

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of **Cenlub Industries Limited** will be held on Wednesday the 1st September 2010 at 9.00 AM at Rama Banquet Sector - 7, Faridabad (Haryana) to transact the following business:

Ordinary Business

1. To consider and adopt the audited Balance Sheet as at 31st March 2010, the Profit and loss Account for the year ended on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Ansh Mittal, who retires by rotation and is eligible for re-appointment
3. To appoint a Director in the place of Mr. Virendra Kumar Gupta, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. Dinesh Kaushal who retires by rotation and is eligible for re-appointment.
5. To appoint M/s Satish Singla & Co. Chartered Accountants Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an SPECIAL RESOLUTION :
“ Resolved that in accordance with the applicable provisions of the Companies Act 1956, Schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Virendra Kumar Mittal, the Managing Director of the company with effect from 1st April 2010 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an SPECIAL RESOLUTION :
“ Resolved that in accordance with the applicable provisions of the Companies Act 1956, Schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Aman Mittal, the Whole time Director of the company with effect from 1st April 2010 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
8. To consider and if thought fit, to pass with or without modification(s) the following resolution as an SPECIAL RESOLUTION :
“ Resolved that in accordance with the applicable provisions of the Companies Act 1956, Schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Smt. Madhu Mittal, the Whole time Director of the company with effect from 1st April 2010 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
9. To consider and if thought fit, to pass with or without modification(s) the following resolution as an SPECIAL RESOLUTION :
“ Resolved that in accordance with the applicable provisions of the Companies Act 1956, Schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Virendra Kumar Gupta, the Whole time Director of the company with effect from 1st April 2010 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
10. To consider and if thought fit, to pass with or without modification(s) the following resolution as an SPECIAL RESOLUTION :
“RESOLVED that, pursuant to the provision of section 198, 269 and 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such consents approvals and permissions as may be needed, Mr. Ansh Mittal be and is hereby reappointed as Whole Time Director of the company for a period of three years with effect from 1st May, 2010 on the terms and conditions of his appointment/Remuneration as set out in the agreement attached.”

"FURTHER RESOLVED that the Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to alter or vary the said terms and conditions as its discretion as it may deem fit and as acceptable to Mr.Ansh Mittal within the limits specified in the Schedule XIII of the Companies Act , 1956 or any amendment made hereinafter in that regard."

"FURTHER RESOLVED that the Remuneration Committee of Board of Directors of the company be and is hereby authorised to do all such acts deeds and things as may be necessary, requisite, desirable or expedient for giving effect to the foregoing resolution."

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

"RESOLVED THAT pursuant to the provision of section 198, 269 and 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to approval of members in general meeting and such consents, approvals and permissions as may be needed, Shri Vijendra Kumar Mittal be and is hereby appointed as Managing Director of the company for a period of 3 years with effect from 1st June, 2010 subject to the terms and conditions of his appointment/remuneration as set out in the Explanatory Statement annexed hereto."

"FURTHER RESOLVED that the remuneration Committee formed by the Board of Directors of the Company be and are hereby authorized to alter or vary the said terms and conditions as its discretion as it may deem fit and as acceptable to Shri Vijendra Kumar Mittal within the limits specified in the Schedule XIII of the Companies Act, 1956 or any amendment made hereinafter in that regard."

"FURTHER RESOLVED that the remuneration Committee formed by the Board of Directors of the Company be and are hereby authorized to do all such acts, matters and things as may be necessary, requisite, desirable or expedient for giving effect to the foregoing Resolution."

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

"RESOLVED THAT pursuant to the provision of Section 198, 269 and 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII as amended and subject to approval of members in general meeting and such consents, approvals and permissions as may be needed, Mr.Aman Mittal whose tenure of directorship ended on 30-09-2010, be and is hereby reappointed as Whole Time Director of the company for a further period of three years with effect from 1st August, 2010 subject to the terms and condition as placed before the Board."

"FURTHER RESOLVED that in the event of any statutory amendment or modification or relaxation in the provisions relating to payment of remuneration to the managerial persons or to Schedule XIII to the Companies Act,1956, the remuneration committee be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, etc. within such prescribed limits."

"FURTHER RESOLVED that Shri Virendra Kumar Gupta , Whole Time Director of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary, requisite, desirable or expedient for giving effect to the foregoing Resolution."

13. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS A ORDINARY RESOLUTION:

Resolved that pursuant to the provision of clause 49 of the listing agreement with the Stock Exchange , the consent of the company be and is hereby accorded for payment of Rs.2000/-(Rs. Two Thousand only) or such other amount may be approved by the Board of Directors subject to the ceiling prescribed under the Companies Act,1956 or rules framed there under, as amended from time to time, as sitting fees for each meeting for each meeting of the Board of Directors or committee(s)thereof, attended by the Non-executive Directors of the Company.

BY ORDER OF THE BOARD OF DIRECTORS
FOR CENLUB INDUSTRIES LIMITED

Place : FARIDABAD
Date : 24.07.2010

VIJENDRA KUMAR MITTAL
CHAIRMAN & MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE FORM OF PROXY IS ENCLOSED. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August -2010 to 1st September -2010 (both days inclusive).
3. Please quote your folio number in all correspondence for each type of query/complaint.
4. Members are requested to forward all queries regarding Accounts at the Registered Office of the Company on or before 20th August-2010.
5. Shri Ansh Mittal, Shri Virendra Kumar Gupta and Shri Dinesh Kaushal, Directors retire by rotation and being eligible offer themselves for re-appointment. The Information pursuant to Corporate Governance clause 49 of the Listing Agreement(s) is furnished in the statement of Corporate Governance and is a part with this Annual Report.
6. Shareholders are requested to bring their copy of the Annual Report to the meeting.
7. Members / Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
8. Members who hold shares in the dematerialized form are requested to bring their Client_ID and DP_ID to the meeting for easier identification.
9. In case of joint holders attending the meeting, only such joint holder who is First in the order of names will be entitled to vote.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT (PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956)

ITEM No.6,

The Remuneration Committee of the Board of Directors of your company at its meeting held on 29.03.2010 & 20.07.2010 recommend, approved, subject to the approval of the Members, modification with effect from 1st April 2010 in the terms of remuneration paid or payable to Shri Vijendra Kumar Mittal, Managing Director of the Company. The gist of terms of the agreement entered by the Company with him are given below herewith

1. That Shri Vijendra Kumar Mittal was appointed as Managing Director of the company for a period of three years w.e.f 1st June 2007 duly approved by the shareholders in their Annual General Meeting held on 18th September 2007.
2. That the remuneration of Shri Vijendra Kumar Mittal, Managing Director of Rs 91,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on 19th September 2009.
3. That the remuneration of Shri Vijendra Kumar Mittal, be increased from the present Salary of Rs. 91,000/- to Rs 2,00,000/ P.M as approved by the Remuneration Committee of Directors of the Company, at their meeting held on 29th March- 2010. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 2,00,000/- per month will be paid as minimum remuneration.
4. That Gratuity payable to Shri Vijendra Kumar Mittal Director of the company would not exceed half a month of salary for each completed year of his services to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
5. That the other terms and conditions of his appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Mr Vijendra Kumar Mittal is available for inspection at the Registered office of the company any day between 10.00 A.M. to 3.00 P.M till the date of the Annual General Meeting of the company

Your Directors recommend the resolution for approval of the Share holders.

None of the directors of the company except Shri Vijendra Kumar Mittal, Shri Aman Mittal, Shri Ansh Mittal and Mrs. Madhu Mittal, are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval .

ITEM No.7,

The Remuneration Committee of the Board of Directors of your company at its meeting held on 29.03.2010 recommended, approved, subject to the approval of the Members, modification with effect from 1st April 2010 in the terms of remuneration paid or payable to Shri Aman Mittal, Whole Time Director of the Company. The gist of terms of the agreement entered by the Company with him are given below herewith

1. That Shri Aman Mittal was appointed as Whole Time Director of the company for a period of Five years w.e.f 1st October 2005 duly approved by the shareholders in their Annual General Meeting held on 29th September 2006.
2. That the remuneration of Shri Aman Mittal, Whole Time Director of Rs 55,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on 15th September 2008.
3. That the remuneration of Shri Aman Mittal, be increased from the present Salary of Rs. 55,000/- to Rs 75,000/ P.M as approved by the Remuneration Committee of Directors of the Company, at their meeting held on 29th March- 2010. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 75,000/- per month will be paid as minimum remuneration.
4. That Gratuity payable to Shri Aman Mittal Director of the company would not exceed half a month of salary for each completed year of his services to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
5. That the other terms and conditions of his appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Shri Aman Mittal is available for inspection at the Registered office of the company any day between 10.00 A.M. to 3.00 P.M till the date of the Annual General Meeting of the company

Your Directors recommend the resolution for approval of the Share holders.

None of the directors of the company except Shri Vijendra Kumar Mittal, Shri Aman Mittal Shri Ansh Mittal and Mrs. Madhu Mittal , are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval .

ITEM No.8,

The Remuneration Committee of the Board of Directors of your company at its meeting held on 29.03.2010 recommend, approved, subject to the approval of the Members, modification with effect from 1st April 2010 in the terms of remuneration paid or payable to Smt. Madhu Mittal, Whole Time Director of the Company. The gist of terms of the agreement entered by the Company with him are given below herewith

1. That Smt. Madhu Mittal was appointed as Whole Time Director of the company for a period of Three years w.e.f 1st April 2008 duly approved by the shareholders in their Annual General Meeting held on 15th September 2008.
2. That the remuneration of Smt. Madhu Mittal, Whole Time Director of Rs 35,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on 15th September 2008.
3. That the remuneration of Smt. Madhu Mittal, be increased from the present consolidated Salary of Rs. 35,000/- to Rs. 50,000/ P.M as approved by the Remuneration Committee of Directors of the Company, at their meeting held on 29th March, 2010. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 50,000/- per month will be paid as minimum remuneration.
4. That Gratuity payable to Smt. Madhu Mittal Director of the company would not exceed half a month of salary for each completed year of his services to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
5. That the other terms and conditions of his appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Smt. Madhu Mittal is available for inspection at the Registered office of the company any day between 10.00 A.M. to 3.00 P.M till the date of the Annual General Meeting of the company

Your Directors recommend the resolution for approval of the Share holders.

None of the directors of the company except Smt. Madhu Mittal Shri Vijendra Kumar Mittal, Shri Aman Mittal, and Shri Ansh Mittal, are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval .

ITEM No.9,

The Remuneration Committee of the Board of Directors of your company at its meeting held on 29.03.2010 recommended, approved, subject to the approval of the Members, modification with effect from 1st April 2010 in the terms of remuneration paid or payable to Shri Virendra Kumar Gupta, Whole Time Director of the Company. The gist of terms of the agreement entered by the Company with him are given below herewith

1. That Shri Virendra Kumar Gupta was appointed as Whole Time Director of the company for a period of Three years w.e.f 1st August- 2008 duly approved by the shareholders in their Annual General Meeting held on 15th September 2008.
2. That the remuneration of Shri Virendra Kumar Gupta, Whole Time Director of Rs 35,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on 15th September 2008.
3. That the remuneration of Shri Virendra Kumar Gupta, be increased from the present consolidated Salary of Rs. 35,000/- to Rs 50,000/ P.M as approved by the Remuneration Committee of Directors of the Company, at their meeting held on 29th March- 2010. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 50,000/- per month will be paid as minimum remuneration.
4. That Gratuity payable to Shri Virendra Kumar Gupta Whole Time Director of the company would not exceed half a month of salary for each completed year of his services to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
5. That the other terms and conditions of his appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Shri Virendra Kumar Gupta is available for inspection at the Registered office of the company any day between 10.00 A.M. to 3.00 P.M till the date of the Annual General Meeting of the company

Your Directors recommended the resolution for approval of the Share holders.

None of the directors of the company except Shri Virendra Kumar Gupta, are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval .

ITEM No.10,

Shri Ansh Mittal aged 26 years is B.E. (Comp. Sc.). He had developed projects designed using Ado.Net and SQL SERVER 7.0. Shri Ansh Mittal, Whole Time Director - looks the IT needs of the company. He has also been involved with the designing processes of our new products. The Whole Time Director shall conduct the day to day management of the company subject to the directions and control of Board of Directors and shall perform such other duties and services and exercises such powers as shall from time to time, be entrusted to him by the Board of Directors.

Shri Ansh Mittal is reappointed as Whole Time Director of the company for a period of 3 years w.e.f. 1st May- 2010 on the terms and conditions hereinafter contained.

The Remuneration Committee had considered and recommend for the appointment of Shri Ansh Mittal as a Whole Time Director of the company for a period of 3 years on the terms and conditions given below now placed before the Shareholders for approval in their General meeting:

AGREEMENT WITH SHRI ANSH MITTAL

REMUNERATION

The Company shall pay the following remuneration to Shri Ansh Mittal as Whole Time Director.

1. SALARY AND OTHER FIXED ALLOWANCES :

Remuneration of Shri Ansh Mittal shall include a salary of Rs.50,000/- per month and House Rent allowance of Rs 25000/- inclusive of all other allowances subject to the approval of members in general meeting. In case of inadequacy of profits or incase of loss incurred by the company the remuneration fixed from time to time in accordance with the Schedule XIII as per the clause will be paid as minimum remuneration.

