 2 | Other Non-Executive Directors | | | | | |
| | • Fee for attending board / committee Meetings | 0 | 0 | 0 | 0 | 0 |
| | • Commission | | | | | |
| | • Others, please specify | | | | | |
| | Total (2) | 0 | 0 | 0 | 0 | 0 |
| | Total (B)=(1+2) | 54000 | 66000 | 66000 | 18000 | 204000 |
| | Total Managerial Remuneration | | | | | 74,04,000 |
| | Overall Ceiling as per the Act | | | | | 84,00,000 |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total Amount |
|---------|---|--------------------------|--------------------|------------------|------------------|
| | | CEO | Company Secretary | CFO | |
| 1 | 1. Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 2,25,869 | 24,28,020 | 26,53,889 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission | | | | |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5 | Others, please specify | | | | |
| | Total | | Rs.2,25,869 | 24,28,020 | 26,53,889 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | NIL | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | NIL | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | NIL | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

For & on behalf of the Board of Directors

S Narayanan
Chairman & Managing Director
DIN : 00037980

Place : Bangalore
Date : 8th August, 2016

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

Annexure - III

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
MRO-TEK REALTY LIMITED
(Formerly known as MRO-TEK LIMITED)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MRO-TEK REALTY LIMITED (Formerly known as MRO-TEK LIMITED- CIN: L28112KA1984PLC005873) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by MRO-TEK REALTY LIMITED for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) There are no specific laws applicable to the Company pursuant to the business carried by the Company.
- (vii) The other general laws as may be applicable to the Company including the following:
 - (1) Employer/Employee Related laws & Rules:**
 - i. Industries (Development & Regulation) Act, 1951
 - ii. The Factories Act, 1948 (in case of manufacturing companies, where applicable)

- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xx. The Karnataka Shops & Establishments Act, 1961
- xxi. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxii. The Labour Welfare Fund Act, 1965
- xxiii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxiv. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981
- iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

(3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Indian Stamp Act, 1899
- v. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2 (applicable from 1st July, 2015).
- (ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

1. Compliances with Secretarial Standards need to be strengthened.
2. Certain policies were not updated in the official website of the Company.
3. Annual Report for the year 31.03.2015 does not disclose certain information on web links as mandated under the Act and the Listing Agreement.
4. Certain registers, records and returns required to be maintained/filed under the Labour Laws, Karnataka Shops and Establishments Act, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act which were not updated and filed in time, are in the process of being updated/filed and the Management has confirmed taking remedial steps.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has inducted a Woman Director in place of the Woman Director resigned after passage of 6 months. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I 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.

I further report that during the year, the Company has passed the following resolutions through postal ballot vide notice dated 10.11.2015 and 09.02.2016 respectively:

Postal Ballot notice dated 10.11.2015:

1. Entering into Joint Venture including the joint development of the properties;

Postal Ballot notice dated 09.02.2016:

1. Change of name of the Company;
2. Alteration of the Memorandum of Association of the company including the main objects;
3. Alteration of Articles of Association of the Company.

Place: Bangalore
Date: 08.08.2016

(Vijayakrishna KT)
FCS No.: 1788
C P No.: 980

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of Financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore
Date: 08.08.2016

(Vijayakrishna KT)
FCS No.: 1788
C P No.: 980

Annexure - IV

FORM NO. AOC.2

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 there to.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: **NIL**
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts/arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

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

- (a) Name(s) of the related party and nature of relationship:
 - 1. RAD MRO Manufacturing Private Limited - Joint Venture
 - 2. Mr. H. Nandi - Managing Director
- (b) Nature of contracts/arrangements/transactions:
 - 1. RAD MRO Manufacturing Private Limited: - Professional Services and Rent receipts
 - 2. Mr. H. Nandi - Sale of Goods.
- (c) Duration of the contracts/arrangements/transactions: Open Ended Contract.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - 1. Professional & Rent Charges for related business: Rs. 10, 93,776/-
 - 2. Sale of Goods : NIL
- (e) Date(s) of approval by the Board, if any : 12th November, 2014
- (f) Amount paid as advances, if any : NIL

S. Narayanan
Chairman and Managing Director
DIN : 00037980

Annexure – V

THE RATIO OF THE REMUNERATION OF EACH DIRECTOR

| | | |
|-------|---|---|
| (i) | The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year; | 9:1 |
| (ii) | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year; | There was no increase in Remuneration to Directors and Key managerial Person |
| (iii) | The percentage increase in the median remuneration of employees in the Financial Year; | 70.69% * |
| (iv) | The number of permanent employees on the rolls of Company as on 31.03.2016; | 98 |
| (v) | 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; | Increase in Salaries of Employees other than KMP was NIL No increase in salaries to KMP. |
| (vi) | The key parameters for any variable component of remuneration availed by the Directors; | Not Applicable |
| (vii) | Affirmation that the remuneration is as per the remuneration policy of the Company. | Yes |

*** It may be noted that the Company retained critical positions and hence the median remuneration increased. Factory workers opted for terminal benefits and the eligible compensation was discharged by the Company.**

S. Narayanan
Chairman and Managing Director
DIN : 00037980

CORPORATE GOVERNANCE

(Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is aimed at assisting the top management of your Company in the efficient and ethical conduct of its business, in meeting its obligations to Shareholders, Stakeholders, Government and the society at large.

MRO-TEK's business objective and that of its Management and employees is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy. The Company has initiated appropriate actions to pro actively change its business model in line with the dynamic business scenario. This enables the Company to undertake the right actions in the right strategic directions.

MRO-TEK is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirement, MRO-TEK endeavors to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

Board of Directors:

Composition:

The present strength of the Board is Five Directors, comprising of two Executive and Three Non-Executive, Independent Directors.

The Board is primarily responsible for the overall management of the Company's business.

The present Board comprises 5 members, three of whom are Independent directors, one Executive Chairman and another is the Managing Director and three Non-Executive Non-Independent Directors. The Company has an Executive Chairman and the number of Independent Directors is more than half of the total number of Directors. The Company is in compliance with the requirements relating to the composition of Board of Directors except the Women Director as on 31.3.2016. The Board has taken initiative to appoint suitable Women Director in the next quarter.

The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company and in doing so presides over meetings of the Board and Shareholders of the Company. The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors.

The Managing Director is responsible for corporate strategy, planning and other management matters. The Managing Director and the Senior Management Personnel being responsible for achieving annual business targets, acquisitions, new initiatives and investments make periodic presentations to the Board on their responsibilities and performance.

Board Meetings are held generally at the Registered Office Bangalore, India. The agenda for each Board Meeting along with explanatory notes are distributed in advance to the Directors. The Board meets at least once a quarter to review the quarterly results and other items of agenda and also on the occasion of the Annual General Meeting of the Shareholders.

The details of the appointment and resignation of Non-Executive Independent Director since the last Annual General Meeting is as follows:

| Name of the Director | Date of Appointment or Resignation | |
|-----------------------------|---|----------|
| Ms. Sunanda Nag | 14.01.2016 | Resigned |

Board Meeting

Number of Board Meetings, Directors' attendance record and directorships held by all directors:

A total of Six Meetings of the Board of Directors were held during the year under review, on 27th May 2015, 3rd August 2015, 4th November 2015, 24th December 2015, 14th January 2016 and 9th February 2016. Attendance of Directors at the Board Meetings held during the year 2015-16 and the details of directorships, Committee Chairmanships and Memberships are exhibited below:

| Name of Director | Position | No. of Board Meetings Attended | Attendance at Prev. AGM on 23.09.2015 | No. of outside Director-ships held | No. of membership / chairmanship in other Board Committees# |
|--|------------------------------|--------------------------------|---------------------------------------|------------------------------------|---|
| Executive Directors: | | | | | |
| Mr. S. Narayanan | Chairman & Managing Director | 6 | Present | - | - |
| Mr. H. Nandi | Managing Director | 6 | Present | - | - |
| Non-Executive, Independent Directors: | | | | | |
| Mr. N. K. Rajasekaran | Director | 6 | Present | 2 | - |
| Mr. N. Sivaram | Director | 6 | Present | 1 | - |
| Mr. K. Rajamani | Director | 5 | Not Present | - | - |
| Mrs. Sunanda Nag* | Director | 2 | Not Present | - | - |

* Resigned on 14.01.2016.

#Chairmanship/Membership in Board, Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Audit Committee:

The qualified and independent Audit Committee of the Board has been exercising its powers and responsibilities judiciously. The Committee has three experienced and learned members including the Chairman of the Committee and all are Independent Directors. The Audit Committee comprised of Mr. K. Rajamani as the Chairman of the Audit Committee with Mr. N. Sivaram, Mr. N. K. Rajasekharan as the other members of the Committee - all of them being Independent and Non-Executive Directors.

During the year Mr. M. D. Muralidharan was appointed as the Company Secretary and Key Managerial Personnel of the Company and also the Secretary of the Audit Committee. On 9th February 2016, Mr. M D Muralidharan resigned from the position of the Company Secretary of the Company.

In view of above, the Company has taken action to appoint Mr. Barun Pandey Associate Member of Institute of Company Secretary of India as a Company Secretary and Compliance Officer of the Company w.e.f. 8th August, 2016.

The role and terms of reference to the Audit Committee covers the areas mentioned under the Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and under Section 177 of Companies Act 2013. From time to time, other terms may be referred by the Board of Directors.

The broad terms of reference to the Audit Committee, is to review with the Management, the Internal Auditors and the Statutory Auditors:

- the Company's accounting & financial controls and reporting processes– quarterly & annual.
- accounting & financial policies and practices.
- internal control and internal audit systems.
- compliance with Company policies and applicable laws and regulations.
- to recommend to the Board, regarding the appointment / re-appointment of Statutory, Internal and Cost Auditors and the remuneration payable to them.
- remuneration to Directors.
- accounting of ESOP Costs in accordance with SEBI guidelines.
- allotment of options under ESOP and Buyback proposal.
- ensure compliance of all mandatory requirements.

The Audit Committee also reviews with the management, the auditors on any specific matters relating to suspected fraud or irregularity or failure of internal control systems of material nature and report the same to the Board.

The Committee also holds pre- and post-audit discussion with the statutory auditors about the nature and scope of audit

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and audit observations/areas of concern/reasons for defaults, if any. In addition, the committee annually reviews the performance of the internal and statutory auditors, their appointment/ removal/terms of remuneration, the functioning of the Whistle Blower mechanism, management discussions and analysis of financial conditions and results of operations, statement of the significant related party transactions as submitted by management, reports on internal control weaknesses, if any. It is the prerogative of the Committee to invite executives and auditors of the Company to be present at the meetings to provide additional inputs/clarifications on the subject being discussed by the Committee.

The Chairman of the Committee was present at 31st Annual General meeting of the Company to answer shareholders queries.

During the year, the Committee met Four times on 27.05.2015, 03.08.2015, 04.11.2015, and 09.02.2016. The Maximum interval between any two meetings did not exceed 120 days as prescribed under Companies Act, 2013 and Regulations 18 of SEBI (LODR) Regulations 2015.

The particulars of members of the Committee and number of meeting attended during the tenure of the Directors are mentioned hereunder;

| Name of Director | Designation | No. of Meetings Attended |
|-------------------------|--------------------|---------------------------------|
| Mr. N. Sivaram | Chairman | 4 |
| Mr. N. K. Rajasekharan | Member | 4 |
| Mr. K. Rajamani | Member | 3 |

Nomination and Remuneration Committee:

Nomination and Remuneration Committee by the new Companies Act, 2013, comprised of Mr. K. Rajamani as the Chairman of the Committee, with Mr. N. Sivaram, Mr. N. K. Rajasekaran as the other members of the Committee - all of them being Independent and Non-Executive Directors.

The Board has authorized the committee with clear roles and responsibilities in terms of the provisions of the Act and rules made there under and also with those set out in the listing agreement SEBI (LODR) Regulations 2015. The Nomination and Remuneration Policy of the Company, duly approved by the Board, covers the criteria for determining qualifications positive attributes and independence of a Director, evaluation of Independent directors and the Board, authorization to identify persons who are qualified to become directors, senior management, recommending to the Board their appointment/ removal and also the remuneration policy. The Nomination and Remuneration Policy of the Company is available on the website of the Company (<http://www.Mro-tek.com>)

Nomination policy, among other things, includes:

- i) Laying down the criteria which shall form the basis for enabling the Nomination and Remuneration committee to identify persons who are qualified to become Directors of the Company, including Board Diversity.
- ii) Laying down the criteria which shall form the basis for enabling the Nomination and Remuneration committee to identify persons who may be appointed in Senior Management of the company.
- iii) Formulation of criteria for determining qualifications, positive attributes and independence of a Director.
- iv) Evaluation of every Director's performance by Nomination and Remuneration committee.

The Remuneration policy, among other things, covers:

- i) Remuneration for the Directors, Key Managerial Personnel and other employees of the Company.

Details of the remuneration to the Directors are detailed in the relevant schedules forming a part of the Annual Accounts for the year ended 31 March 2015. No stock options were granted/allotted under ESOS, to any of the directors.

During the year, the Committee met once on 4th November 2015.

| Name of Director | Designation | No. of Meetings Attended |
|-------------------------|--------------------|---------------------------------|
| Mr. K. Rajamani | Chairman | 1 |
| Mr. N. K. Rajashekar | Member | 1 |
| Mr. N. Sivaram | Member | 1 |

Disclosures with respect to remuneration of Directors (in terms of Schedule V of SEBI (LODR) Regulations 2015

- i) All elements of remuneration package of individual's directors are summarized under the major groups, such as salary, benefits, bonuses etc.
For remuneration of particulars of the Managing Director, you may please refer page of extract of Annual Report in Form MGT-9 attached to the Report of Directors.
- ii) Service contracts, notice period, severance fee: not applicable.
- iii) Stock Option details, if any and whether issued at a discount as well as period over which accrued and over which exercisable: not applicable.

