

Notice

Notice is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the members of mjunction services ltd. will be held at a shorter notice on Monday, 20th Day of May, 2019 at 2 pm at Tata Centre, 9th floor conference room, 43, J.L.Nehru Road, Kolkata- 700071 (W.B) to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Standalone Financial Statements for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon.
2. To consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March, 2019 together with the Report on the Auditors thereon.
3. To declare Dividend on Equity Shares for the Financial Year 2018-19.
4. To appoint a Director in place of Mr Rajiv Mukerji (DIN-457795), who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Kalyan Maity (DIN 06530613), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

Appointment of Mr. Jayanta Banerjee (DIN- 08066157) as a Director liable to retire by rotation

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. Jayanta Banerjee (DIN- 08066157), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 19.04.2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

7. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

Appointment of Mr. Vinaya Varma (DIN 07527550) as a Director not liable to retire by rotation

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. Vinaya Varma (DIN 07527550), who was

appointed as an Additional Director of the Company by the Board of Directors with effect from 16.01.2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation .”

8.To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

Appointment and remuneration of Mr.Vinaya Varma (DIN 07527550) as Managing Director

“RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198, 203 , Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 read with 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) and other Rule as applicable, consent of the Company be and are hereby accorded to the terms and conditions of appointment including remuneration of Mr. Vinaya Varma (DIN 07527550), as Managing Director of the Company for a period of 3 years effective from 16.01.2019 to 15.01.2022 as agreed between the Company and Mr. Vinaya Varma and as detailed in the draft agreement and such terms being also set out in the Explanatory Statement annexed to the Notice convening this meeting which terms be and are hereby specifically sanctioned with liberty to the Board of Directors (which term shall include any Committee thereof) to alter and / or vary the terms and conditions of the said appointment / agreement including remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013.”

“FURTHER RESOLVED THAT, in the event of absence or inadequacy of profits in any financial year during the tenure of appointment of Mr. Vinaya Varma as the Managing Director of the Company, the aforesaid remuneration be paid to him as Minimum Remuneration.”

“FURTHER RESOLVED THAT, for the purpose of giving effect to this Resolution, the Board and / or Nomination and Remuneration Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

“FURTHER RESOLVED THAT the Directors of the Company be and are hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary to give effect to this resolution. “

9. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:

Payment of Commission to Non- Executive Directors

“RESOLVED THAT, pursuant to the provisions of Section 197(1) and other applicable provisions, if any, of the Companies Act, 2013 consent of the Company be and is hereby accorded for payment of commission to the Directors, who are not in the whole-time employment of the Company at a rate

not exceeding one per cent of the net profits of the Company computed in the manner stated in Section 198(1) of the Act for the financial year ending 31st March 2019 to be paid and distributed amongst the said Directors in such manner as the Board of Directors of the Company (“the Board”) and / or Nomination and Remuneration Committee constituted by the Board may from time to time determine and that the said commission be paid in addition to the fee payable to the aforesaid Directors for attending the meetings of the Board or any Committee thereof.”

“FURTHER RESOLVED THAT, for the purpose of giving effect to this Resolution, the Board and/ or Nomination and Remuneration Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

10.To consider and, if thought fit, to pass with or without modification, the following resolution as an SPECIAL RESOLUTION:

Alteration in Articles of Association

“RESOLVED THAT pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with rule 33 of the Companies (Incorporation) Rules, 2014 and subject to the approval of Shareholders and subject to such other approvals, permission and consents, if any, the Articles of Association of the Company be and are hereby altered as under:

Clause 17A to be inserted after clause 17:-

17A-“A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any addition/alteration in proposal(s) mentioned above, as may be required by the authorities concerned at the time of their approval and as agreed to by the Board.”

RESOLVED FURTHER THAT the any Director of the Company, Mr Vinaya Varma- Managing Director and Ajay Kumar Tiwari-Company Secretary be and are hereby severally authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and also to do all such acts and deeds, matters and things as may be deemed necessary to give effect to this resolution.”

RESOLVED FURTHER THAT a certified true copy of the resolution signed by any Director/ Company Secretary of the Company be provided to anyone concerned or interested in the matter.”



*Registered Office:
mjunction services ltd.
‘Godrej Waterside’
Block DP, 3rd Floor, Sector V, Salt Lake
City, Kolkata 700091 (W.B)
Date: 12.05.2019*

By Order of the Board.

*S/d
Ajay Kumar Tiwari
Company Secretary*

Notes :

1. If dividend on Equity Shares as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made within 30 days of declaration to those members whose names are on the Company's Register of Members on May 20,2019. Shareholders are requested to provide Bank details to facilitate payment of dividend, etc., in electronic mode or for printing on the payment instruments.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Items No. 6 to 10 is given below and forms part of the Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No 6

The Board had appointed Mr. Jayanta Banerjee (DIN No 08066157), as an Additional Director with effect from April 19,2019.

As per the provisions of Section 161(1) of the Companies Act, 2013, he holds office as Additional Director up to the date of the ensuing Annual General Meeting of the Company and is eligible for re-appointment as Director.

A brief profile of Mr. Jayanta Banerjee is given below:

Profile of Mr Jayanta Banerjee

Mr. Banerjee is a tenured TCser for close to 25 years, who has held multiple technology and business roles in the organization, including managing the US Mid-West business, heading Life-Sciences & Healthcare business in US and heading the Energy and Resources Global Business Unit at a P&L level, being a part of the management team.

Currently he is heading a strategic corporate initiative as Chief Information Officer at Tata Steel Limited to consolidate the emerging Products and Platforms businesses. His roles in the organization has spanned across Heading Projects, Programs, Sales, Delivery, Operations, Business and Corporate initiative and hence helped form an all encompassed view of a large IT organization and its customers and markets.

He has been an extensive traveler across the globe and takes keen interest in ground breaking initiatives.

He is actively into fitness and a mentor to the aspiring leaders in the IT industry.

Mr. Banerjee does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors or KMPs or relatives of Directors and KMPs except Mr. Jayanta Banerjee is concerned or interested in the resolution at Item No.6 of the Notice relating to his appointment.

Item No. 7 and 8:

The Board of Directors at its meeting held on 16.01.2019, based on recommendation of Nomination & Remuneration Committee meeting, approved the appointment of Mr. Vinaya Varma as an Additional Director of the Company with effect from 16.01.2019 and subject to necessary approvals, as Managing Director of the Company for a period of 3 years effective from 16.01.2019 to 15.01.2022.



Mr Vinaya Varma was appointed as Chief Executive Officer of mjunction services limited w.e.f September 1, 2016. He has been a core member of the founding team at mjunction. At mjunction, he has been instrumental in conceptualization, launch and ramp-up of its businesses.

He is a B. Tech from IIT Kanpur and has completed his Advanced Management Program from IIM Calcutta. He is a Certified Professional in Supply Management (CPSM) from Institute for Supply Management (ISM), USA.

He has been elected Member of the Confederation of Indian Industry (CII) Eastern Regional Council for 2018-19. He has also been elected Member of the CII West Bengal State Council for 2018-19 for the second consecutive year. He is an elected Member of NASSCOM's Internet, Mobile & e-Commerce Council for 2017-19.

Pursuant to section 161(1) of the Companies Act, Mr. Vinaya Varma holds office only upto the date of this Annual General Meeting of the Company.

Mr. Vinaya Varma does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Board considers that the appointment of Mr. Vinaya Varma as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation.

As per recommendation of the Nomination & Remuneration Committee, Mr. Vinaya Varma has also been appointed as a Director in the Whole-time employment of the Company designated as Managing Director for a period of 3 (Three) years with effect from 16.01.2019, subject to the approval of the Shareholders at the Annual General Meeting. Mr Vinaya Varma is an internal candidate of mjunction services limited.