2. PERQUISITIES :

The Whole Time Director should be entitled for Perquisites which shall be allowed in addition to salary Subject to the limit of Rs. 25,000/- P.M.

CATAGORY – A

This will comprise house rent allowance, leave travel, commission, medical reimbursement, fees on clubs and personal accident insurance. These may be provided for as under.

(i) Housing I

The expenditure by company on hiring unfurnished accommodation for the appointee will be subject to the following ceiling: Mumbai, Kolkatta, Delhi and Madras :Sixty percent of the salary, over and above twenty percent payable by the appointee.

Other places : Fifty percent of the ,salary, over and above twenty percent payable by the appointee.

(ii) Housing II

In case the accommodation is owned by the company, twenty percent of the salary of the appointee shall be deducted by the company

(iii) Housing III

In case no accommodation is provided by the company, the appointee shall be entitled to house rent allowances of Rs 25000/- p.m..

Explanation:

(i) The expenditure incurred by company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall however, be subject to a ceiling of twenty percent of salary of the person proposed to be appointed.

(ii) Medical Reimbursement :

Expenses incurred for the person to be appointed and the family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

(iii) Leave Travel Concession:

For the person proposed to be appointed and his family, once in a year incurred in accordance with the rules specified by the company.

(iv) Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

(v) Personal Accident Insurance:

Premium not to exceed Rs. 2,000/- per annum.

CATEGORY – B

Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act. Gratuity payable should not exceed half a month's salary for each completed year of service.

CATEGORY – C**1) Company Car with Driver**

The Whole Time Director shall be provided a company's car with a driver for his official use. However, the use of car for the private purpose shall be billed by the company to the Whole Time Director.

2) Free Telephone At Residence

The Director shall be provided not more than one telephone at his residence. However all long distance personal calls shall be allowed to encashed

3) The Whole Time Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one months after every 11 months of service. The leaves accumulated but not availed of will not be allowed to encashed.

4) So long as Shri Ansh Mittal functions as Whole Time Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.

5) The Head Quarter of the Whole Time Director shall be at Faridabad where he has to stay regularly for attending to his office.

6) The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or indirectly through his father, brother or mother in any selling Agency of the Company in future without the prior approval of the Company Law Board or such authority as may exist from time to time.

7) This agreement may notwithstanding the period of Three years mentioned in clause I hereof, be terminated by either party giving to the other six months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of Section 318 of the Companies Act, 1956.

8) Any dispute of different whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

9) The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

The copy of the agreement entered by the company with Shri Ansh Mittal is available for inspection at the Registered office of the company any day between 10.00A.M. to 3.00 P.M till the date of the Annual General Meeting of the company.

Your Directors recommended the resolution for approval of the Shareholders.

None of the directors of the company except Shri Vijendra Kumar Mittal, Smt Madhu Mittal and Shri Aman Mittal being related to Shri Ansh Mittal, is concerned or interested in the above said resolution.

ITEM NO.11,

Shri Vijendra Kumar Mittal a Mechanical Engineer with M.Sc.(Physics), M.sc. (Mech.Engg.) specialization in Machine Tools from Moscow. He has worked at senior position in TELCO for 10 years. He is a promoter of this company and under his able leadership the company is growing very well.

Shri Vijendra Kumar Mittal is reappointed as Managing Director of the company for a period of 3 years w.e.f. 1st June 2010 on the terms and conditions hereinafter contained.

The Remuneration Committee had considered and recommended for the appointment of Shri Vijendra Kumar Mittal as a Managing Director of the company for a period of three years on the terms and conditions given below now placed before the Shareholders for approval in their meeting:

AGREEMENT WITH SHRI VIJENDRA KUMAR MITTAL

REMUNERATION

The Company shall pay the following remuneration to Shri.Vijendra Kumar Mittal as Managing Director.

SALARY AND OTHER FIXED ALLOWANCES :

Rs.2,00,000/- per month including dearness and all other allowances. In case of inadequacy of profits or incase of loss incurred by the company the remuneration of Rs.2,00,000/- p.m. will be paid as minimum remuneration.

II. COMMISSION :

Since commission is also payable along with the salary, it shall not be more than one percent of the net profits of the company subject to a ceiling of Fifty percent of the salary or Rs.4,00,000/- per annum, whichever is less.

III PERQUISITIES :

Perquisites may be allowed in addition to salary and commission both. In case of person posted at Bombay, Kolkatta, Delhi and Madras, perquisites shall be restricted to an amount of Rs.Rs.6,00,000/- per annum..

