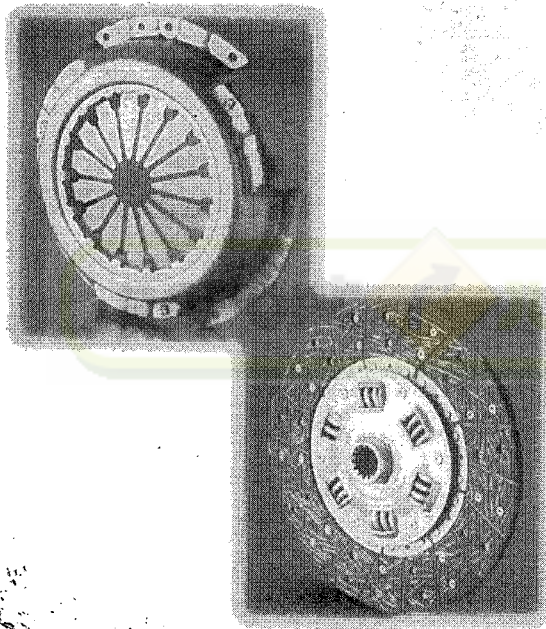


# ceekay CLUTCH



**ANNUAL REPORT**  
**2008 - 2009**

# CEEKAY



# CEEKAY DAIKIN LIMITED

CEEKAY DAIKIN LIMITED



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**CEEKAY DAIKIN LIMITED****DIRECTORS**


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MAHESH B. KOTHARI	CHAIRMAN & MANAGING DIRECTOR
HOMI C. H. BHABHA	
SHREEKANT V. MEHTA	
BHARAT H. PATEL	
HIDEHITO HISAKAWA	
PRADEEP B. CHINAI	MANAGING DIRECTOR
HIDESHI SHIBA (w.e.f. 14-10-2008)	MANAGING DIRECTOR
YASUFUMI YAMABE (upto 14-10-2008)	MANAGING DIRECTOR

**COMPANY SECRETARY**


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HETAY VORA

**AUDITORS**


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D. L. SHAH & CO.  
CHARTERED ACCOUNTANTS, MUMBAI

**BANKERS**


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BANK OF MAHARASHTRA  
IDBI BANK LTD.  
KOTAK MAHINDRA BANK LTD.  
ICICI BANK LTD.

**REGISTERED OFFICE**


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PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,  
CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA.

**HEAD OFFICE**


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NKM INTERNATIONAL HOUSE, 4TH FLOOR,  
178, BABUBHAI M. CHINAI MARG, MUMBAI - 400 020.

**MANUFACTURING FACILITIES**

- 
- UNIT 1** : PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,  
CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA.
- UNIT 2** : PLOT NO.9, UDYOG KENDRA INDUSTRIAL AREA,  
GREATER NOIDA - 201 304 (U.P.)

**REGISTRAR & TRANSFER AGENTS**


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LINK INTIME SPECTRUM REGISTRY PVT. LTD.  
C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG,  
BHANDUP (WEST), MUMBAI - 400 078.

**35TH ANNUAL REPORT 2008-2009****NOTICE**

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the members of CEEKAY DAIKIN LIMITED will be held on Friday, 25th September, 2009 at 11.30 a.m. at the Registered Office at Plot L-4, MIDC Industrial Area, Chikalthana, P. O. CIDCO, Aurangabad - 431 210, Maharashtra, to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Directors' Report, Auditor's Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2009.
2. To appoint a Director in place of Mr. Homi C. H. Bhabha who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Shreekant V. Mehta who retires by rotation and being eligible offers himself for reappointment.
4. To consider and if though fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution relating to the Appointment of Auditors of the Company:

"RESOLVED THAT M/s D. L. Shah & Co., Chartered Accountants, Central Bldg, No. 2, Silk Bazar, Mumbai- 400 002, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration plus service tax and out-of-pocket expenses as may be determined by the Board of Directors on the recommendation of the Audit Committee of the Board."

**SPECIAL BUSINESS**

5. To pass an ordinary resolution Under Section 293(1)(d) of the Companies Act, 1956 for increase in borrowing limits upto Rs. 150 Crores (Rupees One Hundred & Fifty Crores.)

"RESOLVED THAT in pursuant to the provisions of Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums from time to time, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, not set apart from any specific purpose, provided however, that the total amount so borrowed shall not exceed Rs. 150 Crores. (Rupees One Hundred & Fifty Crores.)

6. To Consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution for appointing Mr. Hideshi Shiba as Managing Director :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-

**CEEKAY DAIKIN LIMITED**

enactment thereof, for the time being in force) read with Schedule XIII of the Act and Article 158(b) and 161 of the Articles of Association of the Company and Subject to the approval of the Shareholders and Central Government, if necessary and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions and as approved by the Remuneration Committee, Mr. Hideshi Shiba be and he is hereby appointed as **MANAGING DIRECTOR** (hereinafter referred to as "Managing Director) of the Company under Companies Act, 1956 to look after day to day administrative and managerial functions of the Company with effect from 14th October, 2008 to 30th September 2009. Salary and perquisites for the said period will be as follows :

1. Salary : Rs.175,000/- per Month (from 14th October, 2008 to 30th September, 2009)
2. Commission : 1% of the net profits of the Company subject to the overall ceiling laid down in section 198 and section 309 of the Companies Act, 1956
3. Perquisites : Perquisites shall be restricted to an amount equal to the annual salary. Perquisites are classified into three categories A, B & C as follows:

**CATEGORY A:**

House rent allowance, leave travel concession,, medical reimbursement, education allowance, fees of clubs and personal accident insurance as under:

- I. **HOUSING:** Furnished residential accommodation or house rent.
- II. **MEDICAL REIMBURSEMENT :** Expenses incurred for the Managing Director and his family.
- III. **EDUCATION ALLOWANCE :** Children's education allowance subject to a maximum of Rs. 5000/- per month per child upto maximum of two children.
- IV. **LEAVE TRAVEL CONCESSION :** For the Managing Director and his family, once in a year incurred in accordance with the Company's rules.
- V. **CLUB FEES :** Fees of Clubs subject to Maximum of two clubs. This will not include admission or life membership fees.
- VI. **PERSONAL ACCIDENT INSURANCE:** Premium as per the Company's rules.

**CATEGORY B :**

Contribution to provident fund, superannuation fund or annuity fund/gratuity fund under the Company's rules.

Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.



**35TH ANNUAL REPORT 2008-2009****CATEGORY C :**

Provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

Such other benefits amenities and facilities as per Company's rules, provided that the remuneration payable to the Managing Director (Including the salaries, commission, perquisites, benefit and amenities) does not exceed the limit laid down in section 198, 269 and 309 of the Companies Act, 1956 or any statutory modification or re-enactment.

"RESOLVED FURTHER THAT Mr. Mahesh B. Kothari, Managing Director be and is hereby authorised to alter, vary and modify the said remuneration including salary, allowances and perquisites in such a manner as may be agreed to between the Board and as approved by the Remuneration Committee from time to time and Mr. Hideshi Shiba within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act or any amendment(s) and /or any statutory modification(s) thereto, and is necessary as may be stipulated by the Central Government and as may be agreed to accordingly mutually."

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where, in any financial year during the currency of the term of Mr. Hideshi Shiba as Managing Director, the Company incurs a loss or its profit are inadequate, the Company shall pay to Mr. Hideshi Shiba remuneration by way of salary, allowances and perquisites within the limits specified in Part II of Schedule XIII of the said Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration pursuant to Section 198(4) of the Companies Act, 1956."

"RESOLVED FURTHER THAT pursuant to Article 160 of the Articles of Association of the Company, Mr. Hideshi Shiba shall not be eligible to retire by rotation."

"RESOLVED FURTHER THAT Mr. Mahesh B. Kothari, Managing Director, be and is hereby authorised to submit the necessary resolution after it is approved by the Remuneration Committee to Ministry of Corporate Affairs, New Delhi and take such steps as may be required".

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution Mr. Mahesh B. Kothari, Managing Director, be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary Proper or desirable and to settle any question, difficulties or doubts that may arise in this regards."

7. To Consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution for reappointment of Mr. Mahesh B. Kothari as a Managing Director:

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the consent of the company be and is hereby accorded to the re-appointment of Mr. Mahesh B. Kothari as Managing

**CEEKAY DAIKIN LIMITED**

Director of the Company for a further period of three years from 1<sup>st</sup> October, 2009 to 30<sup>th</sup> September, 2012 on the terms and condition setout here below :

1. Salary : Rs.200,000/- per Month, in scale of Rs. 25,000/-, Rs. 225,000/- to Rs.250,000/-
2. Commission : 1% of the net profit of the Company subject to the overall ceiling laid down in section 198 and section 309 of the Companies Act, 1956
3. Perquisites : Perquisites shall be restricted to an amount equal to the annual salary. Perquisites are classified into three categories A, B & C as follows:

**CATEGORY A :**

House rent allowance, leave travel concession, medical reimbursement, fees of clubs and personal accident insurance as under:

- I. HOUSING : Unfurnished residential accommodation subject to a ceiling of sixty percent of salary, over and above ten percent payable by the Managing Director or house rent allowance of Sixty percent in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued in accordance with Income Tax Rules, 1962. This Shall however, be subject to a ceiling of ten percent of the salary of the Managing Director.
- II. MEDICAL REIMBURSEMENT : Expenses incurred for the Managing Director and his family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- III. LEAVE TRAVEL CONCESSION : For the Managing Director and his family, once in a year incurred in accordance with the Company's rules.
- IV. CLUB FEES : Fees of Clubs subject to Maximum of two clubs. This will not include admission or life membership fees.
- V. PERSONAL ACCIDENT INSURANCE : Premium as per the Company's rules.

**CATEGORY B :**

Contribution to provident fund, superannuation fund or annuity fund/gratuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and as per the rules of the Company.

Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

**CATEGORY C :**

Provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

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"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, vary and modify the said remuneration including salary, allowances and perquisites in such a manner as may be agreed to between the Board and Mr. Mahesh B. Kothari within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act or any amendment(s) and /or any statutory modification(s) thereto, and is necessary as may be stipulated by the Central Government and as may be agreed to accordingly between the Board and Mr. Mahesh B. Kothari."

