



## KILBURN ENGINEERING LTD.

REGD. OFFICE : Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.

Website : [www.kilburnengg.com](http://www.kilburnengg.com) (A Williamson Magor Group Enterprise)

**CIN : L24232WB1987PLC042956**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Thirtieth Annual General Meeting of the Company will be held on Friday, 28<sup>th</sup> September, 2018 at 11:00 a.m. at ICC Auditorium 10<sup>th</sup> Floor, ICC Towers, Indian Chamber of Commerce (ICC), 4, India Exchange Place, Kolkata – 700 001 to transact the following business

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2018 and Report of Directors and Auditors' Report thereon.
2. To declare dividend for the financial year ended 31<sup>st</sup> March, 2018.
3. To appoint a Director in place of Mr. Amritanshu Khaitan (holding DIN 00213413), who retires by rotation and being eligible, offers himself for reappointment.

#### **Special Business**

To consider and, if thought fit, to pass the following Resolutions:-

#### **4. As an Ordinary Resolution – appointment of Mr. Subir Chaki as director of the Company :**

“RESOLVED that Mr. Subir Chaki (DIN: 05174555) who was appointed as an Additional Director of the Company on 13<sup>th</sup> November, 2017 and holds office up to this Annual General Meeting of the Company in terms of Section 161 of The Companies Act, 2013 and in respect of whom the Company has received a notice in writing pursuant to section 160 of The Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as a director of the Company liable to retire by rotation.”

#### **5. As an Ordinary Resolution - appointment of Mr. Subir Chaki as Whole Time Director**

“RESOLVED that consent of the Members be and is hereby accorded to the appointment of Mr. Subir Chaki as Whole Time Director of the Company, pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (Act) and any other applicable provisions of the Act and the Rules made thereunder read with Schedule V to the Act and/or subject to such approvals as necessary, with effect from November 13, 2017 and upto 31<sup>st</sup> March, 2018, upon the terms and

conditions including remuneration as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and as set out in the Explanatory Statement in respect of this item of business, attached herewith.”

#### **6. As Special Resolution - appointment of Mr. Subir Chaki as Managing Director :**

“RESOLVED that consent of the Members be and is hereby accorded to the appointment of Mr. Subir Chaki (holding DIN: 05174555) as Managing Director of the Company, pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (Act) and any other applicable provisions of the Act and the Rules made thereunder read with Schedule V to the Act and / or subject to such approvals as necessary, for a period of two years with effect from April 1, 2018, upon the terms and conditions including remuneration as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and as set out in the Explanatory Statement in respect of this item of business, attached herewith.”

“RESOLVED FURTHER THAT the Board of Directors shall have the authority to take incidental action and also to modify or amend the terms of appointment and remuneration from time to time within the limits of Schedule V and other applicable provisions of The Companies Act, 2013 ('The Act') or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of directors and Mr. Subir Chaki.”

“RESOLVED FURTHER THAT so long Mr. Subir Chaki functions as Managing Director of the Company, he will not be subject to retirement by rotation and shall not be paid any fees for attending the meetings of the Board or any Committee thereof.”

#### **7. As an Ordinary Resolution - Remuneration of Cost Auditor:**

“RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules thereof, (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment and remuneration of the Cost Auditors, M/s. D. Sabyasachi & Co., for auditing the Cost Accounts & records of the Company in respect

of the products, as may be applicable, for the year ending March 31, 2019, as approved by the Board of Directors on the recommendation of the Audit Committee and as set out in the Explanatory Statement in respect of this item of business, be and is hereby ratified."

**8. To pass the following Resolution as a Special Resolution:**

"RESOLVED that in accordance with the applicable regulations of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members be and is hereby accorded to Mr. Gobind Prasad Saraf (DIN: 00206447), appointed as independent director in 26<sup>th</sup> AGM held on 30-09-2014 for a tenure of 5 years, to continue as director of the Company post completion of 75 years of his age on his original terms of appointment."