CATAGORY – A

This will comprise house rent allowances, leave travel, commission, medical reimbursement, fees on clubs and personal accident insurance. These may be provided for as under.

(i) Housing I

The expenditure by company on hiring unfurnished accommodation for the appointee will be subject to the following ceiling:

Bombay, Kolkatta, Delhi and Madras :

Sixty percent of the salary, over and above ten percent payable by the appointee.

Other places : Fifty percent of the ,salary, over and above ten percent payable by the appointee.

(ii) Housing II

In case the accommodation is owned by the company, ten percent of the salary of the appointee shall be deducted by the company.

(iii) Housing III

In case no accommodation is provided by the company, the appointee shall be entitled to house rent allowances subject to the ceiling laid down in Housing I.

Explanation:

The expenditure incurred by company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall however, be subject to a ceiling of ten percent of salary of the person proposed to be appointed.

(ii) Medical Reimbursement :

Expenses incurred for the person to be appointed and the family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

(iii) Leave Travel Concession:

For the person proposed to be appointed and his family, once in a year incurred in accordance with the rules specified by the company.

(iv) Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

(v) Personal Accident Insurance:

Premium not to exceed Rs. 5,000/- per annum.

Explanation – For the purposes of Category –A, 'Family' means the spouse, the dependant children and dependent parents of the appointee.

CATEGORY – B

Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act. Gratuity payable should not exceed half a month's salary for each completed year of service.

CATEGORY – C**1) Company Car with Driver**

The Managing Director shall be provided a company's car with a driver for his use. However, the use of car for the private purpose shall be billed by the company to the Managing Director.

2) Free Telephone At Residence

The Director shall be provided not more than one telephone at his residence. However all long distance personal calls shall be allowed to encash.

The Managing Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one months after every 11 months of service. The leaves accumulated but not availed of will not be allowed to encashed.

So long as Shri Vijendra Kumar Mittal functions as Managing Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.

The Head Quarter of the Managing Director shall be at Faridabad where he has to stay regularly for attending to his office.

The Managing Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife, sons or unmarried daughters in any selling Agency of the Company in future without the prior approval of the Company Law Board.

This agreement may notwithstanding the period of three years mentioned in clause I hereof, be terminated by either party giving to the other six months notice in writing, in the event of termination of the appointment of Managing Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of Section 318 of the Companies Act, 1956.

Any dispute of difference whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

The copy of the agreement entered by the company with Shri Vijendra Kumar Mittal is available for inspection at the Registered office of the company any day between 10.00A.M. to 3.00 P.M till the date of the Annual General Meeting of the company. Your Directors recommend the resolution for approval of the Shareholders.

None of the directors of the company except Smt Madhu Mittal, Shri Aman Mittal and Shri Ansh Mittal being related to Shri Vijendra Kumar Mittal, is concerned or interested in the above said resolution.

ITEM No.12

Mr. Aman Mittal ,aged 37 years ,Engineer by profession had completed B.E. (Electronics & Communication). He had 12 years Post Qualification Experience in setting up new markets, Production & Administration Department. As a whole time Director he had been entrusted with the responsibilities of Independently handing 2nd unit of the Company at Bangluru. The Remuneration Committee had considered the contribution made by the Bangluru unit in the growth of the company and recommend for the reappointment of Shri Aman Mittal as a Whole Time Director of the company for a period of three yeas on the terms and conditions given below now placed before the Shareholders for approval in their General meeting:

Shri Aman Mittal is re-appointed as Whole Time Director of the company for a period of three years w.e.f. 1st August 2010 on the terms and conditions hereinafter contained.

The Whole Time Director shall conduct the day to day management of the company subject to the directions and control of Board of Directors and shall perform such other duties and services and exercises such powers as shall from time to time, be entrusted to him by the Board of Directors.

AGREEMENT WITH MR AMAN MITTAL

REMUNERATION:

The Company shall pay the following remuneration to Shri. Aman Mittal as Whole Time Director.

SALARY AND OTHER FIXED ALLOWANCES :

Rs.75,000/- per month including dearness and all other allowances. In case of inadequacy of profits or incase of loss incurred by the company the remuneration of Rs.75,000/- p.m. will be paid as minimum remuneration.

II PERQUISITIES :

The Whole Time Director should be entitled for Perquisites which shall be allowed in addition to salary .

CATAGORY – A

This will comprise house rent allowances, leave travel, commission, medical reimbursement, fees on clubs and personal accident insurance. These may be provided for as under.