

CIL SECURITIES LIMITED

(CIN : L67120TG1989PLC010188)



ANNUAL REPORT **2018-19**

Company Information

Board of Directors

K K Maheshwari
Piyush Modi
A K Inani
Pramila Maheshwari
F R Bhote
Budhi Prakash Toshniwal

Chairman and Managing Director

Executive Director

Director – Finance / CFO

Non-Executive Director

Independent Director

Independent Director

Independent Directors Committee

Budhi Prakash Toshniwal
F.R. Bhote

Risk Management Committee

K K Maheshwari
A K Inani
Piyush Modi
Pramila Maheshwari

Audit Committee

Budhi Prakash Toshniwal
Pramila Maheshwari
F.R. Bhote

Stakeholder's Relationship Committee

Pramila Maheshwari
F.R. Bhote
Budhi Prakash Toshniwal

Nomination & Remuneration Committee

F.R. Bhote
Budhi Prakash Toshniwal
Pramila Maheshwari

Auditors

M/s Sridhar Jhawar & Associates
Chartered Accountants
6-3-661, Flat No 4, Sai Ram Krishna Enclave,
Sangeet Nagar, Somajiguda,
Hyderabad – 500082

Company Secretary

Govind Toshniwal

Solicitors

K Balakrishna & Associates
No1-1-336/140, Chikkadpally
Hyderabad- 500 020

Thomas Joseph Lloyd
H.No 3-5-879/2/1,
Old M.L.A Qtrs
Hyderabad-500029.

Principal Bankers

Kotak Mahindra Bank
HDFC Bank

Registered Office

214, Raghava Ratna Towers
Chirag Ali Lane, Abids
Hyderabad- 500 001
website: www.cilsecurities.com
e-mail: advisors@cilsecurities.com
Tel No.: 040-23203155

Corporate Office

130-132, Room No. 20,
II Floor, Great Western Building
Opp. Lions Gate, Fort,
Mumbai-400023

Registrar & Share Transfers Agents In House

214, Raghava Ratna Towers
Chirag Ali Lane, Abids,
Hyderabad- 500 001
e-mail: rt@cilsecurities.com
Tel No.: 040-23203155

NOTICE

Notice is hereby given that the **Thirtieth Annual General Meeting** of the Members of CIL Securities Limited will be held **on Monday, The 30TH Day of September 2019** at 608, Raghava Ratna Towers, North Block, Chirag Ali Lane, Abids, Hyderabad - 500 001 at **11:00 A.M.** to transact the following businesses:

Ordinary Business:

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019, the Statement of Profit & Loss and the Cash Flow Statement of the Company for the Year Ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- 2) To declare Dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2019.
- 3) To appoint a Director in place of Shri K K Maheshwari, who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Shri Piyush Modi, who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

Special Business:

RE-APPOINTMENT OF SHRI K K MAHESHWARI AS MANAGING DIRECTOR THE COMPANY

- 5) To Consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the section 196, 197, 198, 203, Schedule V and Other applicable Provisions, if any of the Companies Act, 2013 including any statutory modifications, re- enactment thereof and subject to such other approval as may be required, the Company hereby accords its approval for the Re-appointment of Shri Krishna Kumar Maheshwari

(DIN:00223241) as the Managing Director of the Company for a period of Five (5) years from 31st July, 2019 to 30th July, 2024 on the terms and conditions including the remuneration and perquisites as set out in the agreement dated 25.05.2019 be and is hereby approved and sanctioned with the authority to the Board of Directors of the Company to alter and vary the terms and conditions of the said re-appointment and / or re-agreement in such manner as the Board may deem fit within the overall limit as specified in schedule V of the Companies Act, 2013 for the time being in force or any statutory modification or reenactment thereof and / or any rules or regulations framed thereunder."

"RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds and things including filings with the regulatory authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto"

RE-APPOINTMENT OF SHRI BUDHI PRAKASH TOSHNIWAL AS INDEPENDENT DIRECTOR OF THE COMPANY

- 6) To Consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("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) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Budhi Prakash Toshniwal (DIN: 00147869), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of 5 (five) consecutive years with effect from 1st October, 2019 to the Annual General Meeting held in 2024 and whose office shall not be liable to retire by rotation".

"RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds and things including filings with the regulatory authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto"

RE-APPOINTMENT OF SHRI F R BHOTE AS INDEPENDENT DIRECTOR OF THE COMPANY

- 7) To Consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. F R Bhote (DIN: 00156590), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of 5 (five) consecutive years with effect from 1st October, 2019 to the Annual General Meeting held in 2024 and whose office shall not be liable to retire by rotation".

"RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds and things including filings with the regulatory authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto"

**By Order of the Board of Directors of
CIL SECURITIES LIMITED**

**KK Maheshwari
Chairman & Managing Director
DIN: 00223241**

**Registered office
214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001**

**Place: Hyderabad
Date: 25.05.2019**

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
4. Members who hold shares in Dematerialized form are requested to write their DP ID and Client ID and those who hold shares in Physical Form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days except Saturdays and Sundays, between 11.00 AM and 1.00 PM up to the date of the Meeting.
7. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, No. of Companies in which they hold directorships and memberships / Chairmanships of Board Committees, Shareholding and relationships between directors inter - se stipulated thereto.
8. In terms of the provisions of Companies Act 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Accordingly, the Company would be transferring the Final Dividend for the year ended 31st March 2012. Shareholders are requested to ensure that they claim the dividends referred to above, before it is transferred to the said fund.
9. The Shareholders are expected to send their queries on Annual Report to the Company Secretary, at least 7 days before the date of meeting, so that the requisite information/explanations can be provided in time.
10. (a) The Company has already notified the record date i.e **23rd September, 2019** for determining the names of Member eligible for Dividend on Equity shares.
 - (b) The dividend on Equity shares, if declared at the Meeting, will be paid on or after **30th Day of September 2019** to those members whose names shall appear on the Company's Register of Members on **23rd September, 2019**; in respect of shares held in Dematerialized form, the dividend will be paid to members whose name are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on date.
12. (a) In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate Share Transfer Department of the Company, under the signature of the Sole/First Joint holder, the following information to be incorporated on dividend warrants:
 - (i) Name of the Sole/First Joint Holder and the Folio Number:
 - (ii) Particulars of the Bank Accounts, viz:
 - Name of the Bank;
 - Name of the Branch;
 - Complete Address of the Bank with Pin Code Number;
 - Account Type
 - Whether Savings Account (SA) or Current Account (CA);
 - Bank Account Number and MICR code /RTGS/NEFT Code;
 - (b) Members who wish to change such Bank Account Details are, requested to advise their Depository Participants about such change with complete details of the Bank Account.

- (c) To avoid loss of dividend instrument in transit and undue delay in respect of Dividend instruments, the Company has provided a facility to the members for remittance of dividend warrant through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact Share Transfer Department of the Company.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
 14. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.cilsecurities.com and also on website of the Stock Exchange where the Equity Shares of the Company are traded.
 15. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or with the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
 16. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting.
- Members are requested to bring their copy of Annual Report to the Meeting.
17. Voting through electronic means:
 - i. According to Section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed companies or companies having Shareholders not less than one thousand.
 - ii. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment, Rules 2015 the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who have casted their votes by remote e-voting prior to the Annual General Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again.
 - iii. A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with Rule 20 of the Companies (Management and Administration) Rules, 2014.
 - iv. During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the fixed or record date, may cast their vote electronically.
 - v. The e-Voting shall remain open for 3 days from 9.00 AM of 27th Day of September 2019 to 5.00 PM of 29th September 2019.
 - vi. The Board of Directors at their meeting have appointed Mr. Thomas Joseph Lloyd, Practicing Advocate as the scrutinizer for e-Voting/ voting at the venue to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The

scrutinizer will be responsible to conduct e-Voting/ voting at the venue in a fair and transparent manner.

- vii. Vote once cast by the member cannot be changed/ altered.

18. The instructions for e-voting are as under:

(A) In case of members receiving e-mail:

- i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- ii) Log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders" tab to cast your votes.
- iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> * Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. * In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. PAN / Sequence Number is available on bottom side of the Sticker 	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	

Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
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- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- viii) Click on the relevant EVSN on which you choose to vote.
- ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- (D) The Remote voting period begins at 9.00 AM of 27th Day of September 2019 to 5.00 PM of 29th September 2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd Sep, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Share Transfer Department of the Company for consolidation into a single folio.
20. Non-Resident Indian Members are requested to inform the Share Transfer Department of the Company of:
- (a) Change in Residential Status on return to India for permanent settlement.
 - (b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with the Pin Code number.
21. Members desirous of any information on the accounts are requested to write to the Company at least a week before the meeting so as to enable the Management to keep the information ready and replies will be provided only at the meeting.
22. Duplicate attendance slip shall not be issued at the Annual General Meeting Venue. However the same shall be issued at the Registered Office of the Company upto two days preceding the day of AGM.
23. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of 23rd Sep, 2019.
24. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd Sep, 2019 may obtain the login ID and password by sending an email to rta@cilsecurities.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on <https://www.evotingindia.com>
25. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
26. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
27. Shri Thomas Joseph Lloyd, Practicing advocate has been appointed as the Scrutiniser to scrutinize the voting process in a fair and transparent manner.
28. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer shall within 2 days of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
29. The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of CDSL and shall be communicated to BSE Limited.