By Order of the Board of Directors

Kolkata  
13<sup>th</sup> August, 2018

**Arvind Bajoria**  
Company Secretary  
Membership No.: 15390

Regd. Office :  
Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani  
Kolkata – 700 001  
CIN: L24232WB1987PLC042956

**NOTES:**

I. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE MEETING. A PROXY / PROXIES SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**II. Voting through electronic means - instructions:**

In compliance with Section 108 of the Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rule, 2014, as amended, and Clause 35B of the Listing Agreement, the Company

is pleased to provide e-voting facility to its Members in respect of the business to be transacted at the Annual General Meeting (AGM). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facilities. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given in a separate sheet attached hereto forming part of the Notice.

The e-voting particulars are being communicated through the Attendance Slip cum Proxy Form.

1. Institutional shareholders (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at arvind\_bajoria@kilburnengg.com or mdpl@cal.vsnl.net.in or scrutinizeraklabh@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com before September 25, 2018 without which the vote shall not be treated as valid.
2. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agents or send mail to arvind\_bajoria@kilburnengg.com or mdpl@cal.vsnl.net.in. You may also send mail to helpdesk.evoting@cdslindia.com or refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in.
3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company held on the cut-off date of 21<sup>st</sup> September, 2018.
4. Mr. A. K. Labh, Practicing Company Secretary (FCS : 4848) of M/s. A.K. Labh & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is aklabhcs@gmail.com.
5. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the

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

**Item Nos. 4 to 6**

The Board of Directors at its meeting held on November 13, 2017, resolved to appoint Mr. Subir Chaki as Additional Director of the Company. Taking into view, rich experience of Mr. Subir Chaki, Board also resolved to appoint Mr. Subir Chaki as Whole Time Director of the Company with effect from November 13, 2017 on the following principal terms and conditions pursuant to the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act and subject to the approval of the shareholders in a General Meeting and/or the Central Government approval (as may be necessary).

**Salary (Basic) :** ` 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) per month with such revision as the Board may approve from time to time in the salary grade of ` 3,00,000 – ` 50,000 – ` 5,00,000.

**Performance Bonus :** Equivalent to six months' basic salary in a year, payable on half yearly basis based on performance evaluation by the management.

**Perquisites :**

**Housing :** Free furnished accommodation will be provided by the Company. In case no accommodation is provided to the whole time director, he will be paid House Rent Allowance @ ` 1,60,000/- monthly.

**Car :** Mr. Chaki will be provided with a Company car with driver. Additionally, Mr. Chaki will be provided with a car for his official and personal purposes.

**Medical Insurance :** Family medical insurance coverage will be provided by the Company as per the scheme applicable to the senior executive staff of the Company.

**Leave Travel Concession :** The Whole Time Director will be entitled to Leave Travel Assistance (LTA) once in a year. The amount of LTA per year is ` 3,50,000/-.

**Club Fees :** The Managing Director is entitled to reimbursement of Club Fees, if approved by the Board of Directors.

**Other Allowances :** A special pay of ` 1,02,850/- (Rupees One Lakh Two Thousand Eight Hundred Fifty only) per month.

**Retiral Benefits :** Contribution to the Company's Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.

**Minimum Remuneration :** In the event of loss or inadequacy of profits in any year during tenure of his office, the Whole Time Director shall be paid the remuneration as above as minimum remuneration subject to the provisions of Schedule V to the Act read with any circulars, notifications laid down by the Ministry of Corporate Affairs from time to time or any modification thereof.

**Leave :** The Whole Time Director will be entitled to leave on full pay, perquisites and allowances as following

**Casual Leave :** Casual Leave of 7 days per annum out of which 3 days' leave can be taken at a stretch. This leave is non-cumulative.

**Sick Leave :** On actual basis.

**Leave Encashment :** The Whole Time Director will be entitled to 30 days' leave per annum for each completed year of service, which may be accumulated upto a maximum of 300 days and encashed as per basic salary received at the end of tenure.

**Sitting Fees :** The Whole Time Director shall not be entitled to any Sitting Fees for attending the meetings of Board of Directors of the Company or Committees thereof.

The Board of Directors at its meeting held on February 14, 2018, resolved to appoint Mr. Subir Chaki as Managing Director of the Company w.e.f. April 1, 2018 on the same existing terms and conditions pursuant to the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act and subject to the approval of the shareholders in a General Meeting and/or the Central Government approval as may be necessary., Since Mr. Supriya Mukherjee, the present Managing Director of the Company will retire from 1<sup>st</sup> April, 2018.

Thereafter, Board of Directors at its meeting held on August 13, 2018, resolved to restructure the remuneration of Mr. Subir Chaki w.e.f. 13<sup>th</sup> November, 2017, as per the recommendation of Nomination and Remuneration Committee, as following.

**RESTRUCTURED REMUNERATION**

**Mr Subir Chaki (Monthly Remuneration)**

	<b>Previous</b>	<b>Revised</b>
Basic Salary	350000	400000
HRA	160000	200000
Sp. Pay	102850	119316
S.A.F. Contribution 15%	52500	60000
LTE	29167	33333
Performance Bonus (Note 4 below)	175000	200000

**Other Perquisites :**

1. Family Medical insurance coverage for hospitalization as per Co Scheme
2. Domiciliary medical expenses will not be reimbursed.
3. Leave encashment : Unavailed Privilege Leave (UPL) can be encashed on completion of tenure and Basic Salary will be paid for number of un-availed PL subject to maximum of 300 days as per rules of the company.

4. Mr. Chaki will be entitled to performance bonus equivalent to six months basic salary payable half yearly based on performance evaluation by the Management.
5. Contribution to the Company's Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month's salary for each completed year of service.

The aforementioned appointment of Mr. Chaki and the terms as to remuneration requires the approval of the Members in general meeting. The above terms of revised remuneration have been approved by the Nomination and Remuneration Committee of the Board In the meeting held on 13<sup>th</sup> August, 2018.

The Resolution(s) set out in Item No. 4 to 6 is accordingly proposed to be passed by way of Ordinary / Special Resolution and the Board recommends the same for approval of the Members.

Except Mr. Chaki, being the appointee, none of the 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. 4 to 6.

**INFORMATION IN TERMS OF SCHEDULE V TO THE COMPANIES ACT, 2013**

**I. General Information:**

Nature of Industry: Engineering

Date of commencement of Commercial production : The Company was incorporated in 1987 and had already commenced production

Financial performance based on given indicators:

(For the year ended March 31, 2018)

Particulars	In Lacs
Sales and other Income	13142
<b>Gross Profit before interest, finance charges and depreciation</b>	<b>2639</b>
Interest & Finance Charges	1722
Depreciation	433
<b>Profit before Tax</b>	<b>484</b>
Tax Expenses	149
<b>Profit after Tax</b>	<b>335</b>
O.C.I. (Other Comprehensive Income)	72
<b>Total Comprehensive Income</b>	<b>407</b>

Export Performance and net foreign exchange earnings:

	Export (FOB value)	Net Foreign Exchange Earnings
	Crores	Crores
2017 - 2018	23.50	23.89
2016 - 2017	27.16	27.45
2015 - 2016	29.19	30.34

Foreign Investments : Foreign Collaborators are as or collaborators, if any following :

- i. M/s. Nara Machinery Co. Ltd. (Japan)
- ii. M/s. Carrier Vibrating Equipment Inc (USA)

Investment in subsidiaries during 2017-18 - Nil

Investment in Share Capital by Foreign Companies - Nil

**II. Information about the appointee/director**

Background Details

Name of Director : Mr. Subir Chaki

Age : 58 years

Qualification : B.E (Mech.), AICWA, PGCGM

Expertise and Experience in specific functional areas:

Mr. Subir Chaki (58) is a Mechanical Engineer from IIT, Kharagpur, Qualified Cost Accountant and PGCGM from IIM, Calcutta. He has over 28 years of rich experience in the Manufacturing Industry. He joined McNally Sayaji Engineering Limited as President - Operations from October 1, 2011. He also served as the President (Manufacturing), Executive Vice President (Manufacturing), Vice President (Flashlight Business) and other various capacity with Eveready Industries India Limited for more than 25 years before joining McNally Sayaji Engineering Limited as Whole Time Director. He has served as the Vice Chairman of Confederation of Indian Industry, West Bengal Council, and continues to be a member of the Council and the West Bengal Task Force to advise the State Government. He has also been a member of the Governing Council at Kalyani University, Chairman of Teacher's Training Institute and has been advising several Engineering colleges in West Bengal.

Past remuneration:

In his last employment as Whole Time Director of Mcnally Sayaji Engineering Ltd., Mr. Chaki had been receiving basic salary @ ` 3,50,000/- per month and other allowances and perquisites as approved by the Members, as following :

**Mr Subir Chaki (Monthly Remuneration)**

	Previous
Basic Salary	350000
HRA	160000
Sp. Pay	102850
S.A.F. Contribution 15%	52500
LTE	29167
Performance Bonus (Note 4 below)	175000

**Other Perquisites :**

1. Family Medical insurance coverage for hospitalization as per Co Scheme
2. Domiciliary medical expenses will not be reimbursed.
3. Leave encashment : Unavailed Privilege Leave (UPL) can be encashed on completion of tenure and Basic Salary will be paid for number of un-availed PL subject to rules of the company.
4. Mr. Chaki was entitled to performance bonus equivalent to six months basic salary payable half yearly based on performance evaluation by the Management.
5. Contribution to the Company’s Provident Fund and Superannuation Fund and / or Annuity Fund in accordance with rules and regulations governing the said funds. Gratuity will be payable in accordance with rules of the Company and such Gratuity shall not exceed half a month’s salary for each completed year of service.

Job profile and his suitability:

Mr. Chaki was the Whole Time Director of Mcnally Sayaji Engineering Limited, responsible for the overall operational management of the Company. The Board is of the opinion that Mr. Chaki has the requisite qualifications, expertise and experience for the job he is holding.

Remuneration proposed:

Already given in the Explanatory Statement.

Pecuniary and other relationships:

Except for receiving remuneration as a Managing Director, Mr. Chaki has no pecuniary relationship with the Company. He is not related to any other managerial personnel of the Company.

Comparative remuneration profile with respect to industry, size of the Company, profile of position and person :

Mr. Chaki’s proposed remuneration matches his background, proven capabilities and vast experience in Industries. His remuneration is commensurate with the norms in the industry having regard to the size, complexities of this Company and the job responsibilities.

**III. Other Information**

Reasons of loss or inadequate profits:

The company had a net total comprehensive income of ` 4.07 Crores during the year 2017-18 as compared to ` 6.68 Crores in the previous year. Due to lesser order inflow during the year 2017-18, the profitability was lower. In the current year, prospects in capital goods sector had shown improvement.

Presently, the economy is showing signs of revival with a stable business environment; company expects to have a good top line and bottom line in the coming years.

**IV. Disclosures**

Information on the remuneration package of the managerial personnel:

The shareholders are notified of the remuneration package through explanatory statements annexed to the Notice of Meetings in which proposals for their appointments are placed before the shareholders.

Disclosures on remuneration package and other terms of Directors under ‘Corporate Governance’ Report:

The Corporate Governance Report forms a part of the Annual Report for the year and the remuneration package and other terms applicable to the Directors have been disclosed therein.

Memorandum of Interest:

Except Mr. Chaki, being an appointee, none of the 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. 4 to 6.

**Item No. 7**

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s. D. Sabyasachi & Company, Cost Accountants, as Cost Auditors of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to any products as may be applicable for the financial year 2018 - 19 at a remuneration of ` 40,000/- and service tax at the applicable rate and

reimbursement of out of pocket expenses at actuals. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out at Item No. 10 for the approval of the Members of the Company.

None of the 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. 10.

**Item No. 8**

At the 26<sup>th</sup> Annual General Meeting of the Company, held on 30-09-2014, the Members had approved the re-appointment of Mr. Gobind Prasad Saraf, Director of the Company in accordance with Section 152 of the Companies Act, 2013 and Article 86(1) of the Articles of Association of the Company.

In terms of Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 and effective from April 1, 2019, consent of the Members by way of a Special Resolution is required for continuing the directorship of a Non-Executive Director who has attained the age of seventy five years.

Mr. Gobind P. Saraf, Non-Executive Director of the Company will attend the age of seventy five years on 16.08.2019. Mr. Saraf is a renowned Businessman and has been on the Board of the Company w.e.f. 30.03.2009. The Board considers that Mr. Saraf's continued association as Non-Executive Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set out at Item No. 8 by way of a Special Resolution for approval of the Members.

Except Mr. Gobind P. Saraf, none of the 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. 8.

By Order of the Board of Directors

Kolkata  
13<sup>th</sup> August, 2018

**Arvind Bajoria**  
Company Secretary  
Membership No. :15390

Regd. Office :  
Four Mangoe Lane,  
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