

ABC

ABC Bearings Limited

54

**Annual Report
2014-2015**



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54TH ANNUAL GENERAL MEETING
Tuesday, the 11th August, 2015 at 4.30 p.m.
Hall of Culture, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018.

BOARD OF DIRECTORS	Mr. S. M. Patel	-	Chairman
	Mr. P. M. Patel	-	Managing Director
	Mr. T. M. Patel	-	Executive Director
	Mr. S. K. Diwanji	-	
	Mr. J. R. Patel	-	
	Mr. N. M. Shah	-	
	Ms. J. P. Abraham	-	From 23.03.2015

CHIEF FINANCIAL OFFICER Mr. S. K. Choudhary

COMPANY SECRETARY Mr. S. B. Desai

AUDITORS Parikh & Shah
Chartered Accountants

COST AUDITORS B. J. D Nanabhoy & Co.
Cost Accountants

SOLICITORS Desai & Diwanji
Advocates & Solicitors

BANKERS IDBI Bank Ltd.
State Bank of India

REGISTERED OFFICE 402-B, Poonam Chambers,
Dr. Annie Besant Road,
Worli, Mumbai-400 018.
Phone: 022-24964500, 24964501, 66608851
Fax : 022-24950527
E-mail: regdoff@abcbearings.com

REGISTRARS & TRANSFER AGENTS **Bigshare Services Pvt. Ltd.**
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (E), Mumbai 400 072.
Tel.: 022 - 40430200
Fax: 022 - 28475207
E-mail: investor@bigshareonline.com

WORKS

1. GIDC Industrial Estate,
Bharuch - 392 015, Gujarat State.
Phone: 02642 - 248222/3/4, 246353
Fax : 02642 - 247591
E-mail: mktbrh@abcbearings.com
2. Khasra No.122 MI, Central Hope Town,
Village: Selaqui, Tehsil: Vikas Nagar,
Dehradun-248197, Uttarakhand.

NOTICE

NOTICE is hereby given that the Fifty-fourth Annual General Meeting of the Members of **ABC Bearings Limited** (CIN:L29130MH1961PLC012028) will be held on **Tuesday, the 11th August, 2015 at 4.30 p.m.** at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 together with Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. P.M. Patel having Director Identification Number 00012138 who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. T.M. Patel having Director Identification Number 00016788 who retires by rotation and is eligible for re-appointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment thereof, for the time being in force), the appointment of M/s. Parikh & Shah, Chartered Accountants (Firm Registration No.107528W) made in the 53rd Annual General Meeting held on 17th July, 2014, at such remuneration plus service tax, out of pocket expenses, travelling expenses, etc., mutually agreed between the Board of Directors of the Company and the Auditors, be and is hereby ratified and confirmed.”

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Nalin Mansukhlal Shah (holding DIN 00882723), who was appointed as Director with effect from 16th July, 2013 in casual vacancy caused due to death of Mr. C.U. Shah and who in terms of Section 161 of the Companies Act, 2013 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received Notice from member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Nalin Mansukhlal Shah as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2020.”
7. To consider and, if thought fit, to pass with or without modification(s), 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 thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Jolly Plammoottil Abraham (holding DIN 07108545), Director of the Company who was appointed as Additional Director and whose term of office expires at this annual general meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2020.”
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the appointment of Mr. T. M. Patel as the Executive Director of the Company for a period of three years with effect from 1st April, 2015, on the terms and conditions including remuneration as set out in the draft Agreement to be entered into between the Company and Mr. T.M. Patel, copy whereof initialled by the Chairman for the purpose of identification placed before this meeting be and is hereby approved.”
“RESOLVED FURTHER THAT subject to the provisions of Section 198 and other applicable provisions, if any, of the Companies Act, 2013, in the event of inadequacy or absence of profits, Mr. T.M. Patel, be paid the remuneration as set out in the Draft Agreement to be entered into between the Company and Mr. T.M. Patel, as the Minimum Remuneration subject to the limits laid down in Schedule V to the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps including the power to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. T.M. Patel, subject to such approval as may be necessary, proper and expedient and to do any act, deeds, matters and things 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 Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or enactment thereof, for the time being in force), B. J. D. Nanabhoy & Co., the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this resolution.”

NOTES:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 6 to 10 of the accompanying Notice are annexed hereto.
2. A statement giving the relevant details of the Directors seeking re-appointment under item Nos.3, 4, 6 and 7 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock exchange is annexed herewith.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will be closed from Friday, the 7th August, 2015 to Tuesday, the 11th August, 2015 (both days inclusive), for the purpose of dividend, if declared at the Annual General Meeting.
7. Pursuant to Sections 124 and 125 of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

The tentative dates for transfer to IEPF of the dividend remaining unclaimed/unpaid since 2007-08 are provided hereunder:

Financial Year	Rate (%)	Date of declaration of Dividend	Tentative dates for transfer to IEPF
2007-08	40%	16.07.2008	21.08.2015
2008-09	20%	21.07.2009	26.08.2016
2009-10	45%	06.08.2010	11.09.2017
2010-11	60%	29.07.2011	03.09.2018
2011-12	50%	03.08.2012	09.10.2019
2012-13	25%	16.07.2013	16.09.2020
2013-14	20%	17.07.2014	20.08.2021

Those members, who have not encashed the dividend warrant/s for the above years, are requested to make their claim forthwith to the Registered Office of the Company/Registrar & Share Transfer Agent. It may be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim shall lie in respect thereof with the Company.

8. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the annual general meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 7th August, 2015 at 9-00 A. M. and ends on 10th August, 2015 at 5-00 P. M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i. e. 4th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. (For sequence number refer serial no. printed on the name and address sticker) In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the relevant EVSN on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
9. The Company has appointed Mr. D. M. Dalal, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
 10. A copy of this notice has been placed on the website of the Company and the website of CDSL.
 11. As per SEBI's Notification dated 16th February, 2000, the equity shares of the Company have been compulsorily dematerialised and sale/purchase of the same is required to take place in dematerialised form only. You are advised to get your shares dematerialised through NSDL or CDSL. They have allotted ISIN Number INE 779A01011. Members are requested in their interest, to please return the physical certificates through their Depository Participants (DP).
 12. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories/members for depositing dividend or payment through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available, for distribution of dividend.
 13. The Securities and Exchange Board of India vide its Circular No.CIR/MRD/DP/10/2013 dated 21.03.2013, directed that, henceforth, Listed Companies shall mandatorily make all payments to Investors, including Dividend to Shareholders, through RBI approved Electronic mode of payment such as ECS[LECS (Local ECS)/RECS (Regional ECS/NECS (National ECS), NEFT, etc. In view of this, we appeal to all Shareholders of the Company to furnish the Bank Account details to facilitate prompt, safe and correct payment of the Dividend, whenever declared. In case, you do not want Electronic payment of the Dividend, kindly furnish your Bank Account information to the Company.
 14. Members seeking any information with regard to Accounts are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
 15. Members are requested to register their e-mail address with the Share Transfer Agents for sending notice/documents through e-mail.
 16. Members are requested to send all future correspondence in respect of their change of address, transfer of shares or any other query, directly to the Share Transfer Agents at the following address: -

Bigshare Services Pvt. Ltd.	Tel.: 022-40430200
E-2/3, Ansa Industrial Estate,	Fax: 022-28475207
Sakivihar Road, Saki Naka,	E-mail: investor@bigshareonline.com
Andheri (E), Mumbai - 400 072.	Website: www.bigshareonline.com
 17. Members are requested to quote their Folio/DP ID Number(s) in all correspondence with the Company's Share Transfer Agents.
 18. Members/Proxies should bring the attendance slip duly filled-in for attending the meeting.
 19. Members are requested to bring their copy of Annual Report to the Meeting.

By Order of the Board of Directors

Registered Office:

402-B, Poonam Chambers,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
Date: 5th May, 2015

S.B. Desai
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**Item No.6:**

Mr. Nalin M. Shah is Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 16th July, 2013. He is the Chairman of the Stakeholders Relationship Committee and member of Audit Committee and Nomination and Remuneration Committee.

Mr. Nalin Shah is a fellow member of The Institute of Chartered Accountants in England & Wales and The Institute of Chartered Accountants of India. He is a retired partner of Deloitte Haskins & Sells and S. B. Billimoria & Co., Chartered Accountants, with more than 30 years experience in accountancy and auditing.

Mr. Nalin Shah holds directorships and memberships/chairmanships of the Committees of the Board of Directors of the understated other companies in India:

- Director in DCB Bank Ltd., Artson Engineering Ltd., Eimco Elecon (India) Ltd., Cholamandalam Investment & Finance Co. Ltd., Tata Capital Limited, Cholamandalam Distribution Services Ltd., Cholamandalam Securities Ltd., Omnigrd Micropower Company Pvt. Ltd. and Kotak Mahindra Asset Management Co. Ltd.

Mr. Nalin Shah is not holding any shares in the Company.

