

**ALBERT
DAVID**



A Unit of
Kothari
Group
Imagine Inspire Deliver

Albert David Limited

Annual Report 2013-2014



ADDS LIFE
TO LIFE

We Value Human Life



“ Albert David Limited’s journey of excellence in providing high quality & affordable medicine continues to leave an impression. Its pursuit is to serve mankind with passion and total commitment. The new initiatives are aimed to ‘Add Life To Life’ in the future, just like in the past. ”

DIRECTORS	:	Sri A. K. Kothari <i>Chairman & Managing Director</i> Sri D. D. Binani Smt. P. D. Kothari Sri H. Kampani Sri R. Singhi Dr. A. K. Bhattacharya Dr. K. Lahiri Sri K. P. Mundhra <i>Executive Director</i>
MANAGEMENT TEAM	:	Sri H. P. Kabra <i>President (Commercial)</i> Sri S. C. Shah <i>Vice President (Finance) & C.F.O.</i> Dr. M. K. Maheshwari <i>Vice President (Personnel & Legal affairs)</i> Dr. D. P. Ghosh <i>Corporate Head - Technical & Scientific Development</i> Sri Manish Sharma <i>Dy. Vice President (Marketing)</i> Sri P. K. Jain <i>Vice President (Works), Kolkata</i> Dr. G. P. Srivastava <i>Vice President (Technical), Kolkata</i> Sri M. K. Rathi <i>Vice President (Works Cum Factory Manager), Ghaziabad</i> Sri D. Chitlangia <i>Associate Vice President (Commercial), Ghaziabad</i> Sri V. K. Chaudhary <i>General Manager (Technical), Mandideep</i>
COMPANY SECRETARY	:	Dr. Indrajit Dhar <i>Associate Vice President (Accounts & Taxation) Cum-Company Secretary</i>
AUDITORS	:	G. Basu & Co. <i>Chartered Accountants</i>
BANKER	:	State Bank of India
REGISTERED OFFICE	:	15, Chittaranjan Avenure, Kolkata - 700 072
WORKS	:	5/11, D. Gupta Lane Kolkata - 700 050 B-12/13, Meerut Road Industrial Area Ghaziabad - 201 003 (U.P) Plot No. 207 New Industrial Area No. 2 Mandideep - 462 046 Dist. Raisen (M.P.)

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ALBERT DAVID LIMITED

(CIN : L51109WB1938PLC009490)

Registered Office : 15, Chittaranjan Avenue, Kolkata - 700072

Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714

Email : adidavid@dataone.in

Webside : www.albertdavidindia.com

Notice

TO THE MEMBERS

NOTICE is hereby given that the SEVENTY-FIFTH Annual General Meeting of the Shareholders of the Company will be held at **BENGAL CHAMBER OF COMMERCE & INDUSTRY**, 6, Netaji Subhas Road, Kolkata-700001 on **Thursday, the 7th August, 2014 at 12.30 P.M.** to transact the following business:

AS ORDINARY BUSINESS

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2014 including the Balance Sheet as at 31st March, 2014 and the Profit & Loss Statement for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint Director in place of Mr. D D Binani (DIN:00068777), who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard 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 and Rules made thereunder and pursuant to the recommendations of Audit Committee of the Board, M/s. G Basu & Co., Chartered Accountants (Registration No. 301174E), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the third consecutive AGM of the Company to be held in 2017 (subject to ratification by members at every AGM held after this AGM) at such remuneration as shall be fixed by the Board of Directors of the Company upon recommendations of the Audit Committee."

AS SPECIAL BUSINESS

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

RESOLVED that pursuant to the provisions of section 196, 197 and 203 read with Schedule-V and other applicable provisions of the Companies Act, 2013 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and accords its consent to the re-appointment of Mr. Arun Kumar Kothari, as Chairman & Managing Director of the company, not liable to retire by rotation for a period of two years with effect from 1st April, 2014 to 31st March, 2016, on the terms and conditions including remuneration, perquisites and benefits as set out in the Explanatory Statement attached to this notice and contained in the Agreement dated 7th April, 2014 entered into by and between the Company and Mr. Arun Kumar Kothari which agreement be and is also hereby approved.

RESOLVED FURTHER that the Board of Directors of the company (which term shall include the remuneration or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised to approve and award annual increment from 1st April, 2015 to 31st March, 2016 to Mr. Arun Kumar Kothari, within the prescribed limits as prescribed under the Companies Act, 2013 and subject to the approval of the shareholders of the Company or as may be permissible under applicable law in force from time to time.

RESOLVED FURTHER that notwithstanding the above, in the event of any loss or inadequacy of profit in any financial year of the company during the tenure of Mr. A. K. Kothari, Chairman & Managing Director, the remuneration payable to him shall be paid as minimum remuneration not exceeding the limits prescribed in Section-II, Part-II of Schedule-V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolutions.

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

RESOLVED that pursuant to the provisions of 196, 197 and 203 read with Schedule-V and other applicable provisions of the Companies Act, 2013 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and

accords its consent to the re-appointment of Mr. Kamal Prasad Mundhra, as Wholetime Director of the company designated as Executive Director, not liable to retire by rotation for a period of two years with effect from 1st April, 2014 to 31st March 2016, on the terms and conditions including remuneration, perquisites and benefits as set out in the Explanatory Statement attached to this notice and contained in the Agreement dated 7th April, 2014 entered into by and between the Company and Mr. Kamal Prasad Mundhra which agreement be and is also hereby approved.

RESOLVED FURTHER that the Board of Directors of the company (which term shall include the remuneration or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised to approve and award annual increment from 1st April, 2015 to 31st March, 2016 to Mr. Kamal Prasad Mundhra, within the prescribed limits as prescribed under the Companies Act, 2013 and subject to the approval of the shareholders of the Company or as may be permissible under applicable law in force from time to time.

RESOLVED FURTHER that notwithstanding the above, in the event of any loss or inadequacy of profit in any financial year of the company during the tenure of Mr. Kamal Prasad Mundhra, Executive Director, the remuneration payable to him shall be paid as minimum remuneration not exceeding the limits prescribed in Section-II, Part-II of Schedule-V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to the above resolutions.

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, 152 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder Smt. Prabhawati Devi Kothari (DIN:00051860) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

8. 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 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Dr. Amal Kumar Bhattacharya, (DIN: 00103798) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.

9. 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 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Dr. Karunamay Lahiri, (DIN: 01939873) who was appointed as an Additional Director of the Company with effect from 31st March, 2014 by the Board of Directors to hold office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation.

10. 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 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Mr. H. Kampani (DIN: 00057715), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation."

11. 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 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement, Mr. Rajiv Singhi (DIN: 00071285), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing

under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and whose office shall not be liable to retire by rotation."

12. To consider and if thought fit, to pass with or without modification(s), the following resolutions as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER that the Board of Directors of the Company 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."

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

"RESOLVED that in supersession of all earlier resolution passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 250.00 Crores.

RESOLVED FURTHER that the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution and/or to execute all such documents, instruments and writings as may be required."

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

RESOLVED that pursuant to Section 73(2) of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 and subject to such compliances and approvals as may be necessary, the Company hereby approves and accords its consent for inviting/ accepting/ renewing deposits from its members on such terms and fulfillment of conditions as the Board of Directors may think fit and proper for giving effect of this resolution.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion consider necessary, proper, desirable, expedient or appropriate including issue and signing of circular/ circular in the form of advertisement, filing and publication of such circular as may be required.

Registered Office :
15, Chittaranjan Avenue
Kolkata - 700 072

CIN : L51109WB1938PLC009490
Dated : 27th May, 2014

By Order of the Board
For **ALBERT DAVID LIMITED**

(INDRAJIT DHAR)
Associate Vice President (Accounts & Taxation)
Cum-Company Secretary

NOTES :

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in relation to the Special Business is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE

RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.

3. Pursuant to the provision of section 91 of the Companies Act, 2013 (corresponding to 154 of the Companies Act, 1956), the Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday the 5th August, 2014 to Thursday the 7th August, 2014, both days inclusive for payment of dividend on equity shares.
4. The dividend as recommended by the Board of Directors, if approved at the meeting, will be made payable on or after 12th August, 2014 to those Members whose names appear on the Register of Members of the Company on 7th August, 2014 or to their mandates, to the extent eligible and also to beneficial owners of equity shares held in the electronic form on the same date as per details furnished by the Depositories for this purpose.

