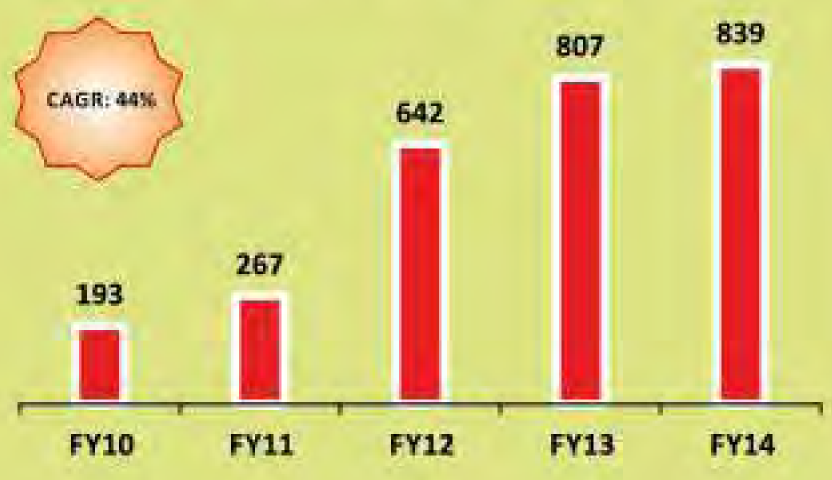
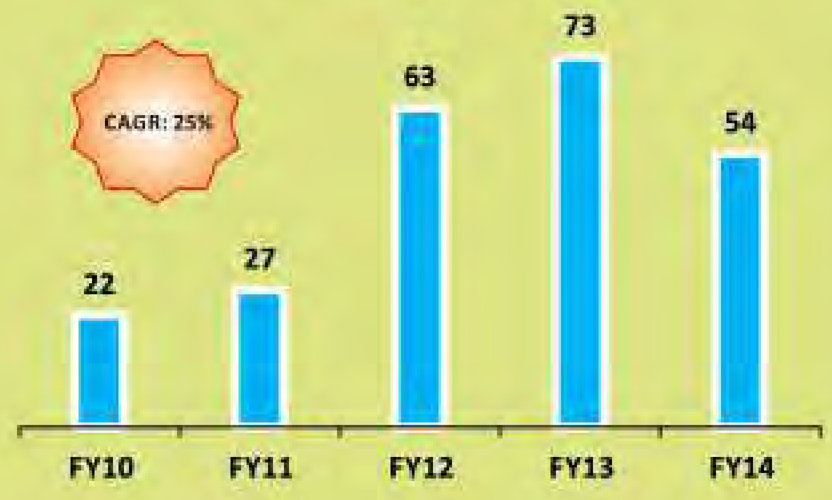
BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

ANNUAL REPORT - 2014

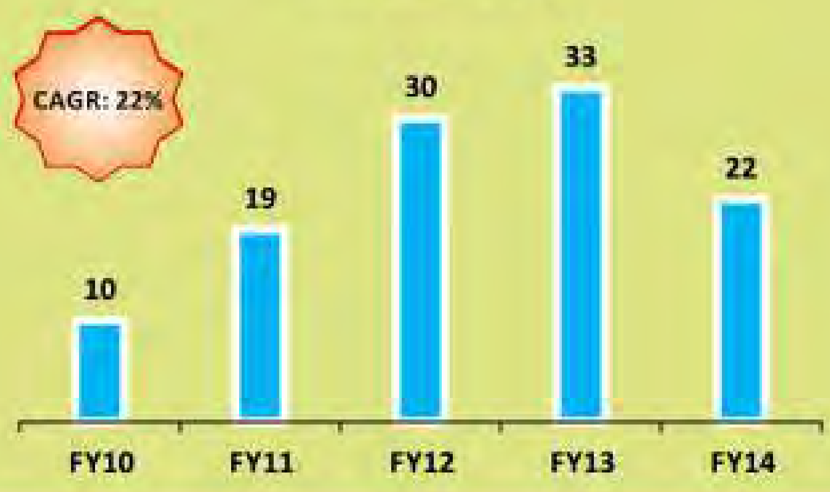
Total Revenue (Rs. crore)



