

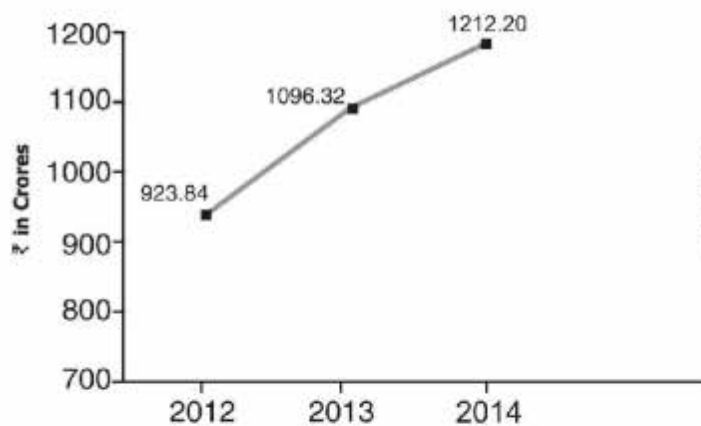
38TH ANNUAL REPORT 2013-14



An IS/ISO 9001:2008 Company

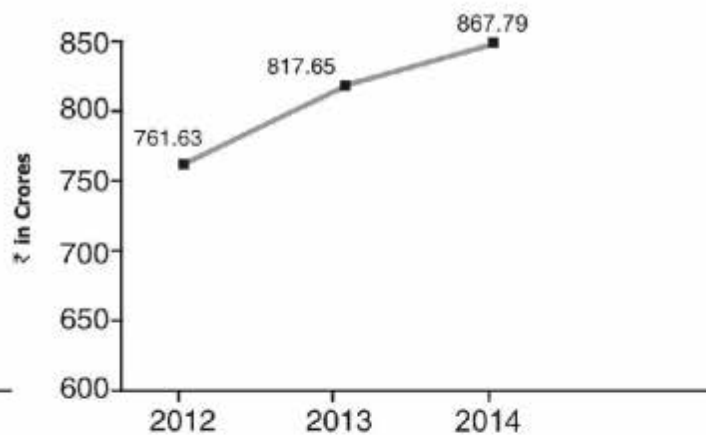
BANSWARA SYNTEX LIMITED

Total Income



For the year

Gross Fixed Assets

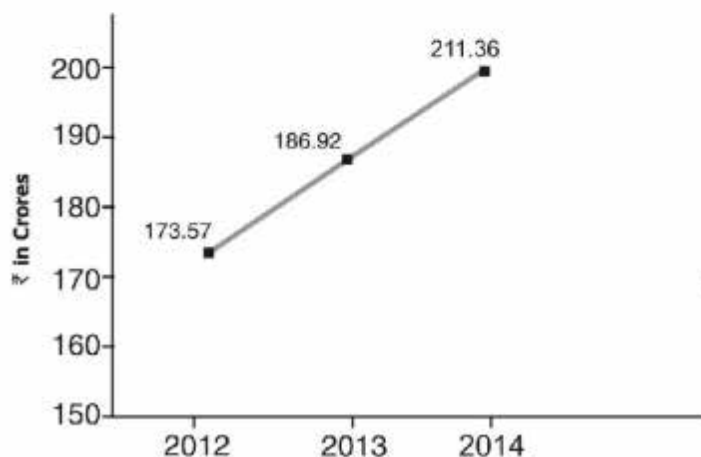


As at 31st March

KEY HIGHLIGHTS OF 2013-14

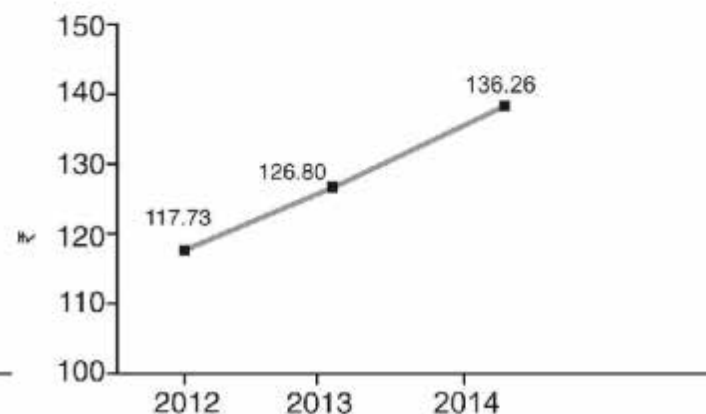
- * Total Income increased by 10.57%
- * Basic EPS ₹ 16.86
- * Book Value of Shares ₹ 136.26 per share.
- * Net Worth ₹ 211 Cr.
- * Net Worth and DTL ₹ 256 Cr.
- * Dividend 30%

Net Worth



As at 31st March

Book Value Per Share



As at 31st March

**COMPANY INFORMATION****BOARD OF DIRECTORS**

Shri R.L. Toshniwal, Chairman
Shri Ravindra Kumar Toshniwal, Managing Director
Shri Rakesh Mehra, Vice Chairman
Shri Shaleen Toshniwal, Jt. Managing Director
Shri P. Kumar
Shri D.P. Garg
Dr. S.B. Agarwal
Shri Vijay Kumar Agarwal
Shri P.K. Bhandari
Shri Kamal Kishore Kacholia
Shri A.N. Jariwala
Shri Vijay Mehta
Shri C. P. Ravindranath, Nominee Director (upto 10.01.2014)

EXECUTIVES

Shri S.S. Sajal, President
Shri J.K. Rathi, President (Commercial)
Shri J.K. Jain, Sr. Vice President (Fin. & Com.)
& Company Secretary
Shri S.N. Gupta, Sr. Vice President (Technical)
Shri S.S. Kella, Vice President (Audit & Taxation)
Shri S.R. Jain, Vice President (Engineering)
Shri Ashok Mishra, Vice President (Technical Worsted)
Shri Nailesh Joshi, Vice President (Technical Surat SEZ Unit)
Shri Prashant Joshi, Vice President (Processing)
Shri D.K. Menariya, Vice President (Personnel)
Shri Basant Kala, Vice President (Finance & Accounts)
Shri Rahul Bhadauria, Vice President (Operation)
Shri Arun Kumar Pareek, Vice President (Technical)

AUDITORS

M/s. Kalani & Company, Chartered Accountants
"Shankar Ratan Chambers"
S-23A, Mangal Marg, Bapu Nagar
JAIPUR 302 015 (Raj.)

BANKERS

Punjab National Bank
Union Bank of India
Bank of Baroda
Bank of India

REGISTRAR & SHARE TRANSFER AGENT

M/s. Computech Sharecap Ltd.
147, Mahatma Gandhi Road,
Fort,
MUMBAI-400 001
Email: helpdesk@compu-techsharecap.com
Website: www.compu-techsharecap.in
Phone No. (022)-22635000, 22635001
Fax: (022)-22635005

OFFICES**REGISTERED OFFICE**

Industrial Area, Dohad Road
BANSWARA-327 001 (Raj.)
CIN : L24302RJ1976PLC001684
E-mail : secbsw@banswarafabrics.com
website : www.banswarasyntex.com
Phone No. (02962) 257676, 257679-681
240690, 240691
Fax No. (02962) 240692

HEAD/MARKETING OFFICE

4th/5th Floor, Gopal Bhawan
199, Princess Street
MUMBAI - 400 002 (Maharashtra)

DELHI OFFICE

1E/5, Ground Floor,
Near Mahindra Service Show Room
Jhandewalan Extn.
NEW DELHI - 110 055

JAIPUR OFFICE

Ankur Apartments,
S-6, Jyoti Nagar Extension
JAIPUR - 302 005 (Raj.)

PLANTS

Banswara Unit
(Spinning, Weaving & Finishing)
Industrial Area, Dohad Road
BANSWARA - 327 001 (Raj.)

Daman Unit (Garment)

- 98/3, Village Kadaiya
Nani Daman
DAMAN - 396 210 (U.T.)
- Survey No. 713/1, 713/2, 713/3, 725/2 &
725/1, Village Dabhel, Nani Daman,
DAMAN - 396 210 (U.T.)
- Survey No. 722/9
Village Dabhel, Nani Daman
Dist. Daman - 396 210 (U.T.)
- Plot No. 85/3, 85/4 & 86/2
Vill: Kadaiya, Daman Industrial Area,
Nani Daman, Daman - 396 210

Surat Unit (Garment)

Plot No. 5-6, G.I.D.C., Apparel Park
SEZ Sachin
SURAT - 394 230 (GUJARAT)

QUALITY POLICY

WE, BANSWARA SYNTEX LIMITED, WISH TO BE WORLD CLASS IN THE MANUFACTURE OF YARN & FABRIC. OUR ENDEAVOR IS TO ANTICIPATE & EXCEED CUSTOMER SATISFACTION BY UNDERSTANDING CUSTOMER'S NEED AND EXPECTATION AND THUS, ENSURING QUALITY AND TIMELY DELIVERY BY:-

- BEING IN CLOSE CONTACT WITH CUSTOMERS AND GETTING THEIR FEED BACK.
- CONTINUOUS INNOVATION IN PRODUCT DEVELOPMENT.
- CONTINUAL IMPROVEMENT IN QMS & QUALITY THROUGH H.R.D., UPGRADATION OF PLANT & MACHINERY AND IMPROVEMENT IN METHODS OF WORK.
- PARTICIPATION OF MANAGEMENT AND ALL EMPLOYEES AS ONE TEAM.