In Compliance of Section 196 of the Companies Act, 2013, the terms and conditions of the appointment and remuneration payable to Mr. Vinaya Varma as Managing Director as embodied in the draft Agreement to be entered into between the Company and Mr. Vinaya Varma as Managing Director of the Company [a Director in the whole-time employment and key managerial personnel] are set out below:

As per the said draft agreement, Mr. Varma is entitled to annual increment which will be effective from 1st April of each year, to be decided by the NRC/Board.

An extract of the remuneration as well as other terms and conditions of his appointment for the period from 16.01.2019 to 15.01.2022 as contained in the Agreements are set out below:

A. Mr. Vinaya Varma's position and designation shall be:

The 'Managing Director' of the Company, from 16.01.2019 to 15.01.2022 (close of business hours).



This Agreement may be terminated earlier, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board) in lieu of such notice.

So long as Mr Varma performs his duties and conforms to the terms and conditions contained in this Agreement, he shall, subject to such approvals as may be required, be entitled to the following remuneration subject to deduction at source of all applicable taxes in accordance with the laws for the time being in force.

B. Salary: Rs 2,87,689/-per month (basic salary) with authority to the Committee/Board to fix the salary within the said maximum amount from time to time.

The annual increments which will be effective 1st April each year, will be decided by the Committee/Board and will be merit-based and take into account the Company's performance as well.

C. Benefits, Perquisites, Allowances:

I. In addition to the salary and commission or performance linked remuneration payable, Mr. Vinaya Varma shall also be entitled to the following perquisites and allowances as mentioned below and such other benefits, perquisites and allowance in accordance with the rules of the Company or as may be agreed to by the Board or Committee thereof and Mr. Vinaya Varma , provided that the total remuneration paid to Mr. Vinaya Varma, as the Managing Director, shall not exceed the limits stipulated under the Companies Act, 2013, as may be applicable.

A. Rent-free residential accommodation (furnished or otherwise) the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation.

OR

House Rent, House Maintenance and Utility Allowances aggregating 85% of the basic salary.

A "cap" to be made on the HRA drawn at Rs. 2.25 lakhs per month.

(in case residential accommodation is not provided by the Company)

B. Hospitalization, Transport, Telecommunication and other facilities:

- i. Hospitalization and major medical expenses for self, spouse and dependent (minor) children and dependent parents;
- ii. Car, with driver provided, maintained by the Company for official and personal use.
- iii. Telecommunication facilities including broadband, internet and fax.
- iv. Housing Loan as per the Rules of the Company.

C. Other perquisites and allowances given below subject to a maximum of 55% of the annual salary;

*The categories of perquisites / allowances to be included within the 55% limit shall be –

a)	Allowance for helper/Education of Children/ Other Allowances		33.34%
b)	Leave Travel Concession/Allowance		8.33%
c)	Medical allowance		<u>8.33%</u>
			<u>50.00%</u>
d)	Personal Accident Insurance	}	
e)	Club Membership		
			@actuals subject
			to a cap of 5.00%
			<u>55.00%</u>

*to specify actual perquisites and allowances granted to Managing Director

D. Contribution to Provident Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

E. The Managing Director shall be entitled to leave in accordance with the Rules of the Company. Privilege Leave earned but not availed by the Managing Director is encashable in accordance with the Rules of the Company.

II. **Performance Bonus/Commission:** Managing Director shall be entitled to annual performance linked bonus and/or Commission, not exceeding 24 months of the annual salary, based on certain performance criteria and such other parameters laid down by the Board/ Committees thereof. These amounts (if any) will be paid after the Annual Accounts have been approved by the Board and adopted by the Shareholders.

D. Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year during the period of Mr. Varma's appointment, the Company shall pay him remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above or as modified from time to time subject to such compliance and approval as required as per provisions of the Act, Rules and Schedule of the Act.

i) Mr. Varma shall not, so long as he functions as the Managing Director of the Company entitled to receive any fee for attending any meetings of the Board or any Committee thereof.

ii) The entire remuneration package of the Mr. Vinaya Varma shall, however be subject to the overall ceiling laid down under Section 196 and 197 of the Act and conditions of Schedule V of the Act, as per applicable provision of the Companies Act.



iii) "Mr. Varma, will be entitled to Long Term Incentive Plan (LTIP) as per the approval and discretion of the NRC/Board of Directors of the Company.

E. The terms and conditions of the appointment of the Managing Director and/or this Agreement may be altered and varied from time to time by the Committee/Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and Mr. Varma, subject to such approvals as may be required.

The above may please be considered as an abstract of the terms of the Agreement and Memorandum of Interest under section 190 of the Companies Act, 2013.

It may be pertinent to note that the terms of appointment of Mr. Varma has been fixed and approved by the NRC and the Board of Directors at their meeting held on 11.01.2019 and 16.01.2019 respectively. The appointment of Mr. Varma is appropriate and in the best interest of the Company.

The draft agreement to be entered into between the Company and Mr.Varma is available for inspection by the Members at the Registered Office of the Company between 10:00 a.m. and 12:00 noon, on any working day.

Except Mr. Varma, 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. 7 and 8 above.

Item No 9

Section 197 of the Companies Act, 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorizes such payment by way of a resolution of members. The Non-Executive Directors of the Company devote considerable time and attention to the business of the Company. Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and the performance for the financial year ended 31st March, 2019, it is proposed that the Non-Executive Directors be paid remuneration by way of commission.

As per the provision of Section 197 of the Companies Act, 2013, a Company may pay commission to its Non-Executive Directors upto 1% of the net profits of the Company computed as per Section 198(1) of the Act. The exact amount to be paid as commission and its distribution among the Non-Executive Directors within the above ceiling is proposed to be left to the discretion of the Board subject to recommendation of the Nomination and Remuneration Committee. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

The Non-Executive Directors of the Company may deemed to be concerned or interested in the proposed Special Resolution.

The Board recommends this Special resolution for your approval.



Accordingly, approval of the members is being sought for the proposal contained in the Resolution set out at item No.9 of the Notice.

Item No.10

The Ministry of Corporate Affairs (MCA) had notified the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 (Rules) via Circular dated 10-9-2018.

The underlying intent in issuing the Rules is to make it mandatory for the unlisted public Companies (along with the listed companies) to maintain the securities in the dematerialised form and to facilitate the dematerialisation of all the existing securities in accordance with provisions of the Depositories Act, 1996 and regulations made there under.

Every holder of securities of an unlisted public Company,

(a) who intends to transfer such securities on or after 2nd October, 2018, shall get such securities dematerialised before the transfer; or

(b) who subscribes to any securities of an unlisted public company (whether by way of private placement or bonus shares or rights offer) on or after 2nd October, 2018 shall ensure that all his existing securities are held in dematerialized form before such subscription.

Every unlisted public company shall facilitate dematerialisation of all its existing securities by making necessary application to a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 and shall secure International security Identification Number (ISIN) for each type of security and shall in-form all its existing security holders about such facility.

The AoA of the Company contains provision for holding the Equity Shares of the Company in physical form. Pursuant to change in provision of the Companies Act 2013, the Shares are now required to be held in the dematerialized form.

It is proposed to include clause for holding shares in dematerialised form. Section 14 and 15 of the Companies Act 2013 read with Rules govern provisions relating to change in Articles of Association. It states that the amendment in the Article of Association of the Company requires approval of the Shareholders by special resolution.

Accordingly, approval of the members is being sought for the proposal contained in the Resolution set out at item No.10 of the Notice.

None of the Directors or relatives of Directors is in any way concerned or interested in the resolution.

*Registered Office:
mjunction services ltd.
'Godrej Waterside'
Block DP, 3rd Floor, Sector V, Salt Lake City,
Kolkata 700091 (W.B)
Date: 12.05.2019*

*By Order of the Board.

S/d
Ajay Kumar Tiwari
Company Secretary*