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where, in any financial year during the currency of the term of Mr. Mahesh B. Kothari as Managing Director, the Company incurs loss or its profits are inadequate, the Company shall pay to Mr. Mahesh B. Kothari remuneration by way of salary, allowances and perquisites within the limits specified in Part II of Schedule XIII of the said Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company (Hereinafter referred to as the "Board" which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the power conferred on the Board by this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise in this regards."

"RESOLVED FURTHER THAT because of any unavoidable circumstances due to which his term as Managing Director can not be completed, the company will compensate fully for the remainder of his appointment."

"RESOLVED FURTHER THAT Mr Hetay Vora, Company Secretary, be and is hereby authorised to submit the necessary resolutions after the approval of members in Annual General Meeting to The Ministry of Corporate Affairs, New Delhi and to do all such acts, things necessary for giving effects of these resolutions."

8. To Consider and if thought fit, to pass with or without modification(s), the following resolution as and Special Resolution for reappointment of Mr. Pradeep B. Chinai as Managing Director :

"RESOLVED THAT in accordance with the provision of Section 198, 269, 309, 310 read with Schedule XIII and all other applicable provision, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the consent of the Company be and is hereby accorded to the re-appointment of Mr. Pradeep B. Chinai as Managing Director of the Company for a further period of three years from 1<sup>st</sup> October, 2009 to 30<sup>th</sup> September, 2012 on the terms and condition setout here below :

1. Salary : Rs.200,000/- per Month, in scale of Rs. 25,000/-, Rs. 225,000/- to Rs.250,000/-
2. Commission : 1% of the net profit of the Company subject to the overall ceiling laid down in section 198 and section 309 of the Companies Act, 1956



**CEEKAY DAIKIN LIMITED**

3. Perquisites : Perquisites shall be restricted to an amount equal to the annual salary. Perquisites are classified into three categories A, B & C as follows:

**CATEGORY A :**

House rent allowance, leave travel concession, medical reimbursement, fees of clubs and personal accident insurance as under:

- I. HOUSING: Unfurnished residential accommodation subject to a ceiling of sixty percent of salary, over and above ten percent payable by the Managing Director or house rent allowance of Sixty percent in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued in accordance with Income Tax Rules, 1962. This shall however, be subject to a ceiling of ten percent of the salary of the Managing Director.
- II. MEDICAL REIMBURSEMENT : Expenses incurred for the Managing Director and his family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- III. LEAVE TRAVEL CONCESSION : For the Managing Director and his family, once in a year incurred in accordance with the Company's rules.
- IV. CLUB FEES : Fees of Clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- V. PERSONAL ACCIDENT INSURANCE: Premium as per the Company's rules.

**CATEGORY B :**

Contribution to provident fund, superannuation fund or annuity fund/gratuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and as per the rules of the Company.

Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

**CATEGORY C :**

Provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, vary and modify the said remuneration including salary, allowances and perquisites in such a manner as may be agreed to between the Board and Mr. Pradeep B. Chinai within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act or any amendment(s) and /or any statutory modification(s) thereto, and is necessary as may be stipulated by the Central Government and as may be agreed to accordingly between the Board and Mr. Pradeep B. Chinai."

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"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where, in any financial year during the currency of the term of Mr. Pradeep B. Chinai as Managing Director, the Company incurs loss or its profits are inadequate, the Company shall pay to Mr. Pradeep B. Chinai remuneration by way of salary, allowances and perquisites within the limits specified in Part II of Schedule XIII of the said Act or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company (Hereinafter referred to as the "Board" which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the power conferred on the Board by this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise in this regards."

"RESOLVED FURTHER THAT because of any unavoidable circumstances due to which his term as Managing Director can not be completed, the company will compensate fully for the remainder of his appointment."

"RESOLVED FURTHER THAT Mr Hetay Vora, Company Secretary, be and is hereby authorised to submit the necessary resolutions after the approval of members in Annual General Meeting to The Ministry of Corporate Affairs, New Delhi and to do all such acts, things necessary for giving effects of these resolutions."

9. To Consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution for reappointment of Mr. Hideshi Shiba as Managing Director :

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the consent of the Company be and is hereby accorded to the re-appointment of Mr. Hideshi Shiba as Managing Director of the Company for a further period of three years from 1<sup>st</sup> October, 2009 to 30<sup>th</sup> September, 2012 on the terms and condition set out here below:

1. Salary : Rs.200,000/- per Month, in scale of Rs. 25,000/-, Rs. 225,000/- to Rs.250,000/-
2. Commission : 1% of the net profit of the Company subject to the overall ceiling laid down in section 198 and section 309 of the Companies Act, 1956
3. Perquisites : Perquisites shall be restricted to an amount equal to the annual salary. Perquisites are classified into three categories A, B & C as follows:

**CATEGORY A :**

House rent allowance, leave travel concession, medical reimbursement, fees of clubs and personal accident insurance as under:

- I. HOUSING : Unfurnished residential accommodation subject to a ceiling of sixty percent of