NOTICE

NOTICE is hereby given that 38th Annual General Meeting of the shareholders of Banswara Syntex Limited, will be held on Monday, the day of 22nd September, 2014 at 3.30 p.m. at its Registered Office at Industrial Area, Dohad Road, Banswara (Raj.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Preference Shares for the year 2013-14.
3. To declare dividend on Equity Shares for the year 2013-14.
4. To appoint a Director in place of Mr. R.L. Toshniwal (holding DIN :00106933) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
5. To Appoint Kalani & Company, Jaipur, as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the third Annual General Meeting, and to authorize the Board to fix their remuneration.

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 the Rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board of Directors, M/s Kalani & Company, Chartered Accountants (Firm Registration No. 000722C), be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the third Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors of the Company, be and are hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis to be agreed upon between the auditors and the Board of Directors."

SPECIAL BUSINESS

6. Appointment of K.G. Goyal & Company, as Cost Auditor.

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 148 and all others applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014

(including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s K.G. Goyal & Company, the Cost Auditor (Firm Registration No.000017), be and is hereby appointed to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of ₹2,00,000/- plus Service Tax as applicable and out of pocket expenses."

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

7. Re-appointment of Shri R.L. Toshniwal as Chairman.

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 196, 197, 198, 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and provisions of the Articles of Association and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, the consent of the Company, be and is hereby accorded to the reappointment of Shri R.L. Toshniwal as Chairman of the Company for a period of 3 years (Three years) w.e.f. 1st January, 2015 to 31st December, 2017 on the terms and conditions including remuneration, as set out below:-

- (i) **Basic Salary** : ₹6,00,000/- per month, w.e.f. 01.01.2015 which shall be increased every year on 1st April by ₹ 60,000/- in the scale of ₹ 6,00,000-60,000-7,20,000. The first increase in the above salary will be on 01.04.2016.
- (ii) **Commission** : 1% commission on the net profit of the Company, computed in the manner laid down in the Companies Act, 2013.
- (iii) **Perquisites and Benefits** : In addition to above the following perquisites not exceeding the overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Chairman:

CATEGORY (A)

- a) **Housing** :

He will be paid 30% house rent allowance per month on his basic salary.

- b) **Medical Reimbursement/ Mediclaim Insurance** :

Reimbursement of expenses actually incurred, for Self and family; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of 3 years. However only those expenses will be reimbursed which have not been reimbursed in the mediclaim insurance policy, if any, taken by the Company from time to time.

**c) Leave Travel Concession:**

For self and family once in a year; the total cost to the Company shall not exceed one months' salary per year or three month's salary in a period of three years.

d) Club Fees

Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.

e) Personal Accident Insurance:

Premium not to exceed ₹ 10,000/- per annum.

f) Servant allowance:

Not exceeding ₹ 60,000/- per annum.

CATEGORY (B)

In addition to the perquisites, Shri R.L. Toshniwal shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

a) Provident Fund / Superannuation Fund or Annuity Fund:

The Company's contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

b) Gratuity:

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

c) Leave:

Leave and Leave Encashment as per the rules of the Company.

CATEGORY (C)**a) Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

b) Telephone

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

c) Reimbursement of Expenses

Apart from the remuneration as aforesaid, Shri R.L. Toshniwal, Chairman shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

d) Sitting Fee

No sitting fee shall be paid to Shri R.L. Toshniwal, Chairman for attending the Meetings of Board of Directors or any committee thereof. He shall be liable to retire by rotation.

e) Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri R.L. Toshniwal, Chairman, subject to the applicable provisions of Schedule V to the said Act.**Other Terms & Conditions :**

a) Shri R.L. Toshniwal will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.

b) Either party giving the other party three-months prior notice in writing to that effect may terminate the agreement.

c) If at any time Shri R.L. Toshniwal ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Chairman."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the Company and Shri R.L. Toshniwal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval."