By Order of the Board of Directors of
CIL SECURITIES LIMITED

KK Maheshwari
Chairman & Managing Director
DIN: 00223241

Registered office
214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001

Place : Hyderabad
Date: 25.05.2019

Details as required under Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

ITEM 3

Shri K K Maheshwari is a Graduate in Commerce and has experience in the line of investments activity and has more than 31 years of experience. He is the Promoter Director of the Company and has been associated with Company's development and diversification plans. He has experience in Merchant Banking, Registrar & Share Transfer Agents, Stock Broking Activity and other diversified financial activities.

He is the Chairman of Risk Management Committee of the Company.

Shri K.K.Maheshwari holds 1072700 Equity Shares of the Company representing 21.45 percent of the paid up share capital as on 31st March, 2019

He is the Chairman and Managing Director of the Company.

He holds the Directorships in the following Companies:

- CIL Commodities Private Limited
- CIL Industries Limited
- Gita Finvest Private Limited
- Mahesh Vidya Bhavan Limited
- Association of Exchanges Members of India
- The Federation of Telangana Chambers of Commerce and Industry

Smt Pramila Maheshwari, The Non-Executive Director of the Company is the spouse of Shri K K Maheshwari and she holds 768500 Equity Shares of the Company representing 15.37 percent of the paid up share capital as on 31st March, 2019

ITEM 4

Shri Piyush Modi is a graduate in Commerce and is having more than 22 years of experience in Financial Services and Capital Market Operations. Shri Piyush Modi holds 500 Equity shares of the Company representing 0.01percent of the paid up share capital as on 31st March, 2019.

He is the Executive Director of the Company.

He holds the directorships in the following Companies:

- ✦ Om Crusher India Private Limited
- ✦ Jhansi Plastics Private Limited
- ✦ KRP Concretes Private Limited.
- ✦ Piyush Stock Broking Services Private Limited

By Order of the Board of Directors of
CIL SECURITIES LIMITED

K K Maheshwari
Chairman & Managing Director
DIN: 00223241

Registered office

214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001

Place : Hyderabad

Date: 25.05.2019

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT,
2013 AND DETAILS AS REQUIRED UNDER SEBI(LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

ITEM 5

Shri K.K.Maheshwari, born on 30th June, 1962, Graduated in Commerce and has experience in the line of investments activity and has more than 31 years of experience. He is the Promoter Director of the Company and has been associated with Company's development and diversification plans. He has experience in Merchant Banking, Registrar & Share Transfer Agents, Stock Broking Activity and other diversified financial activities.

He is the Chairman of Risk Management Committee of the Company.

Shri K.K.Maheshwari holds 1072700 Equity shares of the Company representing 21.45 percent of the paid up share capital as on 31st March, 2019

He is the Chairman and Managing Director of the Company.

He holds the Directorships in the following Companies:

- CIL Commodities Private Limited
- CIL Industries Limited
- Gita Finvest Private Limited
- Mahesh Vidya Bhavan Limited
- Association of Exchanges Members of India
- The Federation of Telangana Chambers of Commerce and Industry

* Committee Chairmanship and Memberships: NIL

* Chairmanship and Membership of Audit and Stakeholders Relationship committee are considered.

Smt Pramila Maheshwari, the Non-Executive Director of the Company is the spouse of Shri K K Maheshwari and she holds 768500 Equity Shares of the company representing 15.3% of

the paid up Share Capital as on 31st March, 2019.

In view of Shri K.K.Maheshwari's vast experience in Capital Market, his re-appointment is in the best interest of the Company.

The terms of the renewed agreement dated 25.05.2019 are as follows:-

1. Salary @ Rs.1,00,000/- (Rupees One Lakh Only) per month or such higher amount as may be approved by the Board from time to time.
2. Commission: Commission will be allowed to Shri Krishna Kumar Maheshwari in addition, to salary and perquisites, the amount of which is, based on the net profits (pre- tax) of the Company in a particular year, shall be subject to the overall ceilings as laid down in Sections 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 as applicable. The Amount of Commission for each Financial Year or part thereof will be decided by the Board from time to time in its absolute discretion, but shall not exceed an amount equal to 5% of the Net Profits (pre-tax) of the Company computed in accordance with the laws, policies, rules, regulations or guidelines in force. Commission may be payable prorate on a monthly basis at the discretion of the Board of Directors.
3. Perquisites: Perquisites will be allowed in addition to salary and commission restricted to an amount equal to the annual salary.

Unless the context otherwise requires, the perquisites are classified into 3 Categories "A", "B" & "C" as follows

CATEGORY - A:

This will comprise House Rent Allowance, Leave Travel Concession, Medical Reimbursement, Fees on Clubs and Personal Accident Insurance. These may be provided for as under: