

# MRO-TEK REALTY LIMITED

Registered & Corporate Office:

No.6, New BEL Road, Chikkamaranahalli, Bangalore - 560 054, Karnataka

Ph : +91 80 42499000

Website: www.mro-tek.com SERVICE/SUPPORT : 9845035626

Email : info@mro-tek.com CIN No. L28112KA1984PLC005873 www.mro-tek.com

# MROTEK®

Integrating Next Generation Networks

## TRANSCRIPT OF MRO-TEK REALTY LIMITED – 38<sup>TH</sup> ANNUAL GENERAL MEETING HELD AT 11.30 AM (IST) ON WEDNESDAY, SEPTEMBER 28, 2022 THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS

Good Morning!

As the Chairman of your Company, I have the privilege in chairing this Annual General Meeting.

On behalf of the Board of Directors of the Company, I extend a very warm welcome to all of you to this 38th Annual General Meeting and the third AGM of your Company being held through Video Conference.

In view of disruptions caused by Covid-19, the Ministry of Corporate Affairs (MCA) and SEBI have permitted the Companies to hold the Annual General Meeting through Video Conferencing or other Audio-Visual Means till 31st December, 2022. Accordingly, 38<sup>th</sup> AGM of your Company is being held through Video Conferencing (VC).

I call the Meeting to order, as we have the requisite quorum present through VC to conduct the proceedings of this meeting. Participation of Members through VC is being reckoned for the purpose of quorum as per the circulars issued by MCA and as per Section 103 of the Companies Act, 2013. This Meeting is being held through VC in accordance with the circular issued by the MCA and SEBI.

MCA and SEBI Circulars dispensed with the requirement of dispatching the physical copies of Notice and Annual Report 2021-22 for this AGM. Hence, notice of this Meeting along with the Annual Report has been sent electronically to all the Members entitled to receive the same. I, therefore, Ladies and Gentlemen, with your permission, take the Notice as read.

Before starting the proceedings, let me introduce the Directors present through VC in today's AGM. Therefore, let me introduce you all to the Directors of your Company and other participants attending today's AGM through VC.

1. **Mr. H S Venkatesh**, Independent Director, Chairman of Audit Committee of the Company participating from Bangalore.

GSTIN No 29AAACM9875E1Z1

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2. **Mrs. Gauri Aniruddha Mehta**, Non-Executive Director of the Company, participating from London.
3. **Mrs. Neela Manjunath**, Independent Director of the Company, participating from Bangalore.
4. **Dr. Raghu Nambiar, Independent Director**, Chairman of Nomination and Remuneration Committee of the Company, participating from Bangalore.
5. **Mrs. Nicola Neeladri, Independent Director**, of the Company, participating from Goa.
6. **Mr. Srivathsa, Chief Financial Officer** of the Company, participating from Bangalore.
7. **Mr. Krishnadas C S, Chief Operating Officer** of the Company, participating from Bangalore.
8. **Mrs. Shivaleela Reddy Pochana, Company Secretary and Compliance Officer** of the Company, participating from Bangalore.

I further acknowledge the participation of Mr. Rammohan Hegde, representing Messrs. K S Aiyar & Co, Chartered Accountants, Statutory Auditors participating from Bangalore and Mr. Vijayakrishna K.T. Secretarial Auditor, participating from Bangalore.

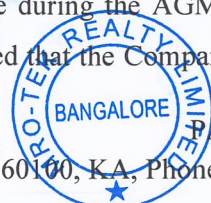
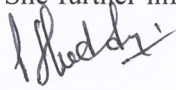
As the Notice is already circulated to all the Members, I take the Notice of the Meeting as read.

I am sure that all of you have received the Annual Report and that you have studied the same.

I now request Mrs. Shivaleela Reddy Pochana, Company Secretary to provide general instructions to the Members regarding participation in this meeting.

Mr. Aniruddha Bhanuprasad Mehta, Chairman & Managing Director of the Company chaired the meeting. Chairman extended his warm welcome to all the shareholders and informed that this AGM is being held through Video Conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. Chairman introduced the Directors, Key Managerial Personnel, Statutory and Secretarial Auditors joining over VC. The requisite quorum, being present, the Chairman called the meeting to order.

Mrs. Shivaleela Reddy Pochana, Company Secretary of the Company provided the general instructions to the Members regarding participation in the Meeting and the voting procedure. She informed that as the AGM is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence the proxy register for inspection is not available. He further informed that the Company had provided the Members the facility to cast their votes electronically through remote e-voting on all the resolutions set forth in the notice and the facility for voting through e-voting system was made available during the AGM for Members who had not cast their vote prior to the Meeting. She further informed that the Company had received one



request for registration as speaker shareholder. The Company had provided members the facility to cast their votes electronically, on all resolutions set forth in the Notice. The remote e-voting commenced at 09.00 A.M. (IST) on Sunday, September 25, 2022 and concluded at 05.00 P.M. (IST) on Tuesday, September 27 2022.

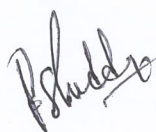
Thank you, Sir.

Good morning, Dear Members

- The Company has enabled the Members to participate at the 38<sup>th</sup> AGM through the video conferencing facility provided by CDSL in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and SEBI.
- Members have been provided with the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.
- The Members joining the Meeting through VC, who have not already cast their vote by means of remote e-voting, may vote through e-voting facility provided by CDSL.
- The Company has appointed Mr. Vijayakrishna K T, Practising Company Secretary, as the Scrutinizer who will collate the voting results of the remote e-voting and the e-voting at the AGM for each of the items as per the Notice.
- Members are requested to refer additional information provided in the Notes to AGM Notice.
- The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements, has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to [grd@mro-tek.com](mailto:grd@mro-tek.com)/ [cs@mro-tek.com](mailto:cs@mro-tek.com).
- As the AGM is being held through VC, the facility for appointment of proxies by the Members was not applicable and hence, the proxy register for inspection is not available.
- The Company had requested Members to register as speakers during the Annual General Meeting in case of any queries. However, no such registration has been made by any Members as on cut-off date.

Thank you very much. I hand over to the Chairman to continue with the proceedings.

Thank you, Mrs. Shivaleela. The Company has taken all the efforts feasible under the circumstances to enable Members to participate and vote on the items being considered at the meeting.



## “Chairman Speech “

Dear Shareholders,

Today, as we participate in this 38th Annual General Meeting of MRO-TEK, I warmly welcome each one of you. It is always a pleasure to connect with you all, and – although virtual – it is a privilege to be with you today. On behalf of the Board of Directors, I thank you for making the time to join us. Your trust and support over the last three decades have given us the confidence to push ourselves, past challenges and complexities and consistent value for you year after year.

Let me begin by giving you encouraging news about our continued progress. The net worth of the Company as on 31st March 2022 is Rs 69.58 Crores positive with the accounting of building upon completion of development of Property at Hebbal, Bengaluru.

### **Solutions:**

Our outlook of the Solutions business as a potential growth vector has proven to be in the right Direction. Over the past few years, the Company has made successful forays into System Integration (SI) and TurnKey Network projects implementation and is now a player of reckonable strength in this Segment. During the financial year 2021-22, the Company successfully executed the Project from RailTel (which we had won in March 2021) for the Western Coal Fields (WCL). 136 Sites were commissioned in a timely manner as per the Work Order.

Further during the year, your Company has won a Project from BSNL, Jharkhand for connectivity of 304 Sites of Bharat Coking Coal Limited (BCCL) a subsidiary of Coal India Limited (CIL). The Project value is Rs 37.70 Cr and the execution has commenced from Feb 2022.

Including this order, your Company is now Managing, Operating and Maintaining 4 projects across the country which has ensured a robust regular cashflow.

### **EMS:**

The EMS segment has seen severe stress (especially so for the MSME sector) in the past two years due to the Pandemic and followed by the consequent global components shortage. The company did receive significant Orders from our existing medical customers. However there were severe constraints and risks to executing these orders with reasonable margins. Following internal Management discussions it was decided that it would be prudent to avoid investing capital with such high potential risk and margin uncertainties. It was decided to taper down on Operations and associated cost while we await the situation to improve. This move has benefited the company in being able to reduce costs and allocate capital to the execution of new projects.

### **Products:**



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The thrust and focus of the Product Management team during the financial year 2021-22, has been to strengthen the Product portfolio in order to ensure the penetration and expansion of your company products footprint in the Market. A few new products introduced last year like the Auto Media Changeover device & TDMoIP found good traction. Wireless radios were gainfully deployed into our Solutions projects.

The Products team worked closely with the Marketing teams and the industry to introduce new products into the portfolio based on Technology and Market demand. In keeping with the current Government thrust and initiatives on “Atmanirbhar”, your Company remained focused on high Local content led development/upgrade of Products. Your Company introduced Switches and Routers in various capacities and configurations to meet market demand. This new induction was based on market intelligence gathered from continuous interaction with Industry experts. In keeping with newly introduced Government regulation on “National Security Directive on the Telecommunication Sector (NSDTS)”, your Company has successfully got listed on the Trusted Portal as a "trusted source" for supply of Telecom and Networking Products to telecom/Internet Service Providers. This is a very important compliance threshold for the market expansion.

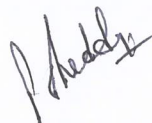
**Performance:**

Your Company has achieved Rs 122.61 Crores turnover during the Financial Year 2021-22 Rs. 92.26 Cr with a net profit of Rs. 78.69 Crs. during the year.

We have implemented capability-building measures and strengthened the pipeline and order book to ensure greater revenue generation and profitability:

- I. Your Company ended Financial Year 2021-22 with a total order book of about Rs 60.47 Crores in contracts on hand to be executed and billed in subsequent years.
- II. **Real Estate Business:** Your Company accounted Rs 91.82 Crores revenue during the year 2021-22.
- III. **TurnKey Projects:** Your Company completed the execution of turnkey Wide Area Networking Project for Western Coalfields Limited – a Coal India subsidiary – in partnership with PSU Railtel Limited and recognized Rs 4.15 Crs. revenue under this project. The total revenue recognized under this segment during the year is Rs 7.14 Crores during the year.
- IV. **Network Products:**

The Company has strived to retain and regain strength in the core product business by introducing new dealers and distributors. In spite of the Pandemic situation, The Company managed to increase revenue from Product Business Segment from Rs. 9.96 Cr. (Previous year 2020-21) to Rs. 10.49 Cr. during the financial year 2021-22



- **EMS:** The revenue from operations from EMS business has been decreased to Rs. 13.15 Crs during the financial year 2021-22 as against Rs. 18.15 Cr. for the previous financial year 2020-21.

Your Company stands on its promises to deliver. Despite the various challenges and instabilities seen in the core business, we displayed astute Business strategy by way of diversification into turnkey projects and manufacturing services and the proof is seen in higher revenue and growth.

For over 38 years now MRO-TEK has earned the trust of the nation by building progress with responsibility. We continue this legacy and our unrelenting focus on customers is a particular source of pride. To support our growth strategy, we have fostered a culture that focuses on achieving the highest levels of performance. I am inspired by the passion that our employees bring to meet customer needs ably led by COO Mr. Krishna Das.

I am grateful to my colleagues on Board for their continued guidance and support. Looking ahead, I am fully confident that we have the right strategy and the right talent to advance our leadership in the networking, EMS and Solutions business sectors while delivering superior long-term value to our shareholders.

As there are no qualifications or observations or comments in the Independent Auditors' Report, in Standalone financial Statements and in the Secretarial Audit Report, we will now resume the proceedings.

The Board of Directors has appointed Mr. Vijayakrishna K.T, Practising Company Secretary as the Scrutinizer to supervise the e-voting process.

Chairman delivered his speech regarding the performance of the Company.

Chairman to explain the objectives of the agenda items in the Notice as per Explanatory Statement

The following items of business, as per the Notice of AGM dated 3<sup>rd</sup> August, 2022, were put at the AGM for Members consideration and approval:

Sl. No	Particulars of Business	Type of Resolution
<b>Ordinary Business</b>		
1.	To receive, consider and adopt the Financial Statements of the Company including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the financial year ended as on that date and the Cash Flow Statement together with reports of the Board of Directors and the Statutory Auditors thereon.	Ordinary Resolution

*[Handwritten Signature]*



2.	To appoint Mrs. Gauri Aniruddha Mehta (holding DIN: 00720443), Director who retires by rotation and being eligible, offer herself for re-appointment	Ordinary Resolution
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Chairman briefed the members on all the resolutions in the Notice of AGM.

If any Member desires to ask any question pertaining to any item on the Notice, he or she may do so now by clicking the right hand button on the chat option. Members are requested to keep their questions brief and specific. The moderator, a representative from CDSL will facilitate questions on the video feature. Members may also note that the Company reserves the right to limit the number of Members asking questions depending on the availability of time.

Members are requested to mention their name and their Folio ID or Client ID before asking their questions. In the interest of time, consolidated reply will be given at the end.

The Chairman requests the CFO and Company Secretary to take down questions, if any, and furnish replies, explanations and observations to the Members. I shall now request the moderator to give his general instructions to the Members who are present and who wish to seek clarifications one by one.

He informed the shareholders that the voting platform will be open for the next 30 minutes a member can vote on all the resolution mentioned in the Notice of AGM.

Chairman announced that the details of the voting results (remote e-voting and e-voting at the AGM) on all the resolutions as set out in the Notice of AGM along with the scrutinizer's Report shall be informed to Stock Exchanges and also be placed on the website of the Company in due course. Chairman authorized the CFO and Company Secretary to declare the voting results, intimate the Stock Exchanges and place the same on the website of the Company.

Total 38 members were present at the Meeting.

Chairman, then, thanked the Members present at the meeting and declared the meeting as closed.

Thanking you

**Yours faithfully,**

**FOR MRO-TEK REALTY LIMITED**

**SHIVALEELA REDDY PUCHANA**

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Membership No.: A26375**