"RESOLVED FURTHER THAT Shri Ravindra Kumar Toshniwal, Managing Director, Shri Rakesh Mehra, Vice Chairman, Shri Shaleen Toshniwal, Jt. Managing Director and Shri J.K. Jain, Sr. Vice President (Fin. & Com.) & Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution"

8. Re-appointment of Shri Ravindra Kumar Toshniwal as Managing Director.

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 196, 197, 198, 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Articles of Association and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, the consent of the Company, be and is hereby accorded to the reappointment of Shri Ravindra Kumar Toshniwal as Managing Director of the Company for a period of 3 years (Three years) w.e.f. 1st January, 2015 to 31st December, 2017 on the terms and conditions including remuneration, as set out below:-

- (i) **Basic Salary :** ₹ 5,25,000/- per month, w.e.f. 01.01.2015 which shall be increased every year on 1st April by ₹ 50,000/- in the scale of ₹ 5,25,000-50,000-6,25,000. The first increase in the above salary will be on 01.04.2016.

- (ii) **Commission** : 1% commission on the net profit of the Company, computed in the manner laid down in the Companies Act, 2013. The commission will be paid subject to overall limit prescribed under the Companies Act, 2013. The first such 1% commission of the net profit, will be paid to Shri R.L. Toshniwal, Chairman of the Company, and thereafter balance available profit, will be equally distributed amongst Shri Ravindra Kumar Toshniwal, Managing Director, Shri Rakesh Mehra, Vice Chairman and Shri Shaleen Toshniwal, Jt. Managing Director of the Company, subject to maximum ceiling of 1% Commission to each one of them on net profit of the Company as above.
- (iii) **Perquisites and Benefits** : In addition to above the following perquisites not exceeding the overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Managing Director:

CATEGORY (A)

- a) **Housing** :
He will be paid 30% house rent allowance per month on his basic salary.
- b) **Medical Reimbursement / Mediclaim Insurance**:
Reimbursement of expenses actually incurred, for Self and family; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of 3 years. However only those expenses will be reimbursed which have not been reimbursed in the mediclaim insurance policy, if any, taken by the Company from time to time.
- c) **Leave Travel Concession** :
For self and family once in a year; the total cost to the Company shall not exceed one month's salary per year or three month's salary in a period of three years.
- d) **Club Fees** :
Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.
- e) **Personal Accident Insurance** :
Premium not to exceed ₹ 10,000/- per annum.
- f) **Servant allowance**:
Not exceeding ₹ 60,000/- per annum.

CATEGORY (B)

In addition to the perquisites, Shri Ravindra Kumar Toshniwal shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

- a) **Provident Fund / Superannuation Fund or Annuity Fund**:
The Company's contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

- b) **Gratuity**:
Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.
- c) **Leave** :
Leave and Leave Encashment as per the rules of the Company.

CATEGORY (C)

- a) **Conveyance**
Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.
- b) **Telephone**
Free telephone facility at residence. Personal long distance calls shall be billed by the Company.
- c) **Reimbursement of Expenses**
Apart from the remuneration as aforesaid, Shri Ravindra Kumar Toshniwal, Managing Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.
- d) **Sitting Fee**
No sitting fee shall be paid to Shri Ravindra Kumar Toshniwal, Managing Director, for attending the Meetings of Board of Directors or any committee thereof. He shall not be liable to retire by rotation.
- e) Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri Ravindra Kumar Toshniwal, Managing Director, subject to the applicable provisions of Schedule V to the said Act.

Other Terms & Conditions:

- a) Shri Ravindra Kumar Toshniwal will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- b) Either party giving the other party three-months prior notice in writing to that effect may terminate the agreement.
- c) If at any time Shri Ravindra Kumar Toshniwal ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Managing Director."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the company and Shri Ravindra Kumar Toshniwal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval."



