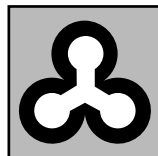


# **ANNUAL REPORT**

**FOR THE YEAR ENDED 31ST MARCH 2016**



**Group  
Cheviot**

**CHEVIOT COMPANY LIMITED**



**BOARD OF DIRECTORS**

MR. HARSH VARDHAN KANORIA - *Chairman and Managing Director, Chief Executive Officer - DIN 00060259*

MR. NAWAL KISHORE KEJRIWAL - *Wholetime Director - DIN 00060314*

MR. NAVIN NAYAR - *Independent Director - DIN 00136057*

MR. PARAG KESHAR BHATTACHARJEE - *Independent Director - DIN 00081899*

MR. SUSHIL DHANDHANIA - *Independent Director - DIN 00484489*

MR. PADAM KUMAR KHAITAN - *Independent Director - DIN 00019700*

MRS. MALATI KANORIA - *Non-Executive Director - DIN 00253241*

**SENIOR MANAGEMENT**

MR. UTKARSH KANORIA

MR. DEBDAS MAZUMDAR

MR. DEO KISHAN MOHTA

**CHIEF FINANCIAL OFFICER**

MR. MADHUP KUMAR PATNI

**COMPANY SECRETARY**

MR. ADITYA BANERJEE

**AUDITORS**

JAIN & COMPANY

Chartered Accountants

**BANKERS**

STATE BANK OF INDIA

CITIBANK N.A.

AXIS BANK LTD.

**REGISTRAR AND SHARE TRANSFER AGENT**

MAHESHWARI DATAMATICS PRIVATE LIMITED

6, MANGOE LANE, 2ND FLOOR, KOLKATA - 700 001

PHONE : 033-2243 5029 / 5809, FAX : 033-2248 4787

E-MAIL : mdpldc@yahoo.com

**REGISTERED OFFICE**

24, PARK STREET,

MAGMA HOUSE, (9TH FLOOR)

KOLKATA - 700 016

PHONE : +91 8232087911/12/13

FAX : 033-2249 7269 / 2217 2488

E-MAIL : cheviot@chevjute.com

WEBSITE : www.groupcheviot.net

CIN : L65993WB1897PLC001409

**CONTENTS**

FINANCIAL HIGHLIGHTS	2
NOTICE	3 - 10
DIRECTORS' REPORT	11 - 48
AUDITORS' REPORT	49 - 53
BALANCE SHEET	54
STATEMENT OF PROFIT AND LOSS	55
CASH FLOW STATEMENT	56 - 57
NOTES TO THE FINANCIAL STATEMENTS	58 - 78

**PLANTS LOCATION**

19, MEHTA ROAD, BADEKALINAGAR

BUDGE-BUDGE

24-PARGANAS (SOUTH) - 700 137

WEST BENGAL

**SECTOR II**

FALTA SPECIAL ECONOMIC ZONE

FALTA, 24-PARGANAS (SOUTH) - 743 504

WEST BENGAL

## TEN YEARS FINANCIAL HIGHLIGHTS

Year ended	Share capital* (₹ in Lakhs)	Reserves and surplus** (₹ in Lakhs)	Net worth** (₹ in Lakhs)	Revenue from operations (net) (re-grouped) (₹ in Lakhs)	Net profit for the year (₹ in Lakhs)	Earnings per ordinary share (F.V. of ₹ 10/- each) (₹)	Book value per ordinary share (₹)	Dividend per ordinary share (₹)
<b>31-03-2007</b>	451.48	17,722.81	18,174.29	15,617.51	2,281.57	50.58	402.87	8.00
<b>31-03-2008</b>	451.48	22,321.94	22,773.42	17,937.04	2,199.10	48.75	504.81	10.00
<b>31-03-2009</b>	451.48	23,150.95	23,602.43	18,810.56	1,197.56	26.55	523.19	6.00
<b>31-03-2010</b>	451.48	24,327.30	24,778.78	17,479.49	1,640.98	36.38	549.27	8.00
<b>31-03-2011</b>	451.48	26,543.93	26,995.41	30,738.47	2,883.62	63.92	598.40	12.00
<b>31-03-2012</b>	451.48	28,714.16	29,165.64	29,232.80	2,886.91	63.99	646.51	13.00
<b>31-03-2013</b>	451.48	30,962.77	31,414.25	28,905.85	3,071.42	68.08	696.35	15.00
<b>31-03-2014</b>	451.48	32,817.67	33,269.15	27,843.13	2,680.38	59.42	737.47	15.00
<b>31-03-2015</b>	451.48	35,243.36	35,694.84	26,699.53	3,458.09	76.65	791.24	17.00
<b>31-03-2016</b>	451.48	41,357.95	41,809.43	34,303.80	3,647.47	80.85	926.78	17.00

\* Share capital includes amount forfeited amounting to ₹ 0.35 Lakhs.

\*\* Reserves and surplus and Net worth include revaluation reserves arising on revaluation of certain fixed assets.

## NOTICE

### TO THE MEMBERS

**Notice** is hereby given that the Annual General Meeting (AGM) of the Members of Cheviot Company Limited will be held at The Sitaram Seksaria Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017 on Friday, 29th July, 2016 at 11 a.m. to transact the following business :

#### Ordinary Business :

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2016 and the reports of the Board of directors and auditors thereon.
2. To confirm the payment of interim dividend on ordinary shares for the financial year ended 31st March, 2016.
3. To appoint a director in place of Mr. Nawal Kishore Kejriwal (holding DIN 00060314), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Jain & Co., Chartered Accountants (ICAI Registration No. 302023E), as statutory auditors of the Company, as approved by the members at the annual general meeting of the Company held on 8th August, 2014, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting on a remuneration to be mutually agreed upon with the Board of directors for the financial year 2016-2017.

#### Special Business :

5. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft new set of Articles of Association of the Company placed before the meeting, duly initialed by the Chairman and Managing Director for the purpose of identification, be and are hereby approved and adopted as the new set of Articles of Association of the Company in substitution and to the entire exclusion of the existing Articles of Association of the Company.

FURTHER RESOLVED THAT the Board of directors of the Company including Committee thereof be and is hereby authorised to do all such acts and things and to take all such steps as may be necessary to give effect to this resolution.”

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V thereto and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby granted to the re-appointment of Mr. Nawal Kishore Kejriwal (Mr. Kejriwal) (holding DIN 00060314), as Wholetime Director of the Company for a further period of two years with effect from 1st June, 2016, whose office shall be liable to determination by retirement of directors by rotation, on the terms and conditions as to remuneration and otherwise as set out in the letter of re-appointment (a draft of which initialed by the Chairman and Managing Director for identification was laid on the table) to be issued to Mr. Kejriwal and also given in the statement annexed to this notice.

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during the aforesaid period of two years, the Company will pay to Mr. Kejriwal remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule V to the Act or any modification(s) or re-enactment thereof as minimum remuneration, subject to such approvals as may be required.”

7. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

“RESOLVED THAT in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of directors of the Company including Committee thereof to create such charge, mortgage and hypothecation in addition to the existing charge, mortgage and hypothecation created by the Company, on the movable and immovable properties of the Company wheresoever situate, both present