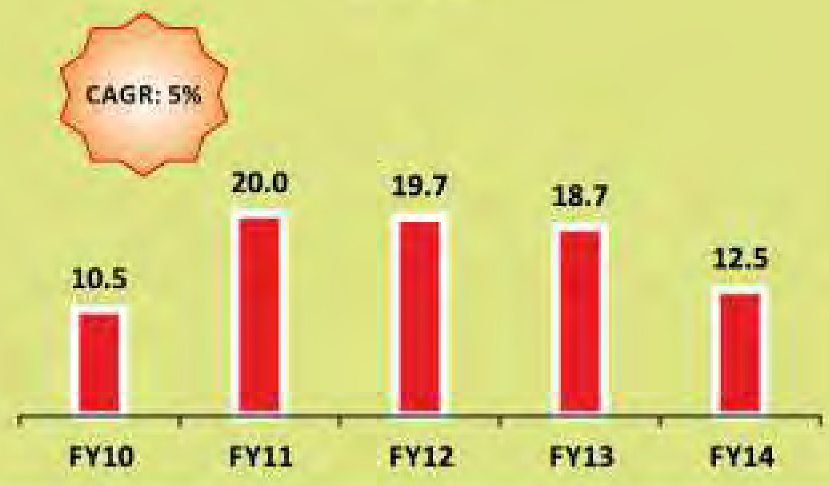
EBITDA (Rs.crore)



PAT (Rs. crore)

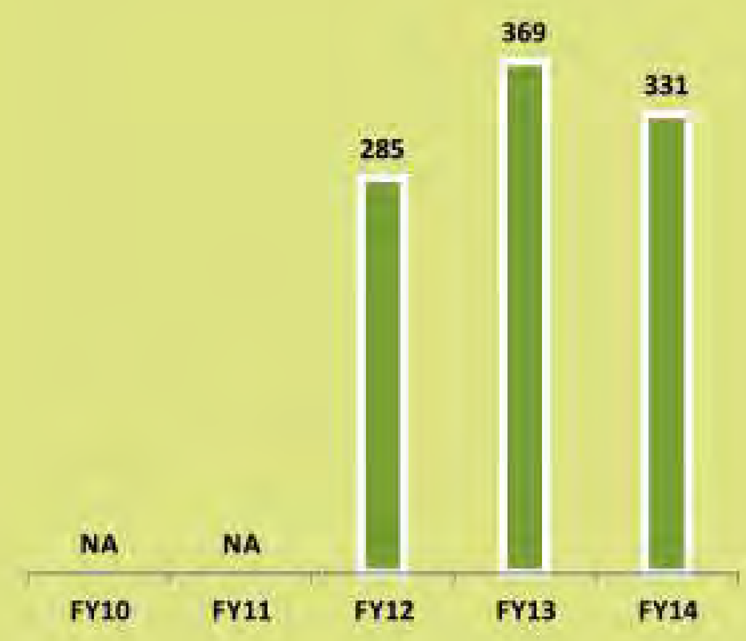


EPS (Rs.)

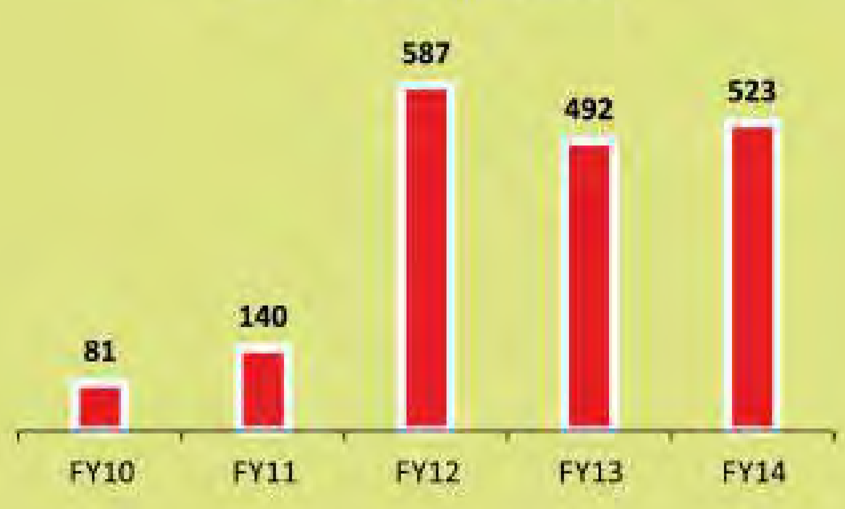


Branded Sales (Rs. crore)

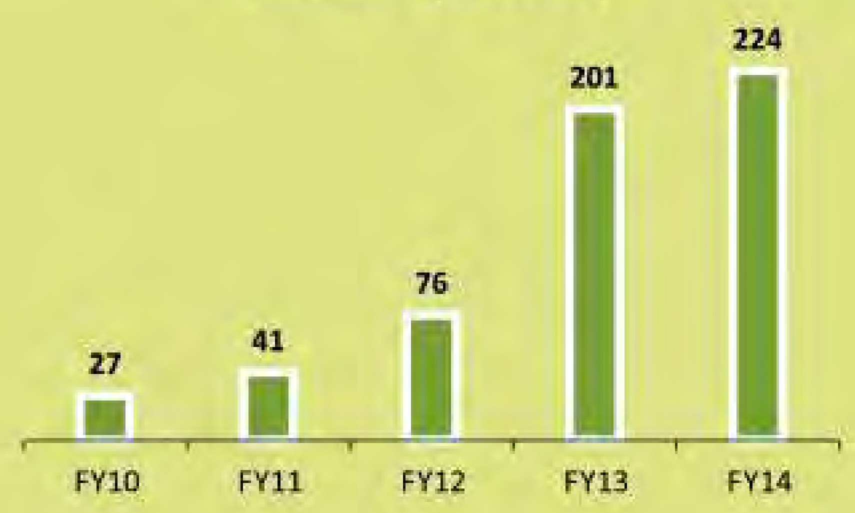
Government Order Sales (Rs. crore)



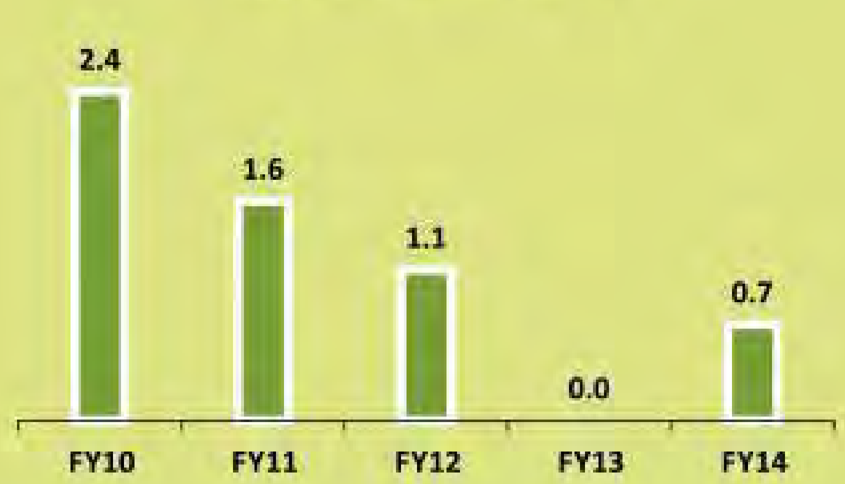
Market Cap (Rs. crore)



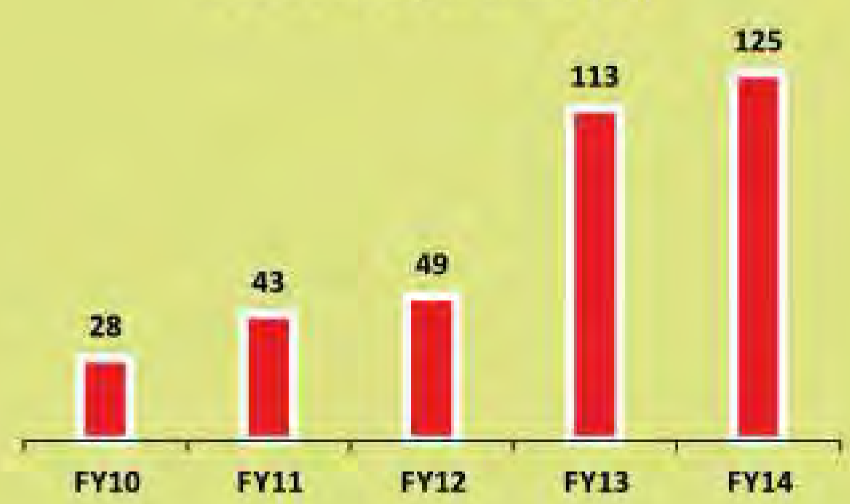
Networth (Rs. crore)



Net Debt - Equity Ratio



Book value per share (Rs)



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

CIN: L28931TN1986PLC012728

ANNUAL REPORT 2014

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BOARD OF DIRECTORS

Mr.V.M.Lakshminarayanan, Chairman & Managing Director
Mr.V.M.Balasubramaniam, Vice Chairman & Director
Mr.V.M.Seshadri, Managing Director
Mr.V.M.Gangadharam, Executive Director
Mr.V.M.Kumaresan, Executive Director-Technical
Mr.D.Krishnamurthy, Executive Director-cum-Company Secretary
Mr.R.S.Prakash, Nominee Director-Equity Investor
Mr.V.R.Lakshminarayanan, Independent Director
Mr.K.Ganesan, Independent Director
Mr.M.Padmanabhan, Independent Director
Mr.A.Balasubramanian, Independent Director
Mr.K.J.Kumar, Independent Director
Mr.G.S.Samuel, Independent Director
Mr.T.R.Srinivasan, Independent Director

STATUTORY AUDITORS

M/s. Rudhrakumar Associates,
Chartered Accountants, 11, Mangesh Street, T.Nagar, Chennai - 600017

REGISTERED OFFICE

143, Pudupakkam Village, Vandalur-Kelambakkam Road,
Kelambakkam - 603 103, Kancheepuram Dist., Tamil Nadu
Phone : 044-67415590/92-93
email:butterflyho@butterflyindia.com

CORPORATE OFFICE

E-34, Second Floor, Rajiv Gandhi Salai
Egattur Village, Navalur - 600130
Kancheepuram District, Tamil Nadu
Ph: 044-49005120/180 email: edcs@butterflyindia.com

website www.butterflyindia.com

REGISTRAR & SHARE TRANSFER AGENT

GNSA Infotech, STA Department, F-Block, 4th floor, No. 115, Nelson Manickam Road, Aminjikarai,
Chennai - 600029, Tamil Nadu, Ph. 044-42962025 email: sta@gnsaindia.com

BANKERS

*State Bank of Travancore *IDBI Bank *Axis Bank *ING Vysya Bank *State Bank of India *Bank of Baroda

Chairman's Message

Dear Fellow Share owners,

Despite a challenging macro-economic scenario and a weak consumer sentiment, your Company delivered a steady financial performance to maintain the growth momentum of the last couple of years. It has made good progress on its goals and considerably strengthened its pan-India presence during the year.

The business is built on a strong foundation which is manifested in your Company's ability to manufacture high quality products and deliver outstanding service levels to customers. This enabled it to report 5.5% growth in net income to ₹ 771 crore in FY14. This was primarily due to the growth in sales of Branded Products, which expanded 15.8% to ₹ 461 crore (net), and helped to partly compensate the planned reduction in Government Order Sales, which amounted to ₹ 303 crore (net) in FY14. Other income amounted to ₹ 7 crore in FY 14.

The year gone by saw your Company directing laser sharp focus on important strategic initiatives which are expected to drive continued success and growth within the organization in the years to come. It continued to widen the product portfolio with expansion of product categories as well as the launch of new product variants. The response to the new product launches has been very encouraging and the entire basket of products continues to enjoy widespread acceptance in the market.

The acquisition of the domestic kitchen and domestic electrical appliances division of its associate company, LLM Appliances Ltd. was another notable development this year. Through this, your Company has acquired perpetual rights to use the "BUTTERFLY" brand for domestic kitchen and domestic electrical appliances. The acquisition also resulted in the addition of 12 new product categories to the product range. This transaction has enabled it to significantly streamline operations and enhance growth prospects as most of the products added are sunrise products with high future growth potential.

This transaction also provided greater impetus to the efforts to widen the selling and distribution network and enhance the pan India presence. The network of exclusive distributors and presence at multiple retail touch points has been enriched. When combined with a heightened advertisement and brand awareness campaign, it has helped your Company to firmly entrench itself in West and Central India while furthering the inroads made in North and East India. Your Company is confident that the investments made to widen its presence will bear fruits for many years to come.

The Government orders business progressed well and helped to generate resources for growth while simultaneously expanding the market for its products. Your Company is certain that the ramifications of this initiative by the Government of Tamil Nadu scheme will be widespread and lead to vastly increased demand for kitchen and electrical appliances. The challenge of supplying against this tender has elevated its manufacturing and delivery capabilities, while simultaneously enhancing its position with suppliers.

The opportunity before your Company is compelling and must be addressed in an energetic and ambitious manner. It is necessary to be judicious in deploying resources in a manner that maximize value. The management of your Company strongly believes that the multiple initiatives implemented this year will result in benefits that will be sustained and far-reaching in nature.

The mandate to a stable government in the recently concluded general election is highly encouraging. Expectation as well as optimism is running high and there is near certainty that far-reaching and progressive reforms will be unleashed in the near future. However, there will be some lag before the impact of such a development begins to reflect in consumer sentiment.

While the benefits from the changing trajectory of economic growth are expected to accrue over the medium to long-term, it is imperative to act in the near term. Thus, your Company will continue to implement its strategic initiatives in an urgent and time bound manner. This may result in temporary pain but will certainly materialize into long-term gain as your Company is confident of its offerings and ability to deliver sustainable and profitable growth in the coming years.

On behalf of the Board of Directors, I would like to express my sincere gratitude to all our stakeholders and would especially like to thank all of the Company's employees for their dedicated and sincere contribution to the continued progress of your Company. Last, but not least, we are grateful to you for your continued support and trust bestowed on us. We have a lot to look forward to, as we strive to make the Company stronger and achieve greater heights as we move into the next fiscal year.

With best wishes,
Sincerely,

V.M.LAKSHMINARAYANAN
Chairman & Managing Director

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Company will be held at its Corporate Office Premises at E-34, Rajiv Gandhi Salai, Egattur Village, Navalur- 600 130, Kancheepuram District, Tamil Nadu on Thursday, 31st July, 2014 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

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

"RESOLVED THAT the Audited Balance Sheet as on 31st March, 2014 and the Profit and Loss Statement for the financial year ended on that date and the Report of the Board of Directors and the Auditors thereon, be and are hereby approved and adopted."

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

"RESOLVED THAT Mr.V.M.Balasubramaniam, [DIN : 00106428] a Director of the Company, who retires by rotation at this meeting, being eligible for reappointment be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT Mr.D.Krishnamurthy, [DIN : 00085444] Director and Executive Director-cum-Company Secretary of the Company, who retires by rotation at this meeting, being eligible for reappointment be and is hereby appointed as Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT, M/s. Rudhrakumar Associates, Chartered Accountants [FRN.007033 S], Chennai be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors of the Company, in addition to service tax, travelling and other out of pocket expenses actually incurred by them in connection with audit and fees, if any, for the professional services rendered by them, in any other capacity from time to time, subject to the condition that the Company shall place the matter relating to such appointment for ratification by members at every Annual General Meeting."

SPECIAL BUSINESS:

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

"That subject to the provisions of Section 14, 15 and other applicable provisions of the Companies Act 2013 ("**the Act**"), if any and the rules made thereunder or any statutory modifications or re-enactment thereof and all other applicable laws for the time being in force, if any, Article 83 and Article 89 of the Articles of Association (AOA) of the Company be and is hereby amended by replacing the existing Article 83 and Article 89 of the AOA of the Company with the following clauses:

"Article 83: Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 (three) and not more than 15 (fifteen) Directors."

"Article 89:

(a) Atleast two-third of the total number of Directors are liable to retire by rotation in terms of the provisions of Section 152 read with Section 149 of the Companies Act 2013.

(b) The Chairman, Vice Chairman and Nominee Director shall not be liable to retire by rotation during their tenure of office, though they will be included in calculating the total number of Directors liable to retire by rotation.

(c) In calculating the total number of Directors liable to retire by rotation, "total number of Directors" shall not include Independent Directors appointed on the Board of the Company.

(d) At every subsequent Annual General Meeting, one-third of the Directors liable to retire by rotation for the time being or, if their number is neither three nor a multiple of three, then the number nearest to one-third shall be liable to retire by rotation."

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

"A. That pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ('**the Act**'), and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act, the consent of the Company be and is hereby accorded for the reappointment of Mr.V.M.Lakshminarayanan, [holding Director Identification No.00106346] ('**Mr.Lakshminarayanan**') as the Chairman & Managing Director **('CMD')** of the Company for a period of 5 (five) years with effect from 1st December, 2014, whose period of office shall not be subject to retirement by rotation during his tenure of office as CMD, on the following terms and conditions :

Remuneration: Subject to the ceiling limits laid down in Section 197 of the Act, remuneration by way of salary, perquisites and commission shall not exceed the following limits, namely:

I. **SALARY AND PERQUISITES:**

1.	Salary	₹ 36,00,000/- per annum or ₹ 3,00,000/- per month, including dearness and all other allowances.
2.	Medical	One month's salary in a year or three month's salary over a period of three years for self and family.
3.	Leave Travel Assistance	For self and family to and fro Airfare to any place in India and abroad once a year.
Note: For items (2) and (3) above, Family includes the spouse, the dependent children and the dependent parents.		
4.	Personal Accident Insurance	Personal Accident cover of an amount, the annual premium of which does not exceed ₹ 10,000/- per annum.
5.	Annual Leave and leave encashment Benefits	As per rules of the Company.
Note 1: Perquisites I (2) to (5) shall not exceed 20% of his annual salary. For this purpose, perquisites will be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rule, perquisites will be evaluated at actual. Note 2: The Board of Directors will have the liberty to re-fix individual ceilings under each of the above heads or to allow any other perquisite as may be permitted by the Central Government so as not to exceed 20% of the annual salary.		
6.	Other Benefits a. Provident Fund Contribution	Subject to a ceiling of 12% of his salary
	b. Superannuation Contribution	Subject to a ceiling of 15% of his salary
	c. Gratuity	Not exceeding half a month salary for each completed year of service, subject to a ceiling of ₹ 10 lakhs.
7.	Encashment of Leave at the end of the Tenure.	As per rules of the Company.
Note: Contribution to Provident Fund, Superannuation fund, Gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013		
8.	Car	Use of Company maintained car with driver for official paurposes.
9.	Telephone/Mobile Phone	Telephone at residence and Mobile Phone for official use.
Note: Provision of a car for use on Company Business and Mobile Phone/Telephone for official use will not be considered as Perquisites.		

Where in any financial year during the tenure of Mr.V.M.Lakshminarayanan as Managing Director the Company has no profits or its profits are inadequate, the Salary and Perquisites stated vide I (1) to (9) above will be paid as minimum remuneration to him, subject to the ceiling prescribed under Schedule V, Part II, Section II (A) of the Companies Act 2013. In case such minimum remuneration exceeds the above limits, necessary application will be made to the Central Government for approval.

II. COMMISSION:

In addition to his salary and perquisites stated vide I(1) to (9) above, where the company earns profits in a financial year, Mr.V.M.Lakshminarayanan, together with the four other managerial personnel viz., Messrs.V.M.Balasubramaniam, V.M.Seshadri, V.M. Gangadharam and V.M.Kumaresan shall be entitled to receive commission on net profits. However, the combined aggregate limit of salary/ perquisites/commission paid to all the managerial personnel of the Company shall not exceed 10% of net profits, as prescribed under Section 197 of the Act read with Part II, Section II(A) of Schedule V thereto or any statutory modification(s) or re-enactment thereof. The quantum of commission to be paid to each of the above managerial personnel will be determined as agreed amongst them and approved by the Nomination and Remuneration Committee/Board of Directors.

III. REIMBURSEMENT OF EXPENSES

a. Entertainment expenses:

Reimbursement of entertainment expenses wholly and exclusively incurred for the business of the Company, subject to a reasonable ceiling as may be fixed from time to time by the Board.

b. Travelling expenses:

Reimbursement of travelling expenses actually and properly incurred for the business of the Company, subject to a reasonable ceiling as may be fixed from time to time by the Board.

B. That the Board of Directors of the Company (on the recommendation of the Nomination and Remuneration Committee) be and is hereby authorised to revise, amend, alter and vary the remuneration and other terms and conditions of the reappointment of Mr.Lakshminarayanan, CMD in such manner as may be permissible in accordance with the provisions of the Act or any modification or re-enactment thereto (which shall not exceed ₹ 45 lakhs in a financial year), and as may be agreed to by and between the Board of Directors and Mr.Lakshminarayanan, without any further reference to the shareholders in the General Meeting.

C. That the Board of Directors of the Company be and is hereby authorised to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the provisions of the Act as may be prevailing, and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company."

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

"A.That pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ('**the Act**'), and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act, the consent of the Company be and is hereby accorded for the appointment of Mr.V.M.Balasubramaniam, [holding Director Identification No.00106428] ('**Mr.Balasubramaniam**') as the Managing Director ('**MD**') of the Company for a period of 5 (five) years with effect from 1st August, 2014, whose period of office shall not be subject to retirement by rotation of Directors, on the following terms and conditions :

Remuneration: Subject to the ceiling limits laid down in Section 197 of the Companies Act, 2013, remuneration by way of salary, perquisites and commission shall not exceed the following limits, namely:

I. SALARY AND PERQUISITES

1.	Salary	₹ 35,40,000/- per annum or ₹ 2,95,000/- per month, including dearness and all other allowances.
2.	Medical	One month's salary in a year or three month's salary over a period of three years for self and family.
3.	Leave Travel Assistance	For self and family to and fro Airfare to any place in India and abroad once a year.
Note: For items (2) and (3) above, Family includes the spouse, the dependent children and the dependent parents.		
4.	Personal Accident Insurance	Personal Accident cover of an amount, the annual premium of which does not exceed ₹ 10,000/- per annum.
5.	Annual Leave and leave encashment Benifits	As per rules of the Company.
Note 1: Perquisites I (2) to (5) shall not exceed 20% of his annual salary. For this purpose, perquisites will be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rule, perquisites will be evaluated at actual. Note 2: The Board of Directors will have the liberty to refix individual ceilings under each of the above heads or to allow any other perquisite as may be permitted by the Central Government so as not to exceed 20% of the annual salary.		

6.	Other Benefits a. Provident Fund Contribution b. Superannuation Contribution c. Gratuity	 Subject to a ceiling of 12% of his salary Subject to a ceiling of 15% of his salary Not exceeding half a month salary for each completed year of service subject to a ceiling of ₹ 10 lakhs.
7.	Encashment of Leave at the end of the tenure.	As per rules of the Company.
Note: Contribution to Provident Fund, Superannuation fund, Gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013.		
8.	Car	Use of Company maintained car with driver for official purposes.
9.	Telephone and Mobile Phone	Telephone at residence and Mobile phone for official use.
Note: Provision of a car for use on Company Business and Mobile Phone/Telephone for official use will not be considered as Perquisites.		

Where in any financial year during the tenure of Mr.V.M.Balasubramaniam as Managing Director of the Company has no profits or its profits are inadequate, the Salary and Perquisites stated vide I (1) to (9) above will be paid as minimum remuneration to him, subject to the ceiling prescribed under Schedule V, Part II, Section II (A) of the Companies Act, 2013. In case such minimum remuneration exceeds the above limits, necessary application will be made to the Central Government for approval.

II. COMMISSION:

In addition to his salary and perquisites stated vide I(1) to (9) above, where the company earns profits in a financial year, Mr.V.M.Balasubramaniam, together with the four other managerial personnel viz., Messrs. V.M.Lakshminarayanan, V.M.Seshadri, V.M.Gangadharam and V.M.Kumaresan shall be entitled to receive commission on net profits. However, the combined aggregate limit of salary/perquisites/commission paid to all the managerial personnel of the Company shall not exceed 10% of net profits, as prescribed under Section 197 of the Act read with Part II, Section II (A) of Schedule V thereto or any statutory modification(s) or re-enactment thereof. The quantum of commission to be paid to each of the above managerial personnel will be determined as agreed amongst them and approved by the Nomination and Remuneration Committee/Board of Directors.

III. REIMBURSEMENT OF EXPENSES:

a. Entertainment expenses : Reimbursement of entertainment expenses wholly and exclusively incurred for the business of the Company, subject to a reasonable ceiling as may be fixed from time to time by the Board.

b. Travelling expenses: Reimbursement of travelling expenses actually and properly incurred for the business of the Company, subject to a reasonable ceiling as may be fixed from time to time by the Board.

B. That the Board of Directors of the Company (on the recommendations of the Nomination and Remuneration Committee) be and is hereby authorised to revise, amend, alter and vary the remuneration and other terms and conditions of the appointment of Mr.Balasubramaniam, in such manner as may be permissible in accordance with the provisions of the Act or any modification or re-enactment thereto (which shall not exceed ₹ 44,25,000/- in a financial year) and as may be agreed to by and between the Board of Directors and Mr.Balasubramaniam, without any further reference to the shareholders in General Meeting.

C. That the Board of Directors of the Company be and is hereby authorised to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the provisions of the Act as may be prevailing, and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company."

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

"That in partial modification of the Special resolution passed at the Annual General Meeting of the Company held on 26th July 2013 in relation to the reappointment of Mr.V.M.Seshadri (holding Director Identification No.00106506) as Managing Director and subject to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 ("**the Act**") and the Rules made thereunder or any statutory modifications or re-enactment thereof and subject to such consents and permissions as may be required, the consent of the Members be and is hereby accorded to vary the resolutions passed by the Shareholders of the Company on 26.07.2013 in relation to his appointment for a limited purpose of complying with the provisions of Section 152 of the Act by making him liable to retire by rotation in terms of Section 152 (6) of the Act, however not causing a break in the continuity of office for the unexpired period of his appointment, and terms and conditions of such appointment for the balance period of tenure remaining the same till his present tenure."

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

"That in partial modification of the Special resolution passed at the Annual General Meeting of the Company held on 26th July 2013 in relation to the reappointment of Mr.V.M.Gangadharam (holding Director Identification No.00106466) as Executive Director and subject to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 ("**the Act**") and the Rules made thereunder or any statutory modifications or re-enactment thereof and subject to such consents and permissions as may be required, the consent of the Members be and is hereby accorded to vary the resolutions passed by the Shareholders of the Company on 26.07.2013 in relation to his appointment for a limited purpose of complying with the provisions of Section 152 of the Act by making him liable to retire by rotation in terms of Section 152 (6) of the Act, however not causing a break in the continuity of office for the unexpired period of his appointment, and terms and conditions of such appointment for the balance period of tenure remaining the same till his present tenure."

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

"That in partial modification of the Special resolution passed at the Annual General Meeting of the Company held on 31st August 2012 in relation to the reappointment of Mr.V.M.Kumaresan (holding Director Identification No.00835948) as Executive Director-Technical and subject to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 ("**the Act**") and the Rules made thereunder or any statutory modifications or re-enactment thereof and subject to such consents and permissions as may be required, the consent of the Members be and is hereby accorded to vary the resolutions passed by the Shareholders of the Company on 31.08.2012 in relation to his appointment for a limited purpose of complying with the provisions of Section 152 of the Act by making him liable to retire by rotation in terms of Section 152 (6) of the Act, however not causing a break in the continuity of office for the unexpired period of his appointment, and terms and conditions of such appointment for the balance period of tenure remaining the same till his present tenure."

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

"That pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions of Companies Act 2013 (**'the Act'**) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the listing agreement, Mr.V.R.Lakshminarayanan (DIN No. 00101895) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director on the Board of the Company for a consecutive period of five years, with effect from 01.08.2014 to 31.07.2019 on the terms and conditions as stipulated in Section 149 (8) read with Schedule IV to the Act."

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

"That pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions of Companies Act 2013 (**'the Act'**) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the listing agreement, Mr.K.Ganesan (DIN No.00102274) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director on the Board of the Company for a consecutive period of five years, with effect from 01.08.2014 to 31.07.2019 on the terms and conditions as stipulated in Section 149 (8) read with Schedule IV to the Act."

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

"That pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions of Companies Act 2013 (**'the Act'**) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the listing agreement, Mr.M.Padmanabhan (DIN No. 00101997) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director on the Board of the Company for a consecutive period of five years, with effect from 01.08.2014 to 31.07.2019 on the terms and conditions as stipulated in Section 149 (8) read with Schedule IV to the Act."

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

"That pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions of Companies Act 2013 (**'the Act'**) and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the listing agreement, Mr.A.Balasubramanian (DIN No. 00490921) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director on the Board of the Company for a consecutive period of five years, with effect from 01.08.2014 to 31.07.2019 on the terms and conditions as stipulated in Section 149 (8) read with Schedule IV to the Act."