"RESOLVED FURTHER THAT Shri R.L.Toshniwal, Chairman, Shri Rakesh Mehra, Vice Chairman, Shri Shaleen Toshniwal, Jt. Managing Director and Shri J.K. Jain, Sr. Vice President (Fin. & Com.) & Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution"

9. Re-appointment of Shri Rakesh Mehra as Vice Chairman.

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 196, 197, 198, 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Article of Association and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, the consent of the Company, be and is hereby accorded to the reappointment of Shri Rakesh Mehra as Vice Chairman of the Company for a period of 3 years (Three years) w.e.f. 1st January, 2015 to 31st December, 2017 on the terms and conditions including remuneration, as set out below:-

- (I) **Basic Salary** : ₹5,25,000/- per month, w.e.f. 01.01.2015 which shall be increased every year on 1st April by ₹ 50,000/- in the scale of ₹ 5,25,000-50,000-6,25,000. The first increase in the above salary will be on 01.04.2016.
- (II) **Commission** : 1% commission on the net profit of the Company, computed in the manner laid down in the Companies Act, 2013. The commission will be paid subject to overall limit prescribed under the Companies Act, 2013. The first such 1% commission of the net profit, will be paid to Shri R.L. Toshniwal, Chairman of the Company and thereafter balance available profit, will be equally distributed amongst Shri Rakesh Mehra, Vice Chairman, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Jt. Managing Director of the Company, subject to maximum ceiling of 1% Commission to each one of them on net profit of the Company as above.
- (III) **Perquisites and Benefits** : In addition to above the following perquisites not exceeding the Overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Vice Chairman:

CATEGORY (A)

- a) **Housing:**
He will be paid 30% house rent allowance per month on his basic salary.
- b) **Medical Reimbursement/ Mediclaim Insurance:**
Reimbursement of expenses actually incurred, for Self and family; the total cost to the Company shall not exceed one

month's salary per year or three months' salary in a period of 3 years. However only those expenses will be reimbursed which have not been reimbursed in the mediclaim insurance policy, if any, taken by the Company from time to time.

c) **Leave Travel Concession:**

For self and family once in a year; the total cost to the Company shall not exceed one months' salary per year or three month's salary in a period of three years.

d) **Club Fees :**

Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.

e) **Personal Accident Insurance :**

Premium not to exceed ₹ 10,000/- per annum.

f) **Servant allowance:**

Not exceeding ₹ 60,000/- per annum.

CATEGORY (B)

In addition to the perquisites, Shri Rakesh Mehra, Vice Chairman, shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

a) **Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund/ Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

b) **Gratuity :**

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

c) **Leave :**

Leave and Leave Encashment as per the rules of the Company.

CATEGORY (C)

a) **Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

b) **Telephone**

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

c) **Reimbursement of Expenses**

Apart from the remuneration as aforesaid, Shri Rakesh Mehra, Vice Chairman, shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

d) **Sitting Fee**

No sitting fee shall be paid to Shri Rakesh Mehra, Vice Chairman, for attending the Meetings of Board of Directors

or any committee thereof. He shall be liable to retire by rotation.

- e) Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri Rakesh Mehra, Vice Chairman, subject to the applicable provisions of Schedule V to the said Act.

Other Terms & Conditions :

- a) Shri Rakesh Mehra will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- b) Either party giving the other party three-months prior notice in writing to that effect may terminate the agreement.
- c) If at any time Shri Rakesh Mehra ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Managing Director."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the company and Shri Rakesh Mehra be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval."

"RESOLVED FURTHER THAT Shri R.L.Toshniwal, Chairman, Shri Ravindra Kumar Toshniwal, Managing Director, Shri Shaleen Toshniwal, Jt. Managing Director and Shri J.K. Jain, Sr. Vice President (Fin. & Com.) & Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

10. Re-appointment of Shri Shaleen Toshniwal as Jt. Managing Director.

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 196, 197, 198, 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Article of Association and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, the consent of the Company, be and is hereby accorded to the reappointment of Shri Shaleen Toshniwal as Jt. Managing Director of the Company for a period of 3 years (Three years) w.e.f. 1st January, 2015 to

31st December, 2017 on the terms and conditions including remuneration, as set out below :-

- (I) **Basic Salary** : ₹ 4,75,000/- per month, w.e.f. 01.01.2015 which shall be increased every year on 1st April by ₹ 40,000/- in the scale of ₹ 4,75,000-40,000- 5,55,000. The first increase in the above salary will be on 01.04.2016.
- (II) **Commission** : 1% commission on the net profit of the Company, computed in the manner laid down in the Companies Act, 2013. The commission will be paid subject to overall limit prescribed under the Companies Act, 2013. The first such 1% commission of the net profit, will be paid to Shri R.L. Toshniwal, Chairman of the Company and thereafter balance available profit, will be equally distributed amongst Shri Shaleen Toshniwal, Joint Managing Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Rakesh Mehra, Vice Chairman of the Company, subject to maximum ceiling of 1% Commission to each one of them on net profit of the Company as above.
- (III) **Perquisites and Benefits** : In addition to above the following perquisites not exceeding the overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Jt. Managing Director:

CATEGORY (A)

- a) **Housing** :
He will be paid 30% house rent allowance per month on his basic salary.
- b) **Medical Reimbursement / Mediclaim Insurance** :
Reimbursement of expenses actually incurred, for Self and family; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of 3 years. However only those expenses will be reimbursed which have not been reimbursed in the mediclaim insurance policy, if any, taken by the company from time to time.
- c) **Leave Travel Concession** :
For self and family once in a year; the total cost to the Company shall not exceed one month's salary per year or three month's salary in a period of three years.
- d) **Club Fees** :
Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.
- e) **Personal Accident Insurance** :
Premium not to exceed ₹ 10,000/- per annum.
- f) **Servant allowance** :
Not exceeding ₹ 60,000/- per annum.

CATEGORY (B)

In addition to the perquisites, Shri Shaleen Toshniwal shall also be entitled to the following benefits, which shall not be



included in the computation of ceiling on remuneration mentioned above, as permissible by law.

a) Provident Fund / Superannuation Fund or Annuity Fund :

The Company's contribution to Provident Fund/ Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

b) Gratuity :

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

c) Leave :

Leave and Leave Encashment as per the rules of the Company.

CATEGORY (C)

a) Conveyance

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

b) Telephone

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

c) Reimbursement of Expenses

Apart from the remuneration as aforesaid, Shri Shaleen Toshniwal, Jt. Managing Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

d) Sitting Fee

No sitting fee shall be paid to Shri Shaleen Toshniwal, Jt. Managing Director for attending the Meetings of Board of Directors or any committee thereof. He shall be liable to retire by rotation.

e) Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri Shaleen Toshniwal, Jt. Managing Director, subject to the applicable provisions of Schedule V to the said Act.

Other Terms & Conditions:

a) Shri Shaleen Toshniwal will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.

b) Either party giving the other party three- months prior notice in writing to that effect may terminate the agreement.

c) If at any time Shri Shaleen Toshniwal ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Jt. Managing Director."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies

Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the company and Shri Shaleen Toshniwal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval."

"RESOLVED FURTHER THAT Shri R.L.Toshniwal, Chairman, Shri Ravindra Kumar Toshniwal, Managing Director, Shri Rakesh Mehra, Vice Chairman and Shri J.K. Jain, Sr. Vice President (Fin. & Com.) & Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution"

11. Acceptance of Deposits from Members and/or Public Under Sections 73 and 76 of the Companies Act, 2013.

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 73, 76 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite/accept/renew/receive money by way of unsecured/secured deposits, or in any other form, from public and/or members of the Company, in any form or manner, through circular, advertisement or through any other permissible mode, upto permissible limits prescribed under applicable provisions of law and on such terms and conditions as the Board of Directors of the Company, in its sole discretion, deem fit and necessary."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors and/or any Committee thereof be and is hereby authorized to do all such acts, deeds, things and matters as the Board of Directors and/ or any Committee thereof may, in its absolute discretion, consent, necessary, proper, expedient, desirable or appropriate for such invitation/acceptance/renewal/receipt as aforesaid."

12. Appointment of Shri P. Kumar as an Independent Director.

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 (the Act) and rules made there

under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Shri P. Kumar (holding DIN : 00179074), a non-executive Director, 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 for a period of Five consecutive years commencing from 1st April, 2014 upto 31st March, 2019, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

13. Appointment of Shri A.N. Jariwala as an Independent Director.

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 (the Act) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Shri A.N. Jariwala (holding DIN : 00024008), a non-executive Director, 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 for a period of Five consecutive years commencing from 1st April, 2014 upto 31st March, 2019, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

14. Appointment of Shri Kamal Kishore Kacholia as an Independent Director.

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 (the Act) and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Shri Kamal Kishore Kacholia (holding DIN : 00278897), a non-executive Director, 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 for a period of Five consecutive years commencing from 1st April, 2014 upto 31st March, 2019, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

15. Appointment of Shri Vijay Mehta as an Independent Director.

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 (the Act) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Shri Vijay Mehta (holding DIN : 00057151), a non-executive Director, 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 for a period of Five consecutive years commencing from 1st April, 2014 upto 31st March, 2019, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or Group CFO and/or Company Secretary be and are hereby severally/ jointly authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

16. Appointment of Shri. D.P. Garg as an Independent Director.

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 (the Act) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act, Shri. D.P. Garg (holding DIN: 00003068), a non-executive Director, 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 for a period of Five consecutive years