Remuneration of Directors for 2015-16:

In Rupees

| Name of the Director | Sitting Fee* | Salaries | Provident Fund & Superannuation | Total |
|------------------------|--------------|-----------|---------------------------------|-----------|
| Mr. S. Narayanan | Nil | 36,00,000 | 9,72,000 | 45,72,000 |
| Mr. H. Nandi | Nil | 36,00,000 | 9,72,000 | 45,72,000 |
| Mr. N. K. Rajasekharan | 66,000 | NIL | NIL | NA |
| Mr. N. Sivaram | 66,000 | NIL | NIL | NA |
| Mr. K. Rajamani | 54,000 | NIL | NIL | NA |
| Mrs. Sunanda Nag | 18,000 | NIL | NIL | NA |

*Sitting Fee disclosed above is net of service tax

Stakeholders Relationship Committee:

The Board has renamed Shareholders' Grievance and Investor Relations Committee as Stakeholders' Relationship Committee to consider and approve share transfers, transmissions, transposition of name, issue of split/duplicate certificates, ratify confirmations made to the demat requests received by the Company and review the status report on redressal of Shareholders' complaints received by the Company/ share transfer agents.

The Committee comprises of Mr. K. Rajamani as the Chairman of the Committee, with Mr. N. Sivaram and Mr. N. K. Rajasekaran as the other members of the Committee - all of them being Independent and Non-Executive Directors.

Mr. M. D. Muralidharan was the Compliance of the Company between 3rd, August, 2015 to 9th February, 2016. Mr. Srivatsa, Chief Financial Officer, is the Compliance Officer of the Company and cease to be with effect from 8th August, 2016 and in his place Mr. Barun Pandey a qualified Company secretary is appointed as Compliance Officer of the Company.

During the year, the Committee met one time on 09 February, 2016.

| Name of Director | Designation | No. of Meetings Attended |
|-----------------------|-------------|--------------------------|
| Mr. K Rajamani | Chairman | 1 |
| Mr. N. K Rajasekharan | Member | 1 |
| Mr. N. Sivaram | Member | 1 |

Reconciliation of the share capital is reviewed every quarter by a practicing Company Secretary as per the prevailing guidelines of the SEBI, and the same is filed with the Stock Exchanges.

Information on Investor Complaints for the Year:

| Brought Forward | Received afresh | Disposed | Carried-over |
|-----------------|-----------------|----------|--------------|
| NIL | NIL | NIL | NIL |

Meeting of Independent Directors:

The Independent Directors of the Company had met during the year on 09.02.2016 to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

The Company has issued formal letters of appointment to the Independent Directors and the terms and conditions of appointment have been disclosed on the website of the Company. In place, the evaluation criteria for performance evaluation of Independent Directors wherein their preparation, deliberations, effective participation, skills and knowledge to discharge their duties as Independent Director, etc. are rated by all the Directors (excluding the Director being evaluated).

The Company had also further during the year, conducted Familiarization programme for Independent Directors of the Company and the details of such familiarization programmes are disseminated on the website of the Company ([www.mro-tek.com/ Investors/ Familiarization Programme](http://www.mro-tek.com/Investors/FamiliarizationProgramme)).

Declaration by the Independent Directors:

Independent Directors play a key role in the decision-making process of the Board. They are committed to act in what they believe, are in the best interests of the Company and oversee the performance of the management periodically.

The Company and its Board benefit immensely from the in-depth knowledge, experience and expertise of its Independent Directors in achieving its desired level of business performance and good corporate governance.

None of the Independent Directors are promoters of the Company or its holding, subsidiary or associate company nor are they related to each other. None of the Independent Directors are related to promoters of the Company or others referred to above. The Independent Directors, apart from receiving the sitting fee, had no material pecuniary relationship with the Company/associates/promoters/directors during the two immediately preceding financial years/the current financial year.

They are independent of management and free from any business or pecuniary relationship or transaction with the Company or associates or Directors or such other relationships which could materially interfere with the exercise of their independent judgement.

The Independent Directors have given a declaration to the Company confirming adherence to the code of conduct/criteria of independence, directorship etc as required under the Regulation 25 & 26 of SEBI (LODR) Regulations 2015 and also the provision u/s section 149(6) of the Companies Act, IV of the said Act.

Code of Conduct

The Company has framed and adopted a Code of Conduct for its Directors and senior management personnel, duly approved by the Board. For the year under review, all the Directors and senior management personnel have affirmed compliance with the provisions of the said Code. A declaration from the Managing Director/CEO of the Company in terms of Regulations 34(3) read with Schedule V of SEBI (LODR) Regulations 2015 is placed as an annexure to the Report of Directors. The above annual affirmations were placed before the Board for information.

The above annual affirmations are placed before the Board for information. In terms of the Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013 w.e.f. April 01, 2014, the Board has adopted the said Code and all the Independent Directors have affirmed that they abide by the said Code.

Risk Management:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets. (the policy is displayed on the website of the Company www.mro-tek.com.)

Related Party Transactions:

The Company has a policy in place on the Related Party Transactions. The policy defines clearly the transactions which require approval from Audit Committee, the Board of Directors and members at the Annual General Meeting, provision for

prior approval, periodical review, omnibus approval, transactions in the ordinary course of business or otherwise, transactions within arm's length basis or otherwise, materiality of the transactions as defined under clause 49 of the listing agreement/ Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as applicable, and threshold limits as defined and in conformity with the provisions of the Companies Act, 2013, the related rules and the requirements under said clauses/ regulations, as amended from time to time.

The Company has been entering into contracts and arrangements with the promoters in the ordinary course of business.

As on 31st March, there are no outstanding Related Party Transactions of the Company with promoters.

The disclosure in compliance with the Accounting Standard on 'Related Party Disclosures' as required under Regulations 34(3) read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) 2015, are disclosed by the Company in the Notes forming part of the financial statements (Note No II (h) of the Annual Report) and the particulars of such contracts/ arrangements are provided as an annexure to this Report of Directors.

The Company's Related Party Transactions Policy is on the website of the Company placed at <https://www.mro-tek.com/about-us/corporate-governance-documents>.

a) Details of non Compliance, if any:

Pursuant to Regulation 17(1) of SEBI (LODR) Regulations, 2015 Company has yet not appointed a Woman Director after Resignation (14.01.2016) of Mrs. Sunanda Nag. However, the Company is under process of appointing suitable candidate.

b) Details of establishment of Vigil mechanism/ Whistle Blower Policy:

The Company has established a Whistle Blower Policy/ vigil mechanism for the Directors, employees and other stakeholders to enable them to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Under this mechanism, the improper practice, if any, in the Company, can be directly reported to the Audit Committee. A communication in that regard has been sent to all the employees of the Company and reiterated during the Branch Managers' Conference, training programmes and by circulars. The Company affirms that the mechanism provides adequate safeguards against victimisation of Director(s)/employee(s) who use the mechanism, provides for direct access to the Chairman of the Audit Committee and also affirms that no personnel have been denied access to the audit committee.

The details of establishment of the mechanism has been placed by the Company on its website at <https://www.mro-tek.com>

c) Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and all the applicable clauses of Regulation 46(2) of the Listing Regulations.

This Corporate Governance Report of the Company for the FY 15-16 or as on March 31, 2016 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement(s) with BSE Limited and National Stock Exchange of India or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

d) Adoption of the Non-Mandatory Requirements:

- i. Remuneration Committee has duly been constituted.
- ii. The Company is in the regime of unqualified financial statements.
- iii. The Company consistently trains its Board members, on an on-going basis, in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as Directors, and the best ways to discharge them.
- iv. The Company has a procedure of bringing to the notice of management, any matter/s regarding concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy.
- v. Corporate Governance Voluntary Guidelines 2009:
 - Whole-time Directors of the Company are not holding any position as Non-Executive Directors or Independent directors of any other public limited companies or private companies that are either holding or subsidiary companies of public companies. The voluntary guidelines allows for holding such positions in seven such companies in aggregate.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

- Independent Directors of the Company have the option and freedom to meet Company Management regularly. They are provided with all information sought by them to perform their duty effectively and efficiently.
- Non-whole time Directors are remunerated with an appropriate percent of the net profits of the company as allowed under the provisions of Companies Act, 2013, for their valuable contributions by way of guidance, directions and time devoted to the activities of your Company. Such remunerations paid is uniform among all Non-whole time Directors.
- Remuneration Committee has duly been constituted to discuss issues, as detailed elsewhere in this report.
- Audit Committee has duly been constituted, and its scope and functions has already detailed elsewhere in this report.
- Matters referred to Audit Committee, as detailed elsewhere in the report include, inter alia, recommendation to Board, on appointment of Statutory, Internal and Cost Auditor/s.
- Internal Auditor of the Company is an independent chartered accountant firm.
- Rotation of audit partner has been implemented by the auditing firm.
- Reconciliation of Share Capital Audit Report is conducted every financial quarter and placed before the Audit Committee and the Board for review.

General Body Meetings:

Location and time of previous three Annual General Meetings for the financial years ended on March 31, 2016:

| Year | Location | Date | Time |
|-------------|--|---------------------|-------------|
| 2013 | Hotel Woodlands, Bangalore | 10th July 2013 | 11.00 Hours |
| 2014 | Hotel Woodlands, Bangalore | 17th September 2014 | 11.30 Hours |
| 2015 | Royal Orchids Resorts & Convention Centre, | 23rd September 2015 | 11.30 Hours |

Note:-During the Year Two Postal Ballot was conducted as on 10th November, 2015 and 9th February, 2016.

Special Resolutions passed in the previous three Annual General Meetings:

| Year | Special Resolutions |
|-------------|---|
| 2013 | 1. Reappointment of Mr. S Narayanan, the Chairman and Managing Director and Mr. H Nandi, Managing Director for a period of five years and fixation of remuneration detailed for the period commencing from 1 April 2013 and ending 31 March 2015 and for balance three years Commencing from 1st April 2015 and ending with 31 March 2018. |
| 2014 | 1. Increasing the Authorised Share Capital of the Company from Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 2,40,00,000 (Two Crores Forty Lakhs only) Equity Shares of Rs. 5/- (Rupees Five only) each to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 3,00,00,000 (Three Crores only) Equity Shares of Rs. 5/- (Rupees Five only) each. 2. Alteration of the Memorandum of Association of the Company for amending the Capital Clause. |
| 2015 | 1. Entering into Joint Venture including the Joint Development of the Properties through Postal Ballot. 2. Change in the name of the Company through Postal Ballot. 3. Alteration of the Memorandum of Association of the Company including main objects through Postal Ballot. 4. Alteration of Article of Association through Postal Ballot. |

Disclosure:

Transactions with related parties are disclosed in Note II Point (h) on 'Additional Notes to Accounts' in the Annual Report.

The Register of Contracts containing the transactions, in which Directors are interested, is regularly placed before the Board for its ratification and approval.

During the previous three years, or in any of the earlier years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

The Company's personnel have access to the Audit Committee to refer any matter/s regarding concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy.

Means of Communication:

| | | |
|-----|--|--|
| I | Quarterly Results | Published in National and local dailies such as Financial Express (English) & Sanjevani and in official websites of National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com) |
| II | Publications in News Papers | Published in National and local dailies i.e Financial Express (English) & Sanjevani (Kannada) immediately next day |
| III | Publications in Websites | www.mro-tek.com; |
| IV | Displaying of official news releases | www.mro-tek.com and official websites of NSE and BSE |
| V | Presentations to Institutional Investors or analysts | www.mro-tek.com |

SHAREHOLDER INFORMATION:

a) Date, time & venue of the Annual General Meeting of Shareholders:

| Date | Time | Venue |
|--------------------|-------|---|
| September 21, 2016 | 12:30 | Bhartiya Vidya Bhavan, # 43, Race Course Road, Bangalore -560 001 |

b) Particulars of Financial Calendar for 2016-17

| | |
|---|--|
| Financial Year | 1 April, 2016 to 31 March, 2017 |
| First, Second and Third Quarterly Results | Within 45 days of end of each quarter |
| Fourth Quarter & Financial Year Results | within sixty days of end of the financial year |

c) Dates of Book Closure – 14th September to 21st September (both the days inclusive)

d) Listing on stock exchanges:

- National Stock Exchange of India Limited (NSE), BSE Limited (BSE).
- Annual listing fee has been remitted for NSE and BSE for the year 2016-17.
- Annual custody fee has been remitted for NSDL and CDSL for the year 2016-17 will be remitted after receipt of the bill.

e) Stock Exchange Codes

| Stock Exchange | Code |
|--|---------|
| National Stock Exchange of India Limited, Mumbai | MRO-TEK |
| BSE Limited, Mumbai | 532376 |

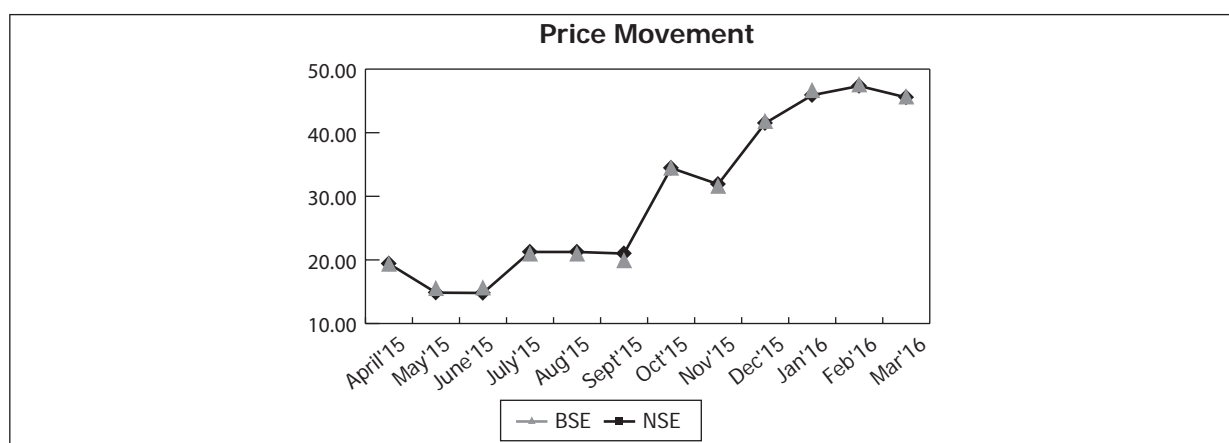
f) Demat arrangement with NSDL and CDSL. Demat ISIN – INE398B01018

g) Market price data of shares traded

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

High/Low of market price of the Company's shares traded in BSE Limited and National Stock Exchange, during the financial year 2015-16 is furnished below:

| Month | BSE | | | NSE | | |
|--------|------------|-----------|---------------|------------|-----------|---------------|
| | High (Rs.) | Low (Rs.) | Volume (Nos.) | High (Rs.) | Low (Rs.) | Volume (Nos.) |
| Apr-15 | 19.4 | 13.55 | 404472 | 13.75 | 13.50 | 5,81,644 |
| May-15 | 15.58 | 12.3 | 70759 | 14.85 | 12.25 | 93,602 |
| Jun-15 | 15.67 | 10.1 | 315627 | 14.80 | 10.10 | 290007 |
| Jul-15 | 21 | 11.15 | 1163864 | 21.25 | 11.05 | 14,62,020 |
| Aug-15 | 21 | 15 | 381758 | 21.25 | 14.40 | 5,60,893 |
| Sep-15 | 19.95 | 14.55 | 178200 | 21.00 | 14.15 | 2,19,788 |
| Oct-15 | 34.5 | 18.8 | 1724580 | 34.45 | 17.10 | 22,90,456 |
| Nov-15 | 31.65 | 26.35 | 611441 | 31.90 | 25.70 | 10,13,997 |
| Dec-15 | 41.85 | 27.15 | 1759089 | 41.50 | 27.05 | 35,55,213 |
| Jan-16 | 46.7 | 33.45 | 811085 | 45.90 | 33.40 | 16,43,670 |
| Feb-16 | 47.6 | 35.05 | 915921 | 47.35 | 37.65 | 18,71,077 |
| Mar-16 | 45.7 | 39.5 | 214681 | 45.55 | 33.70 | 6,05,908 |



h) Share Transfer System

In compliance of SEBI requirements, share transfers are entertained both under demat form as well as physical form.

As reported hereinabove under "Stakeholders Relation Committee", Share transfers, in respect of physical stocks, are normally affected within a maximum of 15 days from the date of receipt, if all required documentation is submitted.

j) Distribution of Shareholding as on 31 March, 2016:

| Sl. No | Category | Cases | % of Cases | Amount | % Amount |
|--------|----------------|--------------|---------------|--------------------|---------------|
| 1 | up to - 5000 | 13883 | 91.92 | 15422450.00 | 16.51 |
| 2 | 5001 - 10000 | 640 | 4.24 | 5081090.00 | 5.44 |
| 3 | 10001 - 20000 | 282 | 1.87 | 4160155.00 | 4.45 |
| 4 | 20001 - 30000 | 127 | 0.84 | 3193230.00 | 3.42 |
| 5 | 30001 - 40000 | 44 | 0.29 | 1569760.00 | 1.68 |
| 6 | 40001 - 50000 | 31 | 0.21 | 1462440.00 | 1.57 |
| 7 | 50001 - 100000 | 44 | 0.29 | 3085000.00 | 3.30 |
| 8 | 100001 & ABOVE | 53 | 0.35 | 59448885.00 | 63.63 |
| | Total: | 15104 | 100.00 | 93423010.00 | 100.00 |

k) Categories of Shareholding:

| Category | No. of Shareholders | Total Shares | % | Equity Share Pledged | |
|-------------------------|---------------------|--------------------|---------------|----------------------|-----|
| | | | | No | % |
| Promoters Group | 6 | 74,10,056 | 39.66 | NIL | NIL |
| NRIs/ Foreign Nationals | 118 | 81258 | 0.43 | N/A | N/A |
| Banks/Mutual Funds/FIIs | 1 | 3,500 | 0.02 | N/A | N/A |
| Bodies Corporate | 289 | 679182 | 3.63 | N/A | N/A |
| Public | 14279 | 9997783 | 53.51 | N/A | N/A |
| CLEARING MEMBERS | 39 | 49825 | 0.27 | N/A | N/A |
| H U F | 370 | 462196 | 2.47 | N/A | N/A |
| NBFC | 2 | 802 | 0.00 | N/A | N/A |
| Total | 15104 | 1,86,84,602 | 100.00 | | |

l) Dematerialization of Shares and Liquidity:

| Category – Demat/Physical | No. of Shareholders | % | No. of Shares | % |
|--|---------------------|---------------|--------------------|---------------|
| Total No. of Shareholders holding shares physically | 450 | 3.00 | 131812 | 0.70 |
| Total No. of Shareholders in electronic (Demat) form | 14,654 | 97.00 | 1,85,50,790 | 99.30 |
| Total | 15104 | 100.00 | 1,86,84,602 | 100.00 |

m) Non-Executive Directors shareholding in the Company:

None of the Directors viz. Messrs N. Sivaram and A. Mohan Rao, G Ramkumar, N. K. Rajasekharan holds any shares of your Company.

n) Plant Location:
No.29-B, Electronic City,
Hosur Road,
Bangalore – 560 100,
India
Tel : (91) (80) 2852 0544
Fax : (91) (80) 2852 0986

o) Address for Investor
Correspondence (all matters):
MRO-TEK Realty Limited
#6, New BEL Road,
Chikkamaranahalli, I
Bangalore - 560 024
Tel : (91) (80) 2333 2951
Fax : (91) (80) 2333 3415
E-mail : grd@mro-tek.com

p) Registrars &
Share Transfer Agents :
Karvy Computershare Pvt. Ltd
Karvy Selenium Tower B,
Plot No. 31 & 32, Financial District,
Gachibowli, Hyderabad- 500 032
Phone no : 040-67162222.
Fax no : 040-23001153
E-mail id : "einward.ris@karvy.com"

for and on behalf of the Board of Directors

Place : Bangalore
Date: 8th August, 2016

S. Narayanan
Chairman & Managing Director
DIN : 00037980

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

CEO & CFO CERTIFICATION

We have reviewed financial statements and the cash flow statement for the year ended 31 March 2016 and certify, to the best of our knowledge and belief, that:

- i. these statements present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations;
- ii. these statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
- iii. no transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
- iv. we accept responsibility for establishing and maintaining internal controls for financial reporting;
- v. we have evaluated the effectiveness of the internal control systems of the Company, and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
- vi. significant changes in internal control over financial reporting, as well as changes in accounting policies, if any, have been intimated to the auditors and the Audit Committee, and been disclosed in the notes to the financial statements;

Place: Bangalore
Date: 08.08.2016

H. Nandi
Managing Director
DIN : 00038102

Srivatsa
Chief Financial Officer

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements), 2015, code of conduct of the Company has been displayed at the Company's website: <http://www.Mro-tek.com/>. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ending March 31, 2016.

Place: Bangalore
Date: 08.08.2016

S. Narayanan
Chairman and Managing Director
DIN : 00037980

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
MRO-TEK Realty Limited
Bangalore

I have examined the compliance of the conditions of Corporate Governance by MRO-TEK Realty Limited for the period ended 31st March, 2016 as stipulated in Schedule V (E) of the SEBI (LODR) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to 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 opinion on the financial statements of the Company.

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

I state that in respect of investors' grievances received during the period ended 31st March, 2016, no investor grievances are pending against the Company as on 31st March, 2016, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.

I 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.

Place: Bangalore
Date: 08.08.2016

Vijayakrishna K T
Practising Company Secretary
FCS-1788
CP-980

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MRO-TEK REALTY LIMITED (formerly known as MRO-TEK LIMITED)

Report on the Financial Statements

1. We have audited the accompanying financial statements of MRO-TEK REALTY LIMITED (formerly known as MRO-TEK LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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

2. 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

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

4. 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.

5. 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.

6. 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.

7. 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

8. 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,

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. 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" a statement on the matters specified in paragraph 3 of the Order.

10. Subject to para 9 of this report and 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.
- (d) 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 and with the returns received from the branches not visited by us.

- (e) 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.
- (g) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
- (i) 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 discloses the does not have any pending litigations which would impact its financial position except as disclosed in note-26.II.(n) forming part of the financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses except as disclosed in note-26.II.(n) forming part of the financial statements.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **Singhvi, Dev & Unni**
Chartered Accountants
Firm Registration No. 003867S

Parthasarathy Sudarsanam
Partner
Membership No. 205179

Bangalore
May 28, 2016

Annexure to the Independent Auditors' Report

(as referred to in para 9 of the Independent Auditors' report dated May 28, 2016)

- (i) (a) According to the information and explanations provided to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. Consequently, further comment on proper treatment thereof in the books of account does not arise; and
- (c) According to the information and explanations provided to us, the Company is holding title deeds of immovable properties, owned by it, in its name. However the title deed of land at Hebbal is in the custody of to State Bank of India to facilitate overdraft facility to the Company;

- (ii) According to the information and explanations provided to us, the physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the frequency of such verification is reasonable;

We are informed that the discrepancies between the physical stocks and the books of accounts noticed on verification were not material;

- (iii) According to the information and explanations provided to us, the Company has not granted loans, secured and / or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Consequently, further comment under the sub-clause (a), (b) and (c) does not arise;
- (iv) According to the information and explanations provided to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. Consequently, further comment under this clause does not arise;
- (v) According to the information and explanations provided to us, the Company has not accepted deposits. Consequently, further comment under this clause does not arise;

- (vi) According to the information and explanations provided to us, the Company is maintaining cost records in accordance with requirements of sub-section (1) of section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014. Consequently, further comment under this clause does not arise;

- (vii) (a) According to the information and explanations provided to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there does not exist, any arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable. Attention is however drawn to note 26.II.(u) regarding delays in payment of Tax Deduction at Source under section 192 of the Income Tax Act 1961;

- (b) According to the information and explanations provided to us, there does not exist any dues of income tax or sales 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, except as provided below:

| Nature of Liability | Year | Appeal | March 31, 2016 |
|-------------------------|---------|--|----------------|
| Central Excise (CENVAT) | 2009-10 | Custom, Excise Service Tax Appellate Tribunal, South Zone Branch, Appeal Number – E/546 & 547/2012 | 46,690,550 |

- (viii) According to the information and explanations provided to us, the Company has not defaulted in repayment of dues to a financial institution or government or bank. Consequently, further comment under this clause does not arise;

- (ix) According to the information and explanations given to us, the Company has not raised money by issue of public offer (including debt instruments) and term loan. Consequently, further comment under this clause does not arise;

- (x) According to the information and explanations provided to us and based on our examination of the books of account maintained, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Consequently, further comment on this clause does not arise;

- (xi) According to the information and explanations provided to us, and based on our examination of the books of account maintained, the Company has paid managerial remuneration to the 'Chairman and Managing Director' and 'Managing Director' which is in accordance with provisions of section 197 read with Schedule V to the Act. Consequently, further comment on this clause does not arise;
- (xii) According to the information and explanations provided to us, the company is not a Nidhi company as per section 406 (1) of the Act. Consequently, further comment on this clause does not arise;
- (xiii) According to the information and explanations provided to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and are disclosed in note- 26.II.(h) forming part of the financial statements, annexed to this audit report in compliance of AS-18 Related Party Disclosures;
- (xiv) According to the information and explanations provided to us, and based on our examination of the books of account maintained, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, further comment on this clause does not arise;
- (xv) According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him or its subsidiary company to transfer any assets for consideration other than cash under Section 192 (1) (a) of the Act.
- According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him to acquire any assets other for consideration other than cash under Section 192 (1) (b) of the Act;
- (xvi) According to the information and explanations provided to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Consequently, further comment on this clause does not arise.

for **Singhvi, Dev & Unni**
Chartered Accountants
Firm Registration No. 003867S

Parthasarathy Sudarsanam
Partner
Membership No. 205179

Bangalore
May 28, 2016

Annexure 'B' to the Independent Auditors' Report

(as referred to in para 10(h) of the Independent Auditors' report dated May 28, 2016)

1. We have audited the internal financial controls over financial reporting of the Company as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on "Audit of Internal Financial controls over Financial Reporting "(the "Guidance Note ") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of

internal control based on the assessed risk. 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
 - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
 - c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal

financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Emphasis of Matters:

9. During the year the Company has not undertaken physical verification of inventory 'demo stock'. However the value of such inventory (net of provision for obsolescence) was ₹ 5,35,655 as on March 31, 2016.
10. The Company has control mechanism of independently reviewing of transactions in compliance with applicable

statutory requirements. However aberrations were observed in respect of Tax Deduction at Source under the provisions of section 192 of Income tax Act 1961, which are in the process of being remediated. Attention is drawn to note-26.II.(u).

Our opinion is not modified in respect of these matters.

for **Singhvi, Dev & Unni**
Chartered Accountants
Firm Registration No. 003867S

Parthasarathy Sudarsanam
Partner
Membership No. 205179

Bangalore
May 28, 2016

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

BALANCE SHEET

AS AT 31ST MARCH, 2016

| Particulars | Note No. | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|---|----------|---------------------------|---------------------------|
| I Equity and Liabilities | | | |
| 1 Shareholders' funds | | | |
| a Share Capital | 1 | 9,34,23,010 | 9,34,23,010 |
| b Reserves and Surplus | 2 | (11,46,22,535) | 17,23,15,461 |
| 2 Non-current liabilities | | | |
| a Long-term borrowings | 3 | 26,71,001 | 94,20,001 |
| b Deferred tax liabilities (Net) | 4 | 1,02,46,497 | 1,01,58,764 |
| c Long-term provisions | 5 | 17,33,906 | 48,84,345 |
| 3 Current liabilities | | | |
| a Short-term borrowings | 6 | 18,20,40,207 | 21,47,81,615 |
| b Trade payables | 7 | 6,20,09,702 | 7,81,02,950 |
| c Other Current liabilities | 8 | 12,91,37,526 | 5,73,81,332 |
| d Short-term provisions | 9 | 4,74,032 | 4,70,772 |
| Total | | 36,71,13,346 | 64,09,38,250 |
| II Assets | | | |
| 1 Non-Current Assets | | | |
| a Fixed Assets | | | |
| i Tangible Assets | 10 | 9,41,98,598 | 23,24,16,250 |
| ii Intangible Assets | | - | - |
| iii Capital Work in Progress - Tangible Assets | | - | - |
| iv Capital Work in Progress - Intangible Assets | | - | - |
| b Non Current Investments | 11 | 72,52,000 | 72,52,000 |
| c Long-term loans and advances | 12 | 4,90,58,998 | 5,00,53,720 |
| 2 Current Assets | | | |
| a Current Investments | 13 | - | 6,00,851 |
| b Inventories | 14 | 10,16,90,901 | 12,09,19,450 |
| c Trade receivables | 15 | 8,53,88,566 | 10,62,63,959 |
| d Cash and Cash equivalents | 16 | 75,07,127 | 4,78,31,741 |
| e Short-term loans and advances | 17 | 1,07,25,745 | 1,39,69,728 |
| f Other Current Assets - Discontinued operation | 18 | 1,12,91,411 | 6,16,30,551 |
| Total | | 36,71,13,346 | 64,09,38,250 |
| Significant accounting policies and additional notes form integral part of the Balance Sheet | 26 | | |

for and on behalf of the Board of Directors

This is the Balance Sheet referred to in our report of even date,

S.Narayanan

Chairman & Managing Director

for Singhvi, Dev & Unni

Chartered Accountants

Firm Regn. No. 003867S

H.Nandi

Managing Director

Srivatsa

CFO & Compliance Officer

Parthasarathy Sudarsanam

Partner

Place : Bengaluru

Date : 28 May 2016

Place : Bengaluru

Date : 28 May 2016

Membership No.: 205179

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

| Particulars | Note No. | Year Ended 31-Mar-16 Rs. | Year Ended 31-Mar-15 Rs. |
|---|----------|--------------------------------|--------------------------------|
| I Revenue from Operations | 19 | 29,28,51,950 | 40,95,13,591 |
| II Other Income | 20 | 24,69,586 | 68,87,477 |
| III Total Revenue (I + II) | | 29,53,21,536 | 41,64,01,068 |
| Contribution Margin - % | | 44.15 | 33.97 |
| IV Expenses: | | | |
| Cost of materials consumed | 21 | 10,75,26,709 | 15,52,24,160 |
| Purchases of Traded goods | | 3,44,40,525 | 13,20,56,211 |
| Changes in inventories of Finished Goods, Work-in-progress and Traded Goods | 22 | 7,72,52,410 | (1,78,77,053) |
| Provision for Non/Slow-Moving Items | | (5,56,60,604) | 10,00,000 |
| Net cost of Materials Consumed | | 16,35,59,041 | 27,04,03,318 |
| Employee benefits expenses | 23 | 8,41,77,656 | 10,38,90,866 |
| Finance Cost | 24 | 1,49,01,638 | 2,07,21,126 |
| Depreciation and amortization expenses | 10 | 1,18,89,999 | 1,34,01,569 |
| Impairment loss | | - | 81,61,802 |
| Other Expenses | 25 | 4,66,56,152 | 5,58,85,923 |
| Total expenses | | 32,11,84,485 | 47,24,64,605 |
| V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV) | | (2,58,62,949) | (5,60,63,537) |
| VI Exceptional Items | | (1,74,30,988) | - |
| VII Profit/(Loss) before extraordinary items and tax (V - VI) | | (4,32,93,937) | (5,60,63,537) |
| VIII Extraordinary Items | | (11,14,65,902) | - |
| IX Profit/(Loss) before tax (VII - VIII) | | (15,47,59,839) | (5,60,63,537) |
| X Tax Expenses | | | |
| 1 Current tax | | - | - |
| 2 Deferred tax | | (87,733) | (8,26,237) |
| XI Profit/(Loss) for the period (IX - X) | | (15,48,47,572) | (5,68,89,774) |
| XII Profit/(Loss) from Discontinuing operations | | (13,20,90,445) | (5,48,48,266) |
| XIII Tax expenses of discontinuing operations | | - | - |
| XIV Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII) | | (13,20,90,445) | (5,48,48,266) |
| XV Profit / (loss) for the period (XI-XII-XIV) | | (28,69,38,017) | (11,17,38,040) |
| XVI Earnings per equity share (face value of Rs. 5 per share) | | | |
| 1 Basic & Diluted EPS excluding extraordinary items | | (2.32) | (3.04) |
| 2 Basic & Diluted EPS including extraordinary items | | (15.36) | (5.98) |
| Significant accounting policies and additional notes form integral part of the Profit & Loss account | 26 | | |

(i) Revenue from operation is only relating to primary business segment "Access & Networking"

(ii) Excise duty is gross of primary business segment "Access & Networking" and discontinued operation "Solar based equipments & projects".

for and on behalf of the Board of Directors This is the statement of profit and loss referred to in our report of even date,

| | | |
|---|---|---|
| S.Narayanan | Chairman & Managing Director | for Singhvi, Dev & Unni Chartered Accountants Firm Regn. No. 003867S |
| H.Nandi | Managing Director | |
| Srivatsa | CFO & Compliance Officer | Parthasarathy Sudarsanam Partner Membership No.: 205179 |
| Place : Bengaluru Date : 28 May 2016 | Place : Bengaluru Date : 28 May 2016 | |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

NOTES FORMING PART OF BALANCE SHEET

AS AT 31 MARCH 2016

| Particulars | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|-------------|---------------------------|---------------------------|
|-------------|---------------------------|---------------------------|

Note - 1 - Share Capital

1 Authorised

3,00,00,000 Equity shares of Rs. 5 each 15,00,00,000 15,00,00,000

2 Issued, Subscribed & Paid Up

1,86,84,602 Equity Shares of Rs.5 each, fully paid-up 9,34,23,010 9,34,23,010
(Previous year 1,86,84,602 Equity Shares of Rs.5 each, fully paid-up)

3 Reconciliation of number of shares outstanding at the beginning & at the end of the reporting year

| | As at 31 Mar 2016 | | As at 31 March 2015 | |
|------------------------------------|-------------------|-------------|---------------------|-------------|
| | No of Shares | Value Rs. | No of Shares | Value Rs. |
| At the beginning of the year | 1,86,84,602 | 9,34,23,010 | 1,86,84,602 | 9,34,23,010 |
| Movement during the period | - | - | - | - |
| Outstanding at the end of the year | 1,86,84,602 | 9,34,23,010 | 1,86,84,602 | 9,34,23,010 |

4 Shareholders holding Equity Shares more than 5%:

| Shareholder | 31-Mar-16 | | 31-Mar-15 | |
|------------------|---------------|-----------|---------------|-----------|
| | No. of Shares | Holding % | No. of Shares | Holding % |
| H Nandi | 31,40,903 | 16.81 | 31,40,903 | 16.81 |
| S Narayanan | 30,92,916 | 16.55 | 30,92,916 | 16.55 |
| Jitendra Virwani | 19,32,596 | 10.34 | - | - |

5 Equity Shares bought back during the last five years:

| Financial Year | No. of Shares |
|----------------|-----------------|
| 2009-10 | 3,01,372 |
| Total | 3,01,372 |

Note - 2 Reserves and Surplus

1 Capital Reserve :

State Government subsidy on Capital Investment A 1,10,000 1,10,000

2 Capital Redemption Reserve B 1,02,84,630 1,02,84,630

3 Securities Premium Account C 17,69,06,656 17,69,06,656

4 General Reserve D 48,30,00,000 48,30,00,000

5 Surplus/(deficit) in the statement of Profit & Loss

Opening Balance (49,79,85,804) (38,50,01,400)

Profit / (Loss) for the year (28,69,38,017) (11,17,38,040)

Less: Differential Depreciation Opening Balance as per Companies Act, 2013 - (12,46,385)

Less: Appropriations - -

Net Surplus/(deficit) in the statement of Profit & Loss E (78,49,23,821) (49,79,85,825)

Total A+B+C+D+E (11,46,22,535) 17,23,15,461

NOTES FORMING PART OF BALANCE SHEET

AS AT 31 MARCH 2016

| Particulars | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|--------------------------------------|---------------------------|---------------------------|
| Note - 3 Long-term borrowings | | |
| Sales Tax Deferment* | 26,71,001 | 94,20,001 |
| Total | 26,71,001 | 94,20,001 |

* Refers to interest free incentive granted, during the year 2001, by the State Government, to the extent of 150% of the investment in fixed assets, for expansion of production capacity, as provided under the Information Technology policy of 1997 and repayable in half yearly installments of Rs.3,52,000, starting from February 2012 and Rs.30,22,500, starting from January 2013.

Note - 4 Deferred tax liability**Deferred tax liability on account of :**

| | | |
|---|--------------------|--------------------|
| Fixed Assets | 1,02,46,497 | 1,24,68,920 |
| Deferred tax asset on account of : | | |
| Others | - | (23,10,156) |
| Total | 1,02,46,497 | 1,01,58,764 |

Note - 5 Long-term provisions

| | | |
|--|------------------|------------------|
| Employees' Benefits - Leave Encashment | 17,33,906 | 48,84,345 |
| Total | 17,33,906 | 48,84,345 |

Note - 6 Short term borrowings

Secured borrowings

| | | |
|--|---------------------|---------------------|
| a Loan repayable on demand | | |
| - from Bank - Over Draft | 17,93,40,207 | 18,89,47,127 |
| - ECB LOAN A/C - Buyers Credit | | 90,99,360 |
| - M/S Canbank Factors Ltd.,- Factoring Limit with Recourse | - | 1,67,35,128 |
| Un-Secured borrowings from Directors | 27,00,000 | |
| Total | 18,20,40,207 | 21,47,81,615 |

Asset backed drop down Over Draft limits sanctioned by State Bank of India are secured against hypothecation of Book Debts (to the extent not factored with M/s Canbank Factors Ltd), Inventory and also a first charge on all fixed assets of the Company, movable & immovable as collateral security. In addition to first charge on receivables factored, a second charges on immovable property is also extended for M/s Canbank Factors Limited. During the year the Company has discontinued the arrangement with M/s Canbank Factors Limited

ECB Loan is Secured by providing 100% margin by way of Fixed Deposit.

Note - 7 Trade payables

| | | |
|----------------|--------------------|--------------------|
| Trade Payables | | |
| - MSME | 23,18,898 | 1,59,18,990 |
| - Others | 5,96,90,804 | 6,21,83,960 |
| Total | 6,20,09,702 | 7,81,02,950 |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

NOTES FORMING PART OF BALANCE SHEET

AS AT 31 MARCH 2016

| Particulars | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|---|---------------------------|---------------------------|
| Note - 8 Other current liabilities | | |
| Customer Credit Balances | 20,57,738 | 40,12,408 |
| Advances from Customer under AMC | 24,01,088 | 75,75,140 |
| Unclaimed dividends* | 4,68,938 | 7,11,192 |
| Sales Tax deferment - Current maturity | 67,49,000 | 67,49,000 |
| Others liabilities | 2,74,60,762 | 3,83,33,592 |
| Non-refundable security deposit-Property Development ** | 9,00,00,000 | - |
| Total | 12,91,37,526 | 5,73,81,332 |

* (During the year an amount of Rs.2,41,754/- was credited to Investor Education and Protection Fund as at 22.07.2015)

** Represents a sum of Rs 9 crore as non refundable deposit received as per supplementary agreement dated January 04, 2016, pending the recognition to the Statement of Profit and Loss Account. The work relating to this amount is expected (as scheduled in the agreement) to be completed in the next financial year 2016-17 and accordingly would be recognized in the Statement of Profit and Loss Account.

Note - 9 Short-term provisions

| | | |
|--|-----------------|-----------------|
| Provision for Group Gratuity | 3,41,122 | - |
| Employees' Benefits - Leave Encashment | 1,32,910 | 4,70,772 |
| Total | 4,74,032 | 4,70,772 |

NOTES FORMING PART OF BALANCE SHEET
AS AT 31 MARCH 2016
SCHEDULE - 10
FIXED ASSETS

| NATURE OF ASSET | GROSS BLOCK | | | TOTAL COST AS ON 31 Mar 2016 | Rate % | DEPRECIATION BLOCK | | | | NET BLOCK | | |
|---------------------------------|-----------------------|-----------------------------|---------------------|------------------------------|----------|--------------------|---------------------|--------------------|--------------------|---------------------|--------------------|---------------------|
| | COST AS ON 1 Apr 2015 | ADDITIONS DURING THE PERIOD | DELETIONS | | | UPTO 31 Mar 2015 | FOR THE PERIOD | ON DELETIONS | UPTO 31-Mar-16 | AS AT 31-Mar-16 | AS AT 31 Mar 2015 | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | |
| TANGIBLE ASSETS: | | | | | | | | | | | | |
| LAND - FACTORY | 8,05,454 | - | - | 8,05,454 | - | - | - | - | - | - | 8,05,454 | 8,05,454 |
| - OFFICE | 5,05,23,211 | - | 5,05,23,211 | - | - | - | - | - | - | - | - | 5,05,23,211 |
| BUILDINGS- FACTORY | 7,46,88,904 | - | - | 7,46,88,904 | 4.00 | 22,94,135 | 2,54,23,282 | 4,92,65,622 | 2,31,29,147 | 2,54,23,282 | 4,92,65,622 | 5,15,59,757 |
| - OFFICE | 12,06,64,557 | - | 12,06,64,557 | - | 4.00 | 11,46,076 | - | 4,50,05,271 | 4,38,59,195 | - | - | 7,68,05,362 |
| PLANT & EQUIPMENT | | | | | | | | | | | | |
| PLANT & MACHINERY - R&D | 12,84,395 | - | - | 12,84,395 | 10.00 | 5,580 | 12,35,986 | - | 12,35,986 | 12,41,566 | 42,829 | 48,409 |
| PLANT & MACHINERY - OTHERS | 7,36,85,523 | - | 5,98,727 | 7,30,86,796 | 10.00 | 19,34,259 | 5,60,50,870 | 1,05,420 | 19,34,259 | 5,78,79,709 | 1,52,07,087 | 1,71,69,514 |
| TEST EQUIPMENTS - R&D | 2,11,32,452 | - | - | 2,11,32,452 | 10.00 | 5,24,919 | 1,59,61,554 | - | 5,24,919 | 1,64,86,473 | 46,45,979 | 51,70,898 |
| TEST EQUIPMENTS - OTHERS | 2,83,44,920 | - | 25,21,426 | 2,58,23,494 | 10.00 | 3,21,998 | 2,29,91,461 | 3,99,415 | 3,21,998 | 2,29,14,043 | 29,09,451 | 33,53,573 |
| FURNITURE & FIXTURES - R&D | 10,45,647 | - | - | 10,45,647 | 10.00 | 31,388 | 9,63,247 | - | 31,388 | 9,94,635 | 51,012 | 82,400 |
| FURNITURE & FIXTURES - OTHERS | 4,04,65,915 | - | - | 4,04,65,915 | 10.00 | 23,97,816 | 2,72,89,233 | - | 23,97,816 | 2,96,87,049 | 1,07,78,866 | 1,31,76,682 |
| VEHICLES | 1,58,30,948 | - | 8,02,414 | 1,50,28,534 | 9.50 | 13,74,180 | 83,36,967 | 8,02,414 | 13,74,180 | 89,08,733 | 61,19,801 | 74,93,981 |
| OFFICE EQUIPMENTS - R&D | 1,69,598 | - | - | 1,69,598 | 10.00 | 1,69,598 | 1,69,598 | - | 1,69,598 | 1,69,598 | - | - |
| OFFICE EQUIPMENTS - OTHERS | 1,06,69,586 | 14,300 | 3,80,004 | 1,03,03,882 | 10.00 | 4,33,907 | 92,31,833 | 1,39,894 | 4,33,907 | 95,25,846 | 7,78,036 | 12,64,508 |
| OTHERS | | | | | | | | | | | | |
| ELECTRICAL INSTALLATIONS | 2,02,37,781 | 13,693 | - | 2,02,51,474 | 10.00 | 3,73,075 | 1,76,22,328 | - | 3,73,075 | 1,79,95,403 | 22,56,071 | 26,15,453 |
| COMPUTERS, & NETWORKING - R&D | 1,59,64,867 | - | - | 1,59,64,867 | 20.00 | 10,644 | 1,59,50,306 | - | 10,644 | 1,59,60,950 | 3,917 | 14,561 |
| COMPUTERS & NETWORKING - OTHERS | 3,61,22,984 | 44,008 | - | 3,61,66,992 | 20.00 | 8,65,139 | 3,44,62,735 | - | 8,65,139 | 3,53,27,874 | 8,39,118 | 16,60,249 |
| AIR CONDITIONERS - R&D | 77,866 | - | - | 77,866 | 10.00 | 77,866 | 77,866 | - | 77,866 | 77,866 | - | - |
| AIR CONDITIONERS - OTHERS | 37,87,323 | - | - | 37,87,323 | 10.00 | 1,76,883 | 31,15,085 | - | 1,76,883 | 32,91,968 | 4,95,355 | 6,72,238 |
| SUB-TOTAL | 51,55,01,931 | 72,001 | 17,54,90,339 | 34,00,83,593 | - | 1,18,89,999 | 8,04,47,411 | 4,64,52,415 | 1,18,89,999 | 24,58,84,995 | 9,41,98,598 | 23,24,16,250 |
| INTANGIBLE ASSETS: | | | | | | | | | | | | |
| Computer software - R&D | 1,55,88,480 | - | - | 1,55,88,480 | 20.00 | - | 1,55,88,480 | - | - | 1,55,88,480 | - | - |
| Computer software Others | 1,02,08,194 | - | - | 1,02,08,194 | 20.00 | - | 1,02,08,194 | - | - | 1,02,08,194 | - | - |
| SUB TOTAL | 2,57,96,674 | - | - | 2,57,96,674 | - | - | 2,57,96,674 | - | - | 2,57,96,674 | - | - |
| TOTAL | 54,12,98,605 | 72,001 | 17,54,90,339 | 36,58,80,267 | - | 1,18,89,999 | 30,62,44,085 | 4,64,52,415 | 1,18,89,999 | 27,16,81,669 | 9,41,98,598 | 23,24,16,250 |

(i) Assets have been regrouped / reclassified during the year, wherever necessary.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

NOTES FORMING PART OF BALANCE SHEET

AS AT 31 MARCH 2016

| Particulars | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|--|---------------------------|---------------------------|
| Note - 11 Non current Investments | | |
| Long term, trade, unquoted, at cost: | | |
| Investment in Equity Shares of Joint Venture: | 72,52,000 | 72,52,000 |
| RAD-MRO Manufacturing Pvt Ltd, Bangalore | | |
| 7,25,200 equity shares of Rs 10 each, fully paid up | | |
| Total | 72,52,000 | 72,52,000 |
| Note - 12 Long-term Loans and advances | | |
| (Unsecured - considered good) | | |
| Earnest Money Deposit | 1,52,100 | 15,47,834 |
| Other Deposits | 21,59,214 | 21,08,668 |
| MAT Credit | 29,90,914 | 29,90,914 |
| Income-tax refund receivable | 54,07,283 | 54,07,283 |
| Advances with - Central Excise | 2,39,71,823 | 2,39,71,823 |
| - Customs Duty Refundable (SAD) | 87,74,436 | 88,57,242 |
| - Sales Tax | 55,71,638 | 50,84,956 |
| - Others | 31,590 | 85,000 |
| Total | 4,90,58,998 | 5,00,53,720 |
| Note - 13 Current Investments | | |
| Short Term, non-trade, unquoted, at lower of cost or market value | | |
| - in Mutual Funds: | - | 6,00,851 |
| SBI - SHF - Ultra Short Term Fund- Institutional PLAN - Growth | | |
| Total | - | 6,00,851 |
| Note - 14 Inventories | | |
| Valued at lower of cost or net realisable value | | |
| Land under Development * | 5,05,23,211 | - |
| Raw Materials | 3,37,35,035 | 4,63,24,171 |
| Work-in-progress | 1,78,36,544 | 84,22,646 |
| Finished Goods | | |
| - Manufactured | 3,76,77,950 | 9,62,49,899 |
| - Traded | 9,80,120 | 15,78,770 |
| - Goods Lying at Customers Premises | - | - |
| - Goods Lying at Bonded Warehouse | - | 1,86,62,897 |
| Goods in transit : | | |
| Raw materials | - | 16,81,067 |
| Total | 9,02,29,650 | 17,29,19,450 |
| Less: Provision for non/slow-moving-items | (3,90,61,960) | (5,20,00,000) |
| Total | 5,11,67,690 | 12,09,19,450 |
| | 10,16,90,901 | 12,09,19,450 |

* As per the resolution passed in the Board meeting held on January 14, 2016, the Company has decided to convert the land situated at Hebbal in to Stock-in-trade and disclosed as above.

NOTES FORMING PART OF BALANCE SHEET

AS AT 31 MARCH 2016

| Particulars | As at 31-Mar-16 Rs. | As at 31-Mar-15 Rs. |
|---|---------------------------|----------------------------|
| Note - 15 Trade Receivables | | |
| Unsecured | | |
| Debits Outstanding for a period exceeding | | |
| - Six months | | |
| Considered Good | 1,87,72,574 | 3,68,33,386 |
| Considered Doubtful | | 10,88,401 |
| - Other Debts - Considered Good | <u>7,16,65,548</u> | <u>6,94,30,573</u> |
| | <u>9,04,38,122</u> | <u>10,73,52,360</u> |
| Less: Provision for Bad & doubtful debts | <u>50,49,556</u> | <u>10,88,401</u> |
| Total | <u>8,53,88,566</u> | <u>10,62,63,959</u> |

Note - 16 Cash & Cash Equivalents

| | | |
|--|-------------------------|---------------------------|
| a. Balances with banks | | |
| - In Current Accounts | 4,64,628 | 21,34,200 |
| - In Current Accounts (Foreign Currency) | 5,00,596 | 6,03,653 |
| - In Current Accounts - Unclaimed dividend * | 4,68,938 | 7,11,192 |
| - In Fixed Deposits (FDs) * * | | |
| Maturity period - less than 12 months | 60,00,000 | 4,30,00,000 |
| - more than 12 months | - | - |
| b. Cheques on Hand | - | 10,00,000 |
| c. Cash on hand | <u>72,965</u> | <u>3,82,696</u> |
| Total | <u>75,07,127</u> | <u>4,78,31,741</u> |

Restricted Cash Balances include the following

* Balances in current account/s, payable against unclaimed dividend.

** FDs totalling to Rs 60 lacs (previous year- Rs 430 lacs) offered as 100% margin money, against ECB Loan, LCs & Guarantees, availed from the Bank. During the year the Company settled the ECB loan

Note - 17 Short-term Loans and advances

(Unsecured - considered good)

| | | |
|---|---------------------------|---------------------------|
| Advance Tax and Tax Deducted at Source | 40,17,664 | 32,97,617 |
| Advance to suppliers - on capital account | - | - |
| - others | 14,17,390 | 14,27,393 |
| Advances with - Central Excise | 47,14,652 | 34,71,891 |
| - Customs Duty Refundable (SAD) | - | 1,35,681 |
| - Service Tax | 4,43,123 | 12,10,130 |
| Interest accrued but not due | 1,32,916 | 20,166 |
| Prepaid Expenses | - | 44,06,850 |
| Total | <u>1,07,25,745</u> | <u>1,39,69,728</u> |

Note - 18 Other Current Assets-Discontinued Operation

Discontinuing operation - Solar based equipments & projects

Assets held for sale

| | | |
|-------------------|---------------------------|---------------------------|
| Inventory | 91,59,218 | 5,89,92,281 |
| Plant & Equipment | 26,38,270 | 26,38,270 |
| Impairment loss | <u>(5,06,077)</u> | <u>-</u> |
| | <u>1,12,91,411</u> | <u>6,16,30,551</u> |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31 MARCH 2016

| Particulars | Year Ended 31-Mar-16 Rs. | Year Ended 31-Mar-15 Rs. |
|---|--------------------------------|--------------------------------|
| Note - 19 Revenue from Operations | | |
| Income from Sale of Products | | |
| Domestic Sales | 38,36,93,033 | 56,70,01,824 |
| Exports | 8,97,524 | 5,78,891 |
| | 38,45,90,557 | 56,75,80,715 |
| Less: Excise Duty | 40,079,123 | 4,25,10,000 |
| | 34,45,11,434 | 52,50,70,715 |
| Less: Disclosed under discontinued operation- Solar based equipments & projects | 7,45,70,151 | 15,21,27,938 |
| | 26,99,41,283 | 37,29,42,777 |
| Income from Services | | |
| Annual Maintenance Charges | 1,40,89,307 | 1,83,32,265 |
| Service & Installation Charges | 88,21,360 | 1,82,38,549 |
| Total | 29,28,51,950 | 40,95,13,591 |
| Note - 20 Other income | | |
| Interest Income | 8,83,170 | 61,34,445 |
| Professional Charges Received | 7,20,000 | 1,20,000 |
| Miscellaneous Income | 8,66,416 | 6,33,032 |
| Total | 24,69,586 | 68,87,477 |
| Note - 21 - Cost of material Consumed | | |
| Raw materials | | |
| Opening Stock | 7,78,20,742 | 7,83,99,517 |
| Add: Purchases & direct costs | 16,71,56,662 | 29,75,05,682 |
| | 24,49,77,404 | 37,59,05,199 |
| Less: Closing Stock | 3,37,35,035 | 7,78,20,742 |
| Cost of material consumed | 21,12,42,369 | 29,80,84,457 |
| Less: Disclosed under discontinued operation- Solar based equipments & projects | 10,37,15,660 | 14,28,60,297 |
| Net cost of material Consumed | 10,75,26,709 | 15,52,24,160 |
| Note - 22 - (Increase) / decrease in value of stock | | |
| a. Finished goods: | | |
| Opening stock | 11,41,51,399 | 9,64,49,756 |
| Closing stock | 3,76,77,950 | 11,41,51,399 |
| | 7,64,73,449 | (1,77,01,643) |
| b. Semi-finished goods: | | |
| Opening stock | 1,27,65,157 | 1,10,17,194 |
| Closing stock | 1,78,36,544 | 1,27,65,157 |
| | (50,71,387) | (17,47,963) |
| c. Traded goods: | | |
| Opening stock | 68,30,469 | 84,03,022 |
| Closing stock | 9,80,120 | 68,30,469 |
| | 58,50,349 | 15,72,553 |
| Total - (a + b + c) | 7,72,52,410 | (1,78,77,053) |

NOTES FORMING PART OF STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31 MARCH 2016

| Particulars | Year Ended 31-Mar-16 Rs. | Year Ended 31-Mar-15 Rs. |
|--|--------------------------------|--------------------------------|
| Note - 23 Employee Benefit Expenses | | |
| Salaries , Bonus & Allowances | 7,20,99,098 | 8,93,82,140 |
| Contribution to P.F. and Pension Funds | 96,52,099 | 1,08,56,684 |
| Staff Welfare Expenses | 24,26,459 | 36,52,042 |
| Total | 8,41,77,656 | 10,38,90,866 |
| Note - 24 Finance Cost | | |
| Interest | 1,44,01,193 | 1,89,57,112 |
| Other bank charges | 5,00,445 | 17,64,014 |
| Total | 1,49,01,638 | 2,07,21,126 |
| Note - 25 - Other Expenses | | |
| Administrative Expenses | | |
| Auditor's Remuneration | 15,59,710 | 14,28,488 |
| Books & Periodicals | 2,30,288 | 4,59,130 |
| Directors' Sitting Fees | 2,04,360 | 2,38,456 |
| Insurance | 17,64,238 | 12,44,382 |
| Other Admin Expenses | 31,66,354 | 2,60,984 |
| Postage & Telephone | 32,06,127 | 33,02,919 |
| Power, Fuel and Water | 25,02,966 | 48,95,924 |
| Printing & Stationery | 9,97,828 | 32,61,822 |
| Professional Charges | 33,18,045 | 42,92,676 |
| Rates & Taxes | 60,85,873 | 90,81,345 |
| Rent | 8,89,442 | 13,82,729 |
| Upkeep & Maintenance | 60,10,124 | 87,72,658 |
| AMC charges & Software Licenses | 35,92,860 | 51,59,159 |
| Loss from Exchange Rate Fluctuation | - | 1,74,765 |
| Travelling, Conveyance & Vehicle Maintenance | 70,83,440 | 91,07,845 |
| Sub-Total | 4,06,11,656 | 5,30,63,283 |
| Selling & Distribution Expenses | | |
| Advertisement & Publicity | 6,29,329 | 1,92,581 |
| Business Promotion expenses | 5,65,710 | 4,49,336 |
| Commission & Discounts | 16,84,888 | 5,12,500 |
| Freight & Transportation | 28,04,434 | 16,57,103 |
| Liquidity Damages & Octroi | 23,055 | 23,734 |
| Bad Debts Written Off | 3,37,080 | (12,614) |
| Sub-Total | 60,44,496 | 28,22,640 |
| Total | 4,66,56,152 | 5,58,85,923 |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

Corporate Information

MRO-TEK Realty Limited (formerly known as MRO-TEK Limited) was incorporated in the year 1984. The Company's core business activity is manufacture and supply, as well as distribution, of Access and Networking equipment & Solutions.

The manufacture and supply of Solar Products and undertaking of Solar Power projects is being discontinued with effect from January 14, 2016.

The Company entered into Development Agreement on January 1, 2016 for the real estate development situated at Hebbal, Bellary Road, Bangalore. The Company sought the approval from shareholders to include the real estate development as one of the main objects of the Company. With this, the Company has two primary business segments, i.e "Access and networking equipment & Solutions" and "Real estate development".

The name of the Company is being changed from MRO-TEK Limited to MRO-TEK Realty Limited with effect from May 11, 2016. Further, to facilitate the development of real estate at Hebbal, the corporate office and registered office is shifted to No 6, " Maruthi Complex ", New BEL Road, Chikkamaranahalli, Bangalore – 560054.

The Equity shares of the Company are listed in BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

26. Significant Accounting Policies and other explanatory information

I. Significant Accounting Policies

(a) Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention in accordance with Indian Generally Accepted Accounting Principles (GAAP), and all income and expenditure having a material bearing on the financial statements are recognized on accrual basis. The financial statements comply with the mandatory Accounting Standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules 2014 and the Act and the guidelines issued by the Securities Exchange Board of India (SEBI).

The Accounting policies adopted during the current year, in the preparation of these financial statements, are consistent with that of the previous year.

(b) Use of Estimates:

In preparation of financial statements conforming to GAAP requirements, certain 'estimates and assumptions' are essentially required to be made, with respect to items such as, provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes, classification of Inventory and the useful life period of Fixed Assets. Due care and diligence have been exercised by the management in arriving at such 'estimates and assumptions'

since, they may directly affect, the reported amounts of income and expenses during the period, as well as the balances of Assets and Liabilities, including those which are contingent in nature, as at the date of reporting of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

(c) Inventories:

Inventories of the Company and their basis of evaluation are as follows:

| Type of Inventory | Basis for Evaluation |
|-----------------------------|--|
| Raw Materials | At lower of material cost or Net Realisable Value |
| Semi-finished Goods | At lower of material cost and appropriate absorption of overheads upto the respective stage/s of completion and Net Realisable Value |
| Finished Goods-Traded | At lower of material cost or Net Realisable Value |
| Finished Goods-Manufactured | At lower of material cost or Net Realisable Value |
| Land under development | At lower of original cost or Net Realisable Value |

Cost includes all expenses incurred to bring the inventory to its present location and condition.

(d) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating; financing and investing activities of the company are segregated.

(e) Cash and Cash Equivalents

'Cash' comprises of cash on hand and demand deposits with Bank. 'Cash Equivalents' are short term, highly liquid investment, that are readily convertible into known amounts of cash within a period of 3 months and which are subject to insignificant risk of changes in value.

(f) Events occurring after the date of Balance Sheet:

Material events occurring after the date of Balance Sheet are taken into cognizance.

(g) Revenue Recognition:

- (i) Sales Revenues are recognized when goods are invoiced and dispatched to customers, and are recorded inclusive of Excise Duty, but are net of Sales Returns, Trade Discounts and Sales Tax.
- (ii) Sales Revenue includes grants and subsidies received/receivable from Government, in respect of sale of goods related to SBEPs, and is a part of Revenue from Operations.
- (iii) The revenues from Annual Maintenance Contracts are recognized on pro-rata basis over the period in which such services are rendered. Earnings in excess of billings are classified as unbilled revenue.
- (iv) Commission income is recognized on completion of supplies by the principals against the relevant orders.
- (v) The revenues from Service and Installation Charges are recognized on completion of respective works contract/s.
- (vi) Income from Investments is recognized when right to receive payment is established.
- (vii) Rental & Hire-charges Income is recognized on accrual basis, quantified under the relevant arrangements.
- (viii) Interest is recognized using the time proportion method, based on the rates implicit in the transaction.
- (ix) Income for real estate development is recognized as per the guidelines prescribed under "Guidance Note on Accounting for Real Estate Transactions" issued by Institute of Chartered Accountants of India GN(A) 23 (Revised 2012).

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Bad debt provisions are created for uncertainty subsequent to revenue recognition.

(h) Fixed Assets:

Tangible and intangible fixed assets are stated at cost of acquisition (net of CENVAT, wherever applicable), less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use. Direct costs are capitalized till the assets are ready to be put to use. Interest on borrowings, wherever applicable, attributable to new projects is capitalized and included in the cost of fixed assets as appropriate.

(i) Depreciation and amortization:

- (i) Depreciation in respect of Fixed Assets is provided adopting Straight Line Method over the useful life of the Asset as per Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. Individual low cost assets (acquired for less than Rs.

5,000/-) are entirely depreciated in the year of acquisition. The useful life of all the assets estimated by the managements is as below:

| Assets | Estimated Useful life |
|--|-------------------------------------|
| Building | 30 Years Factory 60 Years Office |
| Plant & Machinery | 15 Years |
| Computers, Software and Networking | 3 Years |
| Furniture & Fixtures, Test Equipments and Electrical Installations | 10 Years |
| Office Equipments | 5 Years |
| Vehicles | 8 Years |

- (ii) During FY 14-15 the Company has re-assessed the useful life of the fixed assets as on April 01, 2014, as per Schedule-II of the Companies Act 2013. The carrying amount of such assets which did not have any useful life as on April 01, 2014 based on the estimated useful life specified above has been recognised in the opening balance of Surplus in the Statement of Profit and Loss a/c.

(j) Foreign Currency Transaction

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the financial statement.

(k) Investments:

Investments are classified as current investments and long-term investments. Long-term investments are stated at cost (except where there is a diminution in value other than temporary, in which case, the carrying value is reduced to recognize the decline). Current investments are stated at lower of cost or fair market value.

(l) Employee Benefits:

- (i) Short Term Employee Benefits:
Benefits payable to employees within 12 months of rendering services such as wages, salaries, bonus, paid annual leave, etc are classified as Short Term Employee Benefits and are recognized in the period in which the employee renders related services.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

- (ii) Long Term / Post Employment/ Termination Benefits:

Retirement benefits are provided for on accrual basis in the following manner:

Gratuity:

Gratuity is a defined benefit scheme and is accrued based on Actuarial Valuations at the balance sheet date, carried out by an independent actuary. The Company has an employee gratuity fund managed by Life Insurance Corporation of India (LIC). Actuarial gains or losses are charged to the statement of profit and loss.

The company recognizes the net obligation of the gratuity plan in the Balance Sheet as liability in accordance with Accounting Standard AS (15), "Employee Benefits".

Leave Encashment:

Liability in respect of Leave Encashment is provided for, on actuarial Valuations, using the Projected Unit Credit Method.

Provident Fund:

Provident Fund is a defined contribution scheme. On the basis of payments / contributions made to the concerned Provident Fund authorities.

(m) Employee Stock Option Plan

The Company has Employee Stock Option Plan for the benefit of its employees, terms of which are enunciated in "MRO-TEK Employee Stock Option Scheme 2005", duly approved by the shareholders of the Company.

All options granted under this scheme are accounted in accordance with the Guidance Note on Accounting for Employee Share Based Payment Plans issued by the Institute of Chartered Accountants of India (ICAI). 'Fair Market Value' is assessed as provided under the Statute, and the difference between such 'Fair Market Value' and 'exercise price', if any, is expensed as "Employee Compensation" over the period of vesting.

(n) Borrowing Costs:

Borrowing costs attributable to the acquisition, Construction or production of qualifying assets are capitalized as a part of the cost of such Assets up-to the date when such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which they are incurred.

(o) Segment Accounting Policies:

For the purpose of Segment Reporting 'Access & Networking Products' and 'Real Estate Development' constitute primary business segments.

(i) Segment Assets and Liabilities:

All assets and liabilities are directly attributable to the respective segments. Segment assets include all operating assets used by the respective segments and consist principally of fixed assets, inventories,

sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include investments, inter-corporate deposits, share capital, reserves and surplus, borrowings, provision for contingencies and income tax (both current and deferred).

(ii) Segment Revenue and expenses:

The revenue and expenses which are directly attributable to the segments are shown as Segmental revenue and expenses. Other revenue and expenses are shown as unallocated revenue and expenses.

(p) Lease:

Lease where the Lessor effectively retains substantially all the risk and benefits of ownership of the leased term are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

(q) Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with the Accounting Standards – 20 – 'Earnings per Share' prescribed under the Act. Basic earnings per share is computed by dividing the net Profit or Loss for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares.

(r) Taxation:

Deferred tax is recognized, subject to the consideration of prudence, in respect of deferred tax assets or liabilities, on timing differences, being the difference between taxable incomes and accounting income that originate in one period, and is reversible in one or more subsequent periods.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the future; however where there is unabsorbed depreciation or carry forward of losses as per taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets and are reviewed for the appropriateness of their respective carrying values at each reporting date.

Income Taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against

future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax in future and the resultant asset can be measured reliably.

(s) Research & Development:

Revenue expenditure on Research & Development is recognized as an expense in the year in which it is incurred. Capital expenditure incurred on Research and Development is depreciated adopting Straight Line Method, at rates as detailed in para (l) above. Revenue and Capital expenses on Research & Development are identified and accounted separately in the books.

Tangible/ Intangible assets arising out of this activity are tested for improvement at the end of each reporting period and accounted accordingly.

(t) Impairment of assets:

At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" prescribed under the Act, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

(u) Provisions, Contingent Liabilities and Contingent Assets.

A provision is recognized when the Company has a present obligation as a result of past events; 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.

Contingent liability is disclosed in case of a present obligation arising from past events when it is not probable that an outflow of resources will be required to settle the obligation, or a present obligation when no reliable estimate is possible, or a possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

(v) Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities.

II. Notes on accounts and other explanatory information

(a) Revenues from Sale of Solar Based Equipment and projects during the year was Rs.7, 45, 70,151/- (P.Y: Rs.15, 21, 27,938/-). This includes a sum of Rs. NIL (Rs. NIL) being the Central Financial assistance receivable from the Ministry of Non Renewable Energy (MNRE) on supply of such equipment and projects.

(b) Certain balances representing trade receivables and trade payables are subject to reconciliation and receipt of confirmations from parties, pursuant to confirmation requests sent by the Company.

(c) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):

Dues in respect of, Micro and Small enterprises who have duly registered themselves under the relevant Act and furnished the statutorily required proof thereof, are being regularly met as per agreed terms. Disclosures as required under MSMED are:

| Particulars | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 23,18,898 | 1,59,18,990 |
| The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year; | NIL | NIL |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act; | NIL | NIL |
| The amount of interest accrued and remaining unpaid at the end of the year | NIL | 1,73,096 |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise. | NIL | NIL |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

(d) Additional information as required under Schedule III of the Companies Act, 2013:

Payment to Auditors' Amount in Rs.

| Particulars | 31 March 2016 | 31 March 2015 |
|---------------------|------------------|------------------|
| Limited review fee | 3,00,000 | 3,00,000 |
| Statutory Audit Fee | 5,00,000 | 5,55,060 |
| Internal audit fee | 5,80,090 | 3,73,428 |
| Tax Audit Fee | 1,79,620 | 2,00,000 |
| Total | 15,59,710 | 14,28,488 |

Composition of raw materials

| Particulars | 31 March 2016 | | 31 March 2015 | |
|--------------|---------------------|------------|---------------------|------------|
| | Value Rs. | % age | Value Rs. | % age |
| Indigenous | 7,18,22,405 | 34 | 13,41,38,006 | 45 |
| Imported | 13,94,19,964 | 66 | 16,39,46,451 | 55 |
| Total | 21,12,42,369 | 100 | 29,80,84,457 | 100 |

Working in progress under broad head

| Particulars | 31 March 2016 | 31 March 2015 |
|---------------------|--------------------|--------------------|
| Modem | 29,26,410 | 37,442 |
| Converters | 16,19,101 | 24,34,578 |
| Ethernet Switch | 93,94,116 | 44,00,399 |
| Multiplexers | 26,03,458 | 2,83,343 |
| Others | 1,68,438 | 3,26,827 |
| UPS systems | - | 37,83,005 |
| Overhead allocation | 11,25,020 | 14,99,563 |
| Total | 1,78,36,544 | 1,27,65,157 |

Gross Income

| Particulars | 31 March 2016 | 31 March 2015 |
|---------------------------------------|---------------------|---------------------|
| Manufactured | | |
| Modems | 3,00,77,888 | 5,39,61,251 |
| Convertors | 17,11,92,513 | 18,17,59,812 |
| Multiplexers | 3,79,27,709 | 7,71,06,932 |
| Ethernet Switch | 3,35,70,907 | 5,07,90,480 |
| Others | 10,93,516 | 47,01,028 |
| UPS systems | 3,11,27,678 | 2,40,23,894 |
| Sub total (A) | 30,49,90,211 | 39,23,43,397 |
| Traded Goods | | |
| Switches | 6,73,577 | 41,85,684 |
| Others | 8,83,088 | 3,15,29,159 |
| Solar Project Equipment & Solar Pumps | 3,79,64,558 | 9,70,12,475 |
| Sub total (B) | 3,95,21,223 | 13,27,27,318 |
| Grand Total (A+B) | 34,45,11,434 | 52,50,70,715 |
| Discontinuing operation | 7,45,70,151 | 15,21,27,938 |

Consumption of raw materials

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------------|---------------------|
| Capacitors | 24,17,950 | 38,33,142 |
| Connectors | 45,10,269 | 60,38,162 |
| Integrated Circuits | 1,66,02,318 | 2,24,37,945 |
| Populated PCBs | 8,69,72,690 | 15,37,00,410 |
| Printed Circuit Boards | 33,76,303 | 50,72,482 |
| Transceiver | 1,38,20,157 | 1,87,25,831 |
| Transformers | 86,05,933 | 1,01,86,641 |
| Others | 7,49,36,749 | 7,80,89,844 |
| Total | 21,12,42,369 | 29,80,84,457 |
| Discontinuing operation | 10,37,15,660 | 14,28,60,297 |
| Access & Networking Products | 10,75,26,709 | 15,52,24,160 |

Note: i) Gross Income from sale of manufactured goods is shown net of excise duty.

Additional information on statement of profit and loss

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Value of Imports calculated on C.I.F basis | | |
| Raw Materials, Components and Finished Goods | 13,43,91,099 | 25,98,65,805 |
| Capital Goods | NIL | 2,61,917 |
| Expenditure in foreign currency (on cash basis) | | |
| Travelling | 5,24,228 | 3,45,403 |
| Capital Goods | NIL | 2,61,917 |
| Raw materials Components and Finished goods | 13,72,36,915 | 22,93,88,728 |
| AMC Charges Paid | - | - |
| Earnings in foreign exchange | | |
| Export of goods and services on F.O.B | 11,40,411 | 6,95,658 |

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

| Particulars | FC | Rs. | FC | Rs. |
|-------------------|---------------------|-------------|---------------------|-------------|
| | As at 31 March 2016 | | As at 31 March 2015 | |
| Trade Payables | \$6,09,138.13 | 4,08,67,593 | \$ 4,61,833 | 2,91,23,197 |
| | ¥1,47,065.88 | 78,391 | ¥ 1,31,440 | 69,177 |
| | NIL | NIL | € 205 | 13,709 |
| Trade Receivables | NIL | NIL | \$ 6,490 | 4,03,808 |

(e) 'Upkeep & Maintenance expenses' reflected in Note - 24 includes Repairs to Building – Rs.26,33,333/- (P.Y: Rs.20,45,183/-) and Repairs to Machinery – Rs.3,33,561/- (P.Y: Rs.4,53,240/-).

(f) Employee Benefits

Disclosures pursuant to Accounting Standard 15 prescribed under the Act for the provision for Gratuity are given below:

Amount in Rs.

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| Obligations at the beginning of the year | 1,86,69,241 | 1,56,17,884 |
| Service Cost | 5,67,324 | 30,46,125 |
| Interest Cost | 12,43,821 | 11,20,665 |
| Benefits Settled | (62,42,948) | (25,37,549) |
| Actuarial (Gain) / Loss | (80,37,309) | 14,22,116 |
| Obligations at the end of the year | 62,00,129 | 1,86,69,241 |
| Change in Plan Assets | | |
| Plan Assets at the beginning of the year, at Fair Value | 1,89,12,895 | 1,79,71,570 |
| Expected return on plan assets | 13,43,314 | 14,10,623 |
| Actuarial Gain / (Loss) | (13,43,313) | 1,65,510 |
| Contributions | 20,00,000 | 18,59,986 |
| Benefits Settled | (62,42,948) | (25,37,549) |
| Plan Assets at the end of the year, at Fair Value | 1,47,70,816 | 1,89,12,895 |
| Reconciliation of Present Value of the obligation and the Fair Value of the planned assets: | | |
| Fair Value of Plan Assets at the end of the year | 1,47,20,382 | 1,89,12,895 |
| Present Value of the defined benefit obligation at the end of the year | 62,00,129 | 1,86,69,241 |
| Asset / (Liability) recognized in the balance sheet | 3,41,122 | NIL |
| Gratuity Cost for the year | | |
| Service Cost | 5,67,324 | 30,46,125 |
| Interest Cost | 12,43,821 | 11,20,665 |
| Expected return on plan assets | (13,43,314) | (14,10,623) |
| Actuarial (Gain) / Loss | (66,93,996) | 12,56,606 |
| Net Gratuity Cost | (62,26,164) | 40,12,773 |
| Assumptions | | |
| Interest rate | 8.00% | 7.81% |
| Discount factor | 8.00% | 7.81% |
| Expected rate of return on plan assets | 8% | 8% |
| Expected rate of salary increase | 7% | 7% |
| Attrition rate | 3%-2%-1% | 3%-2%-1% |
| Retirement Age | 63 years | 63 years |

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

(g) Segment Reporting

Disclosures pursuant to Accounting Standard 17 prescribed under the Act are:

Primary Segment

The Company's primary business segment is 'Access & Networking products' and Real Estate Development'.

Secondary Segment

The Company's secondary segment is determined based on location of customers / export destinations (Geographical Segment).

The segment revenue in the geographical segments for disclosure are as follows:

- Revenue within India includes sales to customers located within India and earnings in India.
- Revenue outside India includes sales to customers located outside India and earnings outside India.

Amount in Rs.

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| a) Segmental Revenue | | |
| Access & Networking | 29,28,51,950 | 40,95,13,591 |
| Real Estate Development | - | - |
| Unallocated | 24,69,586 | 67,67,477 |
| Total | 29,53,21,536 | 41,62,81,068 |
| b) Segmental Results (Gross Margin) | | |
| Access & Networking | 9,57,29,654 | 13,89,35,508 |
| Real Estate Development | - | - |
| Total | 9,57,29,654 | 13,89,35,508 |
| c) Capital Employed | | |
| Access & Networking | 10,01,24,064 | 15,91,37,628 |
| Real Estate Development | 5,05,23,211 | 5,05,23,211 |
| Unallocated | (17,18,46,800) | (5,60,77,632) |
| Total | (2,11,99,525) | 26,57,38,471 |
| d) Segment Revenue for Geographical Segment | | |
| Access & Networking | | |
| India | 29,19,54,426 | 40,40,30,700 |
| Outside India | 8,97,524 | 54,82,891 |
| Sub-Total | 29,28,51,950 | 40,95,13,591 |
| Real Estate Development | | |
| India | - | - |
| Outside India | - | - |
| Sub-Total | - | - |
| Total | 29,28,51,950 | 40,95,13,591 |

(h) Related Party Disclosure

Disclosures pursuant to Accounting Standard 18 prescribed under the Act are:

A. Relationships:

(i) RAD-MRO Manufacturing Private Limited - Joint Venture Company

(ii) Whole time Directors:

S. Narayanan, Chairman & Managing Director

H. Nandi, Managing Director

B. Transactions with related parties:

Amount in Rs.

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| With Joint Venture | | |
| Professional Services received (inclusive of Service Tax) | 8,20,332 | 1,34,832 |
| Rent Received (inclusive of Service Tax) | 2,73,444 | 3,37,080 |
| Outstanding payables | NIL | NIL |
| Outstanding receivables | 4,18,000 | 89,888 |
| With Whole Time Directors | | |
| Salaries | 72,00,000 | 72,00,000 |
| Contribution to welfare fund | 19,44,000 | 19,44,000 |
| Sale of Goods | NIL | 2,08,890 |

(i) **Earnings per Share**

Disclosures pursuant to Accounting Standard 20 prescribed under the Act are:

Amount in Rs.

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---|--|--|
| Profit/(Loss) after Taxation as per Profit & Loss account | (28,69,38,017) | (11,17,38,040) |
| Weighted average Number of Equity Shares outstanding | 1,86,84,602 | 1,86,84,602 |
| Basic EPS in Rs. (face value Rs.5 per share) | (2.32) | (3.04) |
| Diluted EPS in Rs. (face value Rs.5 per share) | (15.36) | (5.98) |

(j) **Accounting for Taxes on Income**

Deferred Tax

During the year, the Company has accounted for Rs. 87,733/- (Rs. 8,26,237/- Deferred Tax Asset) towards deferred tax liability and has considered the same to the statement of profit and loss as stipulated under Accounting Standard 22, on "Accounting for Taxes on Income", prescribed under the Act. However, on conservative basis, deferred tax asset on carry forward losses, has not been considered.

(k) **Intangible Assets**

- The Company has in-house R & D Centre involved in developmental activities for new products in the fields of Access & Networking technology.
- Revenue expenditure incurred towards in-house R&D included in Notes 21, 23 & 25 relating to Cost of material consumed and administrative & selling expenses respectively, is as detailed below:

Amount in Rs.

| EXPENDITURE | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|-------------------------------|--|--|
| Material Cost | 1,20,138 | 4,28,332 |
| Employee benefit expenses | 1,20,27,317 | 1,57,53,472 |
| Repairs & Maintenance Charges | 10,990 | 40,603 |
| Software purchases for R&D | 2,88,436 | 6,97,706 |
| Travelling & Conveyance | - | - |
| Professional Charges | - | 75,000 |
| Total | 1,24,46,881 | 1,69,95,113 |

- Details of Capital Expenditure incurred, is provided under Note 10 relating to Fixed Assets.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

(l) Interest in Joint Ventures

Disclosure of interest in respect of RAD-MRO Manufacturing Private Limited as required under Accounting Standard 27:

| PARTICULARS | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 1. Description of Interest | 49% Ownership | 49% Ownership |
| 2. Country of Incorporation | India | India |
| 3. Aggregate Amount of Contingent Liabilities | | |
| i. Share of Contingent liabilities of the Joint Ventures | NIL | NIL |
| ii. Contingent liability on account of the liabilities of other Ventures of the Joint venture | NIL | NIL |
| 4. Total Paid up Capital | 1,48,00,000 | 1,48,00,000 |
| 5. Investment by Company | 72,52,000 | 72,52,000 |
| 6. Aggregate amount of Commitments in respect of the company's interest in the Joint Ventures | | |
| i. Capital commitment of the company in relation to the Joint Venture | NIL | NIL |
| ii. Company's share of Capital commitments of the Joint Ventures | NIL | NIL |
| 7. Aggregate amount of the following: (un-audited) | | |
| i. Assets | 4,54,44,438 | 3,90,62,753 |
| ii. Liabilities other than shares holders funds | 4,98,241 | 1,93,232 |
| iii. Income | 32,94,752 | 31,97,616 |
| iv. Expenditure | 44,32,949 | 1,14,08,198 |
| v. Profit / (Loss) from business | (11,38,197) | (82,00,188) |

FY 15-16 numbers are based upon unaudited financials of RAD-MRO Manufacturing Private Limited.

(m) Impairment of Assets

Consequent to the development agreement entered in to with M/s. Umiya Builders and Developers on 1st January, 2016 for commercial development of the Company's property at Hebbal, an impairment loss of Rs.7,56,59,286 is recognized for corporate building.

Further an amount of Rs.5, 06,077/- has been recognized as impairment loss towards assets related to solar business.

(n) Provisions and Contingent Liabilities

- Provision reversal has been made for an amount of Rs. 5,56,60,604/- (P.Y: provision Rs. 10,00,000/-) in respect of certain items of non moving / slow-moving inventory, based on Generally Accepted Accounting Practices, since these items continue to be usable and / or salable in the activities of the Company.
- With respect to Access & Networking products, no provision has been made for post-sales support expenses, as the Company is of the opinion that such expenses are not material, based on past experience.
- With regard to products related to Solar Based Equipments & Projects, the Company transferred the warranty support obligations to Mr. H. Nandi, the promoter of the company.

Contingent liabilities

Amount in Rs.

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| Counter Guarantees to Bank (to the extent of live guarantees issued by bank) | 55,89,982 | 73,55,088 |
| Letters of Credit | NIL | 23,88,300 |
| Capital Commitments | NIL | 50,00,000 |
| Sales tax liability in lieu of Form 'C' yet to be received | 1,44,70,016 | 2,13,45,448 |
| Disputed Central Excise Duty* | 4,66,90,550 | 4,66,90,550 |

* Central Excise Duty of Rs.4,66,90,550/- was demanded by the dept., for the value Addition work done to the imported goods at the Trading unit of the Company during the FY 2010-11. Company has filed an appeal before CESTAT and matter is pending before the appellate authority.

Pending Legal cases

| Sl.No | Name of the plaintiff | Cause of legal case | Court Jurisdiction |
|-------|---|--|--|
| 1. | Kumar Dinesh Seth, S/o Sri Dinesh Seth No.5/6, Leo Residency, Ground Floor, V.V. Puram, Bengaluru 560004 | Against the postal Ballot notice dtd. 10th November,2015 w.r.t. the joint development of land at the registered office, Bellary Road, Hebbal | The High Court of Karnataka, Bengaluru |
| 2. | Jitendra Virwani 341,Embassy Woods, 6/A, Cunningham Road, Bengaluru, 560052 | Against the postal ballot results dtd. 22nd December, 2015 restraining to proceed joint development and change in the name of the company. | Company Law Board Chennai |
| 3. | Mr. Sanjeev K. Sezwar, 574 8th Cross M.S. Ramaiah North City, Nagawara, Bengaluru 560077 | To set aside the order of termination of the employment dtd. 6th January, 2016 and to reinstate with consequential benefits. | Mr.A.M. Krishnamurthy, Labour Office,Ward 5 Karmika Bhavan, Bannerghatta Road, Bengaluru |

(o) Joint Development on Hebbal land:

The Company has entered into a Development Agreement with a developer, dated January 01, 2016, for development of its land situated at Hebbal admeasuring 3 Acres 11.998 Guntas purported to be developed as a commercial complex.

This arrangement is duly approved by the shareholders through postal ballot on December 22, 2015. The land has been converted to stock-in-trade and classified as current assets in the Balance Sheet.

The Company and developer shall enter into and execute a Sharing Agreement between them on or before 30 days from the date of obtaining of the plan sanction and commencement certificate from Bruhat Bangalore Mahangara Palika (BBMP) which is yet to be obtained.

(p) Discontinuing operation:

Due to sustained cash losses the Board of Director resolved to discontinue "Solar Based Equipment & Projects" in the meeting held on January 14, 2016. Disclosures under Accounting Standard-24 are given below:

| Particulars | FY 2015-16 | FY 2014-15 |
|--|-----------------------|----------------------|
| Revenue from Operations | 7,45,70,151 | 15,21,27,938 |
| Cost of materials consumed | 10,37,15,660 | 14,28,60,297 |
| Gross Profit/(Loss) | (2,91,45,509) | 92,67,641 |
| Employee benefits expenses | (2,52,18,726) | (3,03,26,737) |
| Finance Cost | (1,07,94,457) | (73,60,416) |
| Depreciation and amortization expenses | (2,17,157) | (2,88,227) |
| Reduction in UPS/Solar Stock | (3,35,63,345) | - |
| Other Expenses | (3,31,51,251) | (2,61,40,528) |
| Net loss | (13,20,90,445) | (5,48,48,266) |

(q) Conversion of fixed assets to stock- in trade:

As per the resolution passed in the Board meeting held on January 14, 2016, the Company has decided to convert the land situated at Hebbal in to Stock-in-trade. The land has converted at carrying cost of Rs 5,05,23,211 (PY Rs 5,05,23,211) and disclosed under "Inventory". The same has disclosed under primary business segment "Real estate development".

(r) Exceptional items:

The Company has written off Rs 1,74,30,988/- (PY Rs Nil) on account of inventory obsolescence.

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)

(s) Extraordinary items:

The Company has recognized following under extraordinary items under Statement of Profit and Loss Account:
(Amount in Rs)

| Particulars | Year ended March 31, 2016 | Year ended March 31, 2015 |
|--|------------------------------|------------------------------|
| Retrenchment and compensatory salary [refer (i) below] | 3,53,00,539 | Nil |
| Impairment of corporate office building [refer (ii) below] | 7,56,59,286 | Nil |
| Impairment of Solar/UPS Assets [refer (iii) below] | 5,06,077 | Nil |
| Total | 11,14,65,902 | Nil |

- (i) Following the discontinuance of "Solar Based Equipment & Projects", the Company has entered into amicable arrangement with employees to downsized its direct labour to production. The Company has adequately discharged the legal obligation to all employees who voluntarily opted alternative employment opportunity outside the Company.
- (ii) Following the addition of new primary business segment "Real estate development" and conversion of corporate building land at Hebbal to Inventory, the Company has impaired the building and fully expensed off the carrying amount of building (as on December 31, 2015) as impairment loss.
- (iii) Following the discontinuance of "Solar Based Equipment & Projects", the Company has impaired the Fixed assets relating to discontinued business and fully expensed off the carrying amount of asset as impairment loss.

(t) Share purchase agreement

The promoters of the Company entered into Share Purchase agreement with Umiya Group on May 19, 2016 to sell their controlling shares in the Company. The detailed public statement has been published to this effect.

(u) Statutory compliance

The Company has not discharged Tax Deducted at Source under section 192 of the Companies Act 1961 on taxable employee compensation Rs 39,76,330. The Company would discharge the obligation with interest during next financial year 2016-17.

- (v) Figures for the year have been rounded-off to the nearest rupee and, those in the brackets, wherever given, correspond to respective figures for the previous year. Figures of previous year have been regrouped & reclassified, wherever necessary.

for and on behalf of the Board of Directors

S.Narayanan

Chairman & Managing Director

H.Nandi

Managing Director

Srivatsa

CFO & Compliance Officer

Place : Bengaluru
Date : 28 May 2016

Place : Bengaluru
Date : 28 May 2016

for Singhvi, Dev & Unni
Chartered Accountants
Firm Regn. No. 003867S

Parthasarathy Sudarsanam
Partner
Membership No.: 205179

CASH FLOW STATEMENT

| Particulars | 31-Mar-16 Amt in Rs. | 31-Mar-15 Amt in Rs. |
|---|---------------------------------|-------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before exceptional and extraordinary items and taxes | (2,58,62,949) | (5,60,63,537) |
| ADD: | | |
| Depreciation | 1,21,07,156 | 1,36,89,796 |
| (Gain)/Loss on Exchange rate Fluctuation | 12,43,406 | 1,74,765 |
| Interest on Bank Borrowings | 1,49,01,638 | 2,28,90,845 |
| Net (Gain)/Loss on Sale of Fixed Assets | 25,43,483 | (2,27,211) |
| Capital Gains - Investment | (2,77,767) | |
| Loss from Discontinued operations | (13,20,90,445) | (5,48,48,266) |
| Exceptional item | (1,74,30,988) | - |
| Interest Income | (8,83,170) | (61,34,445) |
| Defferred Tax | (87,733) | |
| Operating Profit before working Capital Changes | (14,58,37,369) | (8,05,18,053) |
| Add/ Less : (Increase)/Decrease in Operating Assets | | |
| Inventory | 12,87,44,041 | (3,46,28,258) |
| Trade Receivables (Current & Non-Current) | 1,96,32,007 | 14,41,57,732 |
| Loans and advances (Short and Long term) | 42,38,705 | 72,66,538 |
| Discontinuing operations- assets held for sale | (1,12,91,411) | - |
| Add/(Less) : Increase/(Decrease) in Operational Liabilities | | |
| Trade Payable | (1,60,93,248) | (5,63,91,634) |
| Other Liabilities (Current & Non-Current) | 4,26,98,578 | (44,34,156) |
| Provisions (Short and Long term) | (31,47,179) | 10,40,622 |
| Cash generated from operation | 1,89,44,124 | (2,35,07,209) |
| Income Tax | 87,733 | (22,10,245) |
| Net Cash from Operating activities | - - > A 1,90,31,857 | (2,57,17,454) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (72,001) | (2,20,68,444) |
| Proceeds from Sale of Fixed assets | 94,787 | 2,27,211 |
| Interest Income | 8,83,170 | 61,34,445 |
| Redemption of SBI-SHF-Ultra Short Term Fund Institutional Plan | 8,78,618 | - |
| Property for development | - | - |
| NET CASH FLOW / (USED IN) INVESTING ACTIVITIES | - - > B 17,84,574 | (1,57,06,788) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Bank Borrowings - Working Capital | (3,27,41,408) | (3,02,05,561) |
| Repayment of Long-term borrowing | (1,34,98,000) | (1,34,98,000) |
| Bank Borrowings - Interest | (1,49,01,638) | (2,28,90,845) |
| NET CASH FLOW / (USED IN) FINANCING ACTIVITIES | - - > C (6,11,41,045) | (6,65,94,406) |
| NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C) | (4,03,24,614) | (10,80,18,648) |
| CASH & CASH EQUIVALENTS - OPENING BALANCE | 4,78,31,741 | 15,58,50,389 |
| CASH & CASH EQUIVALENTS - CLOSING BALANCE | 75,07,127 | 4,78,31,741 |

for and on behalf of the Board of Directors

As per our report attached to the Cash Flow Statement

S.Narayanan

Chairman & Managing Director

for Singhvi, Dev & Unni

Chartered Accountants

Firm Regn. No. 003867S

H.Nandi

Managing Director

Srivatsa

CFO & Compliance Officer

Parthasarathy Sudarsanam

Partner

Place : Bengaluru

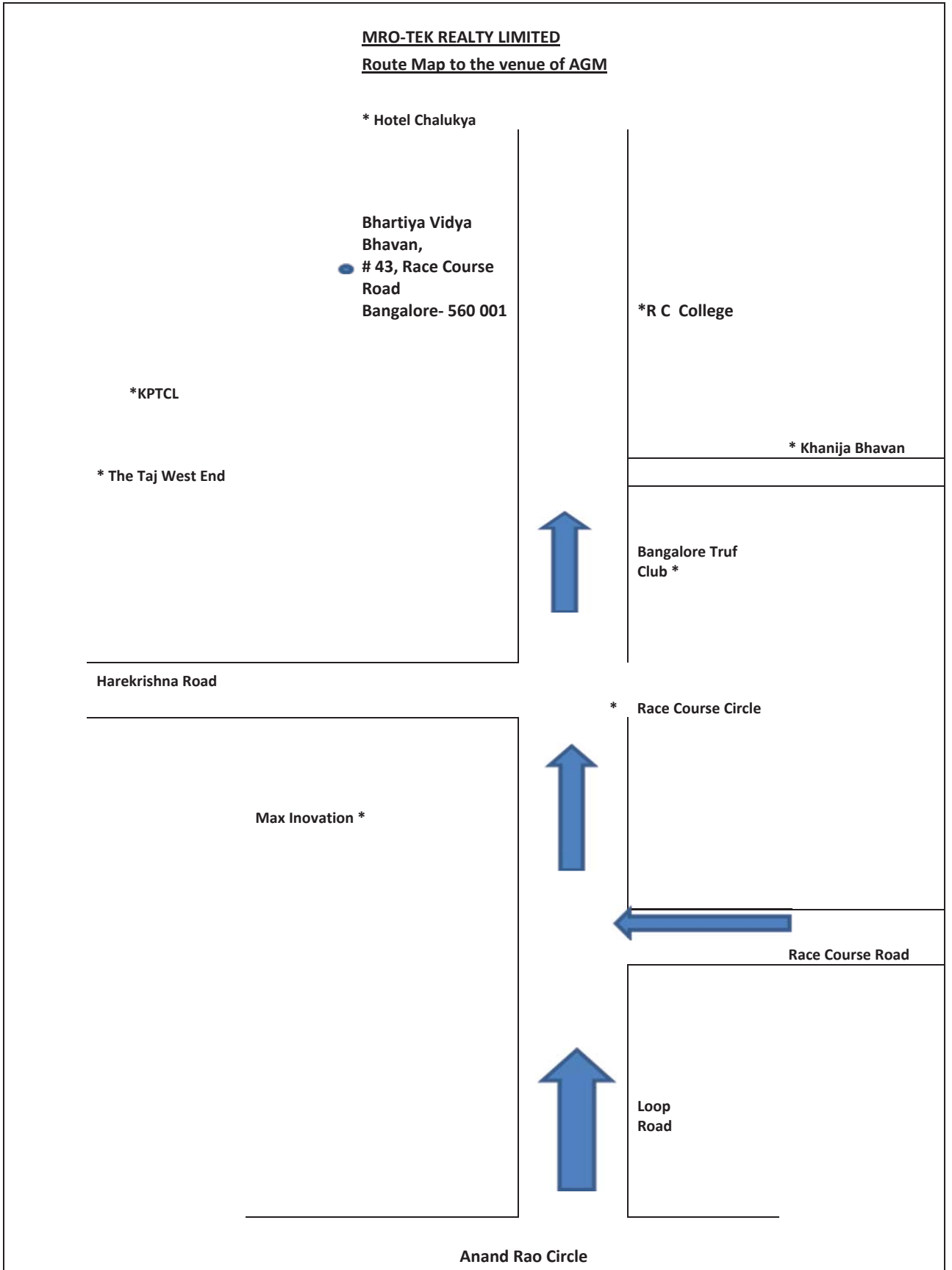
Place : Bengaluru

Membership No.: 205179

Date : 28 May 2016

Date : 28 May 2016

MRO-TEK REALTY LIMITED (formerly known as MRO-TEK Limited)



MRO-TEK REALTY LTD

CIN: L28112KA1984PLC005873

Registered Office: # 6, New BEL Road, Chikkamaranahalli, Bangalore – 560 054

Telephone: 080-23332951 | Email: grd@mro-tek.com | Web: www.mro-tek.com

ATTENDANCE SLIP

This attendance slip duly filled in to be handed over at the entrance of the meeting hall

Name of the attending Member (in block letters):

.....

Members' Folio Number:

Client I.D. No.:

D.P.I.D No:

Name of the Proxy (in Block Letters, to be filled in if the proxy attends instead of the members):

.....

No. of Shares held:

I hereby record my presence at the Thirty Second Annual General Meeting of the Company held on Wednesday the 21st September, 2016, at 12.30 p.m. at Bhartiya Vidya Bhavan, # 43, Race Course Road, Bangalore -560 001

To be signed at the time of handing over

Signature of member / Proxy

MRO-TEK REALTY LIMITED

CIN: L28112KA1984PLC005873

Registered Office: # 6, New BEL Road, Chikkamaranahalli, Bangalore-560 054

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L28112KA1984PLC005873

Name of the company: **MRO-TEK Realty Limited**

Registered office: **# 6, New BEL Road, Chikkamaranahalli, Bangalore-560 054**

| |
|--|
| Name of the member (s) : Registered address : E-mail Id: Folio No/ Client Id : DP ID : |
|--|

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name :

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Second Annual General Meeting of the Company, to be held on the on Wednesday, the 21st September, 2016 at 12.30 P.M. at Bhartiya Vidya Bhavan, # 43, Race Course Road, Bangalore -560 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

ORDINARY BUSINESS

1. Adoption of Financial Statements for the year ended March 31, 2016.

SPECIAL BUSINESS

2. Appointment of Statutory Auditors of the Company in the casual vacancy
3. Appointment of Mr. Aniruddha Bhanuprasad Mehta as a Director
4. Appointment of Mr. Aniruddha Bhanuprasad Mehta as the Chairman and Managing Director
5. Appointment of Mrs. Gauri Aniruddha Mehta, as a Director
6. Appointment of Mr. Radhakrishnan Seetharaman as a Director
7. Appointment of Mr. Radhakrishnan Seetharaman as an Independent Director.
8. Appointment of Mr. Sudhir Kumar Hasija, as a Director.
9. Appointment of Mr. Sudhir Kumar Hasija, as an Independent Director.
10. Appointment of Mr. M V Sampath Kumar, as a Director.
11. Appointment of Mr. M V Sampath Kumar, as an Independent Director

Signed this..... day of..... 2016

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MRO-TEK REALTY LIMITED

CIN: L28112KA1984PLC005873

Registered Office: # 6, New BEL Road, Chikkamaranahalli, Bangalore-560 054

Telephone: 080-23332951 Email: grd@mro-tek.com

Web: www.mro-tek.com

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

| | | | | |
|---|---|--------------------------|----------------------------|--------------------------------|
| Name of the Company: MRO-TEK Realty Limited | | | | |
| Registered office: # 6, New BEL Road, Chikkamaranahalli, Bangalore-560 054 | | | | |
| BALLOT PAPER | | | | |
| Sl. No. | Particulars | Details | | |
| 1. | Name of the First Named Shareholder (In block letters) | | | |
| 2. | Postal address | | | |
| 3. | Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form) | | | |
| 4. | Class of Share | | | |
| I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner: | | | | |
| No. | Item No. | No. of shares held by me | I assent to the Resolution | I dissent to the Resolution |
| ORDINARY BUSINESS | | | | |
| 1. | Adoption of Financial Statements for the year ended March 31, 2016. | | | |
| SPECIAL BUSINESS | | | | |
| 2. | Appointment of Statutory Auditors of the Company in casual vacancy | | | |
| 3. | Appointment of Mr. Aniruddha Bhanuprasad Mehta as a Director | | | |
| 4. | Appointment of Mr. Aniruddha Bhanuprasad Mehta as the Chairman and Managing Director | | | |
| 5. | Appointment of Mrs. Gauri Aniruddha Mehta, as a Director | | | |
| 6. | Appointment of Mr. Radhakrishnan Seetharaman as a Director | | | |
| 7. | Appointment of Mr. Radhakrishnan Seetharaman as an Independent Director. | | | |
| 8. | Appointment of Mr. Sudhir Kumar Hasija, as a Director. | | | |
| 9. | Appointment of Mr. Sudhir Kumar Hasija, as an Independent Director. | | | |
| 10. | Appointment of Mr. M V Sampath Kumar, as a Director. | | | |
| 11. | Appointment of Mr. M V Sampath Kumar, as an Independent Director | | | |
| Place: Date: | | | | |
| | | | | (Signature of the shareholder) |

Notes

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Notes

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Notes

A series of horizontal dashed lines for writing notes.

Domestic Customers (Partial)



Client Landscape

International Customers (partial)



MRO-TEK REALTY LIMITED

6, New BEL Road,
Chikkamaranahalli,
Bangalore - 560 054