In the opinion of the Board Mr. Nalin Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Nalin Shah as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Nalin Shah as an Independent Director.

As per the provisions of Section 152 of the Companies Act, 2013 every Director shall be appointed by the Company in general meeting and in case of appointment of Independent Director an explanatory statement shall be annexed to the Notice.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nalin Shah as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Nalin Shah, 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.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.7:

Ms. Jolly Plammoottil Abraham is Non-Executive Independent Director of the Company. She joined the Board of Directors of the Company on 23rd March, 2015.

Ms. Jolly Abraham is not holding directorships in any other Company. Ms. Jolly Abraham is not holding any shares in the Company.

Ms. Jolly Abraham is M.A. in Personnel Management and Industrial Relations from Tata Institute of Social Sciences and LLB from Government Law College, University of Mumbai. She is an Advocate and a member of Bar Council of India. Ms. Jolly Abraham is an Associate Partner of M/s. Desai & Diwanji.

Ms. Jolly Abraham is having experience in drafting, vetting and negotiating term sheets and investment agreements for private equity investments, acquisitions and financing transactions. Leading teams conducting legal due diligence on behalf of private equity investors, providing Indian law advice in relation to foreign investment regulations, general corporate law and drafting vetting and negotiating a wide variety of commercial agreements including employment agreements and technology transfer agreements.

In the opinion of the Board Ms. Jolly Abraham fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Jolly Plammoottil Abraham as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Jolly Abraham as an Independent Director.

As per the provisions of Section 152 of the Companies Act, 2013 every Director shall be appointed by the Company in general meeting and in case of appointment of Independent Director an explanatory statement shall be annexed to the Notice.

Accordingly, the Board recommends the resolution in relation to appointment of Ms. Jolly Plammottil Abraham as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Jolly Plammottil Abraham, 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. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.8:

The shareholders at the Annual General Meeting held on 3rd August, 2012 approved the appointment and payment of remuneration to Mr. T. M. Patel, Executive Director from 01.04.2012 to 31.03.2017 subject to the approval of the Central Government. The Central Government approved the remuneration of Mr. T.M. Patel, Executive Director for the period from 01.04.2012 to 31.03.2015. The Directors have at their meeting held on 5th May, 2015 re-appointed Mr. T.M. Patel as Executive Director for a further period of 3 years with effect from 1st April, 2015, on the terms and conditions including the remuneration as set out in the draft agreement, which are as under:

A. Salary

In the range of ₹9,00,000/- - ₹11,00,000/- per month as the Board/Committee of Directors may decide from time to time.

B. Perquisites & Allowances:

The Executive Director shall be entitled to the following perquisites and benefits:

- i) Accommodation (furnished/unfurnished) or House Rent Allowance in lieu thereof;
- ii) Maintenance and upkeep, all monthly outgoings, cost of repairs, furnishings, payment of actual expenses for gas, electricity, water;
- iii) Reimbursement of actual expenditure on medical treatment for self and dependent family members;
- iv) Leave travel for self and dependent family members;
- v) Subscription to Club fees and other expenses incurred at the club;
- vi) Medical/accident insurance;
- vii) Car with Driver maintained and fuelled by the Company for the use of Mr. T. M. Patel and his family;
- viii) Other perquisites subject to overall ceiling of remuneration stipulated in Section 197 of the Companies Act, 2013.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income tax Rules wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

C. Retirement Benefits

Provident Fund and Gratuity on the fixed monthly salary in accordance to the Company's Rules.

D. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where, in any financial year during the currency of the tenure of Mr. T.M. Patel, the Company has no profits or its profits are inadequate, the Company will pay to Mr. T.M. Patel, remuneration by way of Salary, Benefits, Perquisites and Allowances as specified above subject to the limits laid down in schedule V to the Companies Act, 2013.

E. Retirement by Rotation:

Mr. T.M. Patel shall be subject to retirement by rotation.

F. Sitting Fees:

The Executive Director shall not be paid any sitting fees for attending the meetings of the Board or any Committee thereof.

The particulars set out above may be treated as an abstract of the Agreement, proposed to be entered into between the Company and Mr. T.M. Patel under the provisions of Section 190 of the Companies Act, 2013.

As per the provisions of Section 197 read with Schedule V to the Companies Act, 2013, Special Resolution is proposed for payment of remuneration to Mr. T. M. Patel.

None of the Directors of the Company is in any way deemed to be concerned or interested in the aforesaid resolution except Mr. T.M. Patel himself, Mr. S.M. Patel and Mr. P.M. Patel being brothers and as such related to each other.