

AGARWAL

INDUSTRIAL CORPORATION LTD.



AGARWAL GROUP



**Twentieth
Annual Report
2013-2014**



AGARWAL INDUSTRIAL CORPORATION LTD.
(CIN : L99999MH1995PLC084618)

TWENTIETH ANNUAL REPORT 2013-2014

INDEX

Contents	Page No.
Corporate Information	
Notice	01
Directors' Report	12
Report on Corporate Governance	16
Management Discussion and Analysis	24
Independent Auditor's Report	29
Balance Sheet	34
Statement of Profit & Loss Account	35
Schedules	36
Cash Flow Statement	51
Consolidated Financial Statements	53

BOARD OF DIRECTORS

Mr. Jaiprakash Agarwal
Managing Director

Mr. Ramchandra Agarwal
Whole Time Director

Mr. Mahendra Agarwal
Director

Mr. Lalit Agarwal
Whole Time Director

Mr. Jaswant D. Sharma
Director

Mr. Harikrishna Patni
Director

Mr. Rajkumar Mehta
Director

Mr. Alok Bharara
Director

Mr. Jawahar D. Patil *
Whole Time Director
(Resigned w.e.f. 15.11.2013)

Mr. R.T. Rajguroo* *
Director
(Resigned w.e.f. 16.04.2014)

CFO & COMPANY SECRETARY (COMPLIANCE OFFICER)

Mr. Rakesh Bhalla

REGISTERED OFFICE

Eastern Court, Unit No. 201-202,
Plot No. 12, V.N. Purav Marg.
S.T. Road, Chembur,
Mumbai - 400071.
Phone Nos : +91-22-25291149/50.
Fax : +91-22-25291147.
Website : www.aicltd.in ;
E-mail : r.bhalla@aicltd.in

AUDITORS

M/s Ladha Singhal & Associates,
Chartered Accountants,
209, Apollo Complex,
R.K.Singh Marg,
Off. Parsi Panchayat Road,
Near Sona Udyog,
Andheri (East),
Mumbai - 400069,

WORKS**Belgaum**

Plot No. 40, KIADB
Honga Industrial Area
Honga, Belgaum
Karnataka

Hyderabad

Survey No. 196, Elikatta Village
Farooq Nagar Mandal
Mahbubnagar
Andhra Pradesh - 509410

BANKERS

ING Vysya Bank
Yes Bank
Union Bank of India
HDFC Bank
Indusind Bank
Dombivili Sahakari Bank

REGISTRARS & SHARE TRANSFER AGENTS

Ankit Consultancy P. Ltd.
60, Electronic Complex
Paradeshi Pura
Indore (M.P.) - 452010
Tel. No. 022-25541469/25549202
Contact Person : Mr. Lav Mishra

CORPORATE IDENTITY NUMBER (CIN)

L99999MH1995PLC084618

BSE SCRIP ID AND CODE

ID -AGARIND
CODE - 531921

National Stock Exchange Ltd**SCRIP ID AND CODE**

Symbol - AGARIND
Series - EQ

WHOLLY OWNED SUBSIDIARY COMPANY

Bituminex Cochin Pvt. Ltd.

NOTICE

Notice is hereby given that the **Twentieth Annual General Meeting** of the Members of **Agarwal Industrial Corporation Limited** will be held on Tuesday, September 30, 2014 at 11.00 A.M at Unit No.12, A Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai - 400 074, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and Statement of Profit & Loss Account for the year ended March 31, 2014 along with the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year 2013-14.
3. To appoint a Director in place of Mr Mahendra Agarwal (DIN - 01366495) who retires by rotation, and being eligible, offers himself for re- appointment.
4. **Appointment of Auditors**

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 139 of the Companies Act, 2013 (" Act ") and other applicable provisions of the Act, if any and the Rules framed there under, as amended from time to time, M/s Ladha Singhal & Associates, Chartered Accountants, 209, Apollo Complex, R.K.Singh Marg, Off. Parsi Panchayat Road, Near Sona Udyog, Andheri (East), Mumbai - 400069, (*who were appointed to fill the gap caused by the resignation of the Auditors of the Company under Section 139 (8) (i) of the Companies Act, 2013 by the Board of Directors on April 18, 2014 and later approved by the members of the Company in the Extra Ordinary General Meeting held on July 17, 2014*) be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Fifth Annual General Meeting to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. **Appointment of Mr. Jaswant D. Sharma as an Independent Director of the Company**

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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Jaswanr D. Sharma, (DIN - 01670988), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 up to September 29, 2019."

6. **Appointment of Mr. Raj Kumar Mehta as an Independent Director of the Company**

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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Raj Kumar Mehta (DIN - 01729041), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and

AGARWAL INDUSTRIAL CORPORATION LIMITED

is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 up to September 29, 2019."

7. Appointment of Mr. Harikrishna Patni as an Independent Director of the Company

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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Harikrishna Patni (DIN - 01316552), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 up to September 29, 2019."

8. Appointment of Mr. Alok Bharara as an Independent Director of the Company

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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Alok Bharara (DIN - 02720802), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 up to September 29, 2019."

9. Appointment of Ms. Priti Lodha as an Independent Woman Director of the Company

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 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Ms. Priti Lodha (DIN - 02182233), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying her intention to propose Ms. Priti Lodha as a candidate for the office of Director, be and is hereby appointed as Woman Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act, and who is eligible for appointment, and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 up to September 29, 2019."

10. Appointment of Mr. Lalit Agarwal, Whole Time Director, subject to retirement by rotation.

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

Special Resolution:

"**RESOLVED** that in modification of the earlier Special Resolution passed by members of the Company in the previous Annual General Meeting of the Company held on September 30, 2013 with regard to appointment of Mr. Lalit Agarwal (DIN - 01335107) as the Whole Time Director of the Company under the provisions of earlier Companies Act, 1956 read with Section II of Part II of Schedule XIII of the earlier said Act and on other terms and conditions as set out in the Explanatory Statement Annexed to the Notice convening the said Annual General Meeting, for a period of 3 years with effect from 01/04/2013, the consent of the members is accorded to the modification of the appointment of Mr. Lalit Agarwal, as Whole Time Director of the Company, *to the extent that his office is liable to determination by retirement of directors by rotation in terms of Section 152 of the Companies Act, 2013 and other applicable provisions or rules made thereunder, if any, other terms and conditions of the existing appointment remaining the same.*"

"**RESOLVED FURTHER** that the Board or a Committee thereof be and is hereby authorized to take all steps as may be necessary, proper and expedient to give effect to this resolution."

11. Appointment of Mr. Ramchandra Agarwal, Whole Time Director, subject to retirement by rotation.

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

"**RESOLVED** that in modification of the earlier Special Resolution passed by members of the Company in the previous Annual General Meeting of the Company held on September 30, 2013 with regard to appointment of Mr. Ramchandra Agarwal, (DIN - 02064854) as the Whole Time Director of the Company under the provisions of earlier Companies Act, 1956 read with Section II of Part II of Schedule XIII of the earlier said Act and on other terms and conditions as set out in the Explanatory Statement Annexed to the Notice convening the said Annual General Meeting, for a period of 3 years with effect from 01/04/2013, the consent of the members is accorded to the modification of the appointment and office of Mr. Ramchandra Agarwal, as Whole Time Director of the Company *to the extent that his office is liable to determination retirement of directors by rotation in terms of Section 152 of the Companies Act, 2013 and other applicable provisions or rules made thereunder, if any, other terms and conditions of the existing appointment remaining the same.*"

"**RESOLVED FURTHER** that the Board or a Committee thereof be and is hereby authorized to take all steps as may be necessary, proper and expedient to give effect to this resolution."

12. Related Party Transactions

To consider and, if thought fit to pass, with or without modification(s) the following Resolution for related party transaction as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 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), and as per the Listing Agreements with Stock Exchanges, and further pursuant to the approval of the Audit Committee and the Board of Directors vide resolution passed in their respective meetings held on August 14, 2014, the consent of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made thereunder, as per details and on terms & conditions as set out under item No 12 of the Explanatory Statement annexed to this Notice."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

By order of the Board of Directors

Place : Mumbai
Dated : September 3, 2014

Rakesh Bhalla
Chief Financial Officer & Company Secretary

Registered Office:

Eastern Court, Unit No. 201-202,
Plot No. 12, V.N. Purav Marg,
S.T. Road, Chembur,
Mumbai - 400071.

AGARWAL INDUSTRIAL CORPORATION LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF CORPORATE MEMBERS, SOCIETIES ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORISATION, AS APPLICABLE.**
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% 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 a proxy for any other person or member. A proxy form for the Annual General Meeting is enclosed.
3. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting is annexed hereto.
4. Member who wants to seek any information or clarification on the Accounts are requested to send in written queries to the Company at least one week before the date of the Annual General Meeting.
5. The Profiles of the Directors being appointed under Item Nos. 5,6,7,8 & 9 of the Notice as required under Clause No.49 of the Listing Agreement with the Stock Exchange are annexed to this Notice.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 - (a) The Company has notified closure of Register of Members & Share Transfer Books from **Tuesday, September 23, 2014 to Tuesday, September 30, 2014 (both days inclusive)** for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
 - (b) The dividend on Equity Shares, if declared at the Meeting will be paid on or after October 04, 2014 to those members whose names shall appear on the Company's Register of Members on Monday, September 22, 2014, in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depositories Limited and Central Depository Services (India) Ltd as beneficial owners as on that date.
7. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars & Transfer Agents, M/s Ankit Consultancy Pvt. Ltd (Ankit), at their address at 60,Electronic Complex, Pardeshipura, Indore - 452 010. M.P. (India): Telephone No. + 91-731-2551745/46; Fax: 91-731-4065798; E-mail: ankit_4321@yahoo.com: Website: www.ankitonline.com or e-mail at r.bhalla @aicltd.in. Duly completed cannot act on any request received directly from the members Holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are advised only to the Depository Participant of the member. Further, such members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.aicltd.in under the section Investor Relations'. Members are also requested to such nominations and intimation regarding any change in their address or bank mandates immediately to the Company/Ankit.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Ankit.

10. Non-Resident Indian Member(s) are requested to inform Ankit, immediately change in their residential status on return to India for permanent settlement. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with ANKIT/Depositories. As and when there are changes in your email address, you are requested to update the same with your depository participant for shares held in physical form, shareholders can register their email address with the Company at www.aicld.in mentioning their name(s) and folio no(s).
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Ankit Consultancy, for consolidation into a single folio.
14. Prevention of Frauds: You are advised to exercise due diligence and notify your DP of any in address, Stay abroad or demise of any shareholder as soon as possible. Do not leave your Demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
15. Confidentiality of Security Details: Do not disclose your folio Nos. /DP ID/Client ID to unknown persons. Do not hand over signed blank transfer deeds and delivery instruction slips to any unknown persons.
16. Annual Report and Attendance Slip will not be distributed at the Annual General Meeting, Shareholders are requested to bring the same along with them.
17. Pursuant to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, for the business to be transacted at the Annual General Meeting of the Company, the Company is providing facility for voting by electronic means. The Company has engaged the services of Central Depository Services (India) Limited ('CDSL') to provide e-voting facilities. The Board of Directors in its Meeting held on August 14, 2014 has appointed Mr. P.M.Vala, Practicing Company Secretary as Scrutinizer for conducting the e-voting process in a fair and transparent manner. The Notice is being dispatched / emailed to all the Members whose names appear on the on the register of members/ statement of beneficial ownership furnished by National Securities Depository Limited NSDL/ Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, August 29, 2014. The Scrutinizer will submit his report to the Managing Director of the Company after completion of the scrutiny through e-voting process. The results of the e-voting shall be announced by Managing Director on October 1, 2014 at 04.00 p.m. at the Registered Office of the Company. In addition to the results being communicated to National Stock Exchange of India Limited and BSE Limited, the same along with the Scrutinizer Report shall also be displayed at the Company's Corporate Office and on its website i.e. www.aicld.in.
18. The e-voting facility is available at the link <https://www.evotingindia.com>. The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 10.00 A.M. of September 25, 2014
End of e-voting	Upto 6.00 P.M. of September 26.2014

E-voting shall not be-allowed beyond 6.00 P.M of September 26, 2014. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date may cast their votes electronically. The Cut-off date for the purpose of e-voting is September 22, 2014.

AGARWAL INDUSTRIAL CORPORATION LIMITED

The instructions for Shareholders for voting electronically are as under:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 folio number in the PAN field.● In case the folio 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 folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none">● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Agarwal Industrial Corporation Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
- (xvii) 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 they have to create 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.
- (xviii) 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.

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 12 of the accompanying Notice:

Item Nos 5 - 8

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Mr. Jaswant D. Sharma, Mr. Rajkmar Mehra, Mr. Harikrishna Patni and Sh. Alok Bharara, as Independent Directors at various times, in compliance with the requirement of the said Clause. Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The Board of Directors of the Company presently comprises eight directors out of which, four are Non-Executive Independent Directors of the Company.

The Nominations Committee has recommended the appointment of these directors as Independent Directors from September 30, 2014 up to September 29, 2019.

Mr. Jaswant D. Sharma, Mr. Rajkmar Mehra, Mr. Harikrishna Patni and Sh. Alok Bharara, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

Keeping in view of the experience and expertise of the above referred directors and the contribution made by them to the Company, the Board of Directors considers it desirable that their continued association would be of immense benefit to the company and hence the company should continue to avail their services and accordingly recommends the Resolutions as