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 and Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd 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 to be advised only to the Depository Participant of the members.

5. Members holding shares in physical form are requested to notify immediately changes, if any, in their registered address, bank details, mandate, nomination, power of attorney and email address, to Company's Registrar & Share Transfer Agent, at the below-mentioned address quoting their Folio Numbers :-

M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
Tel. No. # (033) 2243-5809/2243-5029
Fax No. # (033) 2248-4787
E-Mail Id # mdpl@cal.vsnl.net.in

In case shares are held in electronic form, these information should be passed on directly to their respective Depository Participant (DP).

6. Pursuant to the provisions of Section 123 and 124 of the Companies Act, 2013, the company has transferred the unpaid or unclaimed dividends upto the year ended 31st March, 2006 to the account of **Investor Education and Protection Fund** established by the Central Government.

Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 7th August, 2013 (date of last Annual General Meeting) on the website of the company (www.albertdavidindia.com) as also on the Ministry of Corporate Affairs website.

Unclaimed dividend for the year ended 31st March, 2007 shall be transferred to the account of Central Government during the year. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2007, 31st March, 2008, 31st March, 2009, 31st March 2010, 31st March, 2011, 31st March, 2012 and 31st March, 2013 are requested to make their claims to the Company.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in 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/RTA for registration of transmission/transposition, deletion of name etc.
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 for this purpose is annexed with this Report.
9. Electronic copy of the Notice of the 75th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to for all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address for all other members, Physical copies of the Notice of the 75th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 75th Annual General Meeting and Annual Report for 2013-14 will also be available on Company's website at www.albertdavidindia.com for their download.
10. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more fully in the instruction hereunder provided that once the vote on a Resolution is casted, a Member shall not be allowed to change it subsequently.

11. In case of those members who do not access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from the Company's website (www.albertdavidindia.com) and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and **send the form to reach Mr. K. C. Dhanuka, Scrutiniser, appointed by the Company at the registered office of the Company on or before 2nd August, 2014 (6.00 p.m.)**
12. Members can choose only one of the two options namely e-voting or through physical assent/dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered subject to the assent/dissent form being found to be valid.
13. As per the provisions of the Act, the facility for making/varying/cancelling nomination is available to individuals holding shares in the Company. Nominations can be made in **Form-SH.13** and any variation/cancellation thereof can be made by giving notice in **Form SH.14**, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the **Share Department of the Company/RTA or from the Website or the Ministry of Corporate Affairs at www.mca.gov.in**
14. The Ministry of Corporate Affairs, Government of India has introduced a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013.
15. In view of the above, the Company has communicated in the earlier year through Annual Report to its members requesting them to register their designated email ID with the Company/RTA. However, members who are desirous of obtaining physical copy of the Notices, Postal Ballots, Annual Reports and other documents may forward their written request to the Company/RTA for the same.
16. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the company at least one week before the date of the meeting. This would enable the Company to compile the information and provide replies at the meeting.
17. The shares of the company are under compulsory demat list of the SEBI w.e.f. 1st October, 2000. The trading in equity shares can be only in demat form. In case you do not hold shares in demat form, you may do so by opening an account with depository participant and complete dematerialisation formalities.
18. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays during business hours up to the date of the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.5

Mr. A K Kothari was re-appointed as Chairman & Managing Director of the Company for a period from 1st July, 2012 to 31st March, 2014 which was approved by the Shareholders in the meeting held on 10th August, 2012.

In view of excellent contribution made by Mr. Kothari towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2014 have re-appointed him as Chairman & Managing Director for a period of two years with effect from 1st April, 2014 to 31st March, 2016, subject to the approval of shareholders of the company, on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 7th April, 2014 executed by the Company and Mr. A K Kothari. The terms of remuneration of Mr. A K Kothari are in accordance with Schedule XIII of the Companies Act, 1956, as well as Schedule V of the Companies Act, 2013.

An abstract of the remuneration payable to him as Chairman & Managing Director of the Company under the Agreement is given below :-

REMUNERATION :

- i) Salary : Rs.5,25,000/- (Rupees Five Lacs Twenty Five Thousand only) per month for the period from 1st April, 2014 to 31st March, 2015 and thereafter such remuneration as may be approved by the Board of Directors / Members of the Company.
- ii) Perquisites : Apart from salary Mr. A K Kothari will also be entitled to the perquisites classified into the following three parts viz. Part A, B and C.

PART-A

- i) Housing - The company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Chairman & Managing Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Chairman & Managing Director shall be reimbursed to the extent of 10% of the salary towards expenses incurred for self and family for Medical Expenses and Leave Travel anywhere in India.

- iii) Fee of Clubs : Upto a maximum of two clubs. This will not include any admission or life membership fees.
- iv) Personal Accident Insurance/Life Insurance : Premium not exceeding Rs.25,000/- per annum.
- v) Ex-Gratia/Bonus : In accordance with the Rules of the Company.

PART-B

- i) Company's contribution to Provident Fund as per Rules of the Company.
- ii) Gratuity on retirement at the rate of one half month's salary for each completed year of service subject to the ceiling as provided in law.
- iii) Leave with full pay : Encashment of leave will be permitted as per Rule of the Company.

PART-C

- i) Use of Car for Company's business. Any use of car for private purpose will be valued as per Income Tax Rules, 1962.
- ii) Free telephone facility at residence.

In case of no profits or inadequate profits in any financial year, remuneration and perquisites shall be subject to overall limits as prescribed under Section-II of Part II of Schedule V of the Companies Act, 2013.

The Chairman & Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

The agreement sets out the mutual rights and obligations of the Company and the Chairman & Managing Director and details of powers and duties of the later and can be terminated by either party by giving three month's notice in writing to the other.

A copy of the Agreement will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the meeting between 11.00 a.m. and 1.00 p.m. and will also be available at the meeting.

Other than Mr. A K Kothari, Smt. Prabhawati Devi Kothari and Mr. D D Binani, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the aforesaid re-appointment and remuneration.

Considering the valuable contribution of Mr. A K Kothari in the growth of the company, the Board recommends passing of the resolutions as special resolutions set out in item No. 5 of the Notice.

Item No.6

Mr. K P Mundhra was re-appointed as Wholetime Director designated as Executive Director of the Company for a period of two years with effect from 1st April, 2012 to 31st March, 2014 which was approved by the Shareholders in the meeting held on 10th August, 2012.

In view of excellent contribution made by Mr. Mundhra towards the growth of the company, the Board of Directors, at its meeting held on 31st March, 2014, have re-appointed him as Wholetime Director designated as Executive Director of the company from 1st April, 2014 to 31st March, 2016, subject to the approval of shareholders of the company on the remuneration as recommended by the Remuneration Committee and on the terms and conditions as per Agreement dated 7th April, 2014 executed by the Company and Mr. K P Mundhra. The terms of remuneration of Mr. K P Mundhra are in accordance with Schedule XIII of the Companies Act, 1956, as well as Schedule V of the Companies Act, 2013.

An abstract of remuneration payable to Mr. K P Mundhra as Executive Director of the Company under the Agreement is given below :-

REMUNERATION :

- i) Salary : Rs.5,20,000/- (Rupees Five Lacs Twenty Thousand only) per month for the period from 1st April, 2014 to 31st March, 2015 and thereafter such remuneration as may be approved by the Board of Directors / Members of the Company.
- ii) Perquisites : Apart from salary Mr. K P Mundhra will also be entitled to the perquisites classified into the following three parts viz. Part A, B and C.

PART-A

- i) Housing - The company shall provide rent-free furnished accommodation. In case no accommodation is provided by the company, the Executive Director shall be entitled to House Rent Allowance limited to 8% of his salary.
- ii) Medical Reimbursement and Leave Travel Concession : The Executive Director shall be reimbursed to the extent of 10% of the salary towards expenses incurred for self and family for Medical Expenses and Leave Travel anywhere in India.
- iii) Fee of Clubs : Upto a maximum of two clubs. This will not include any admission or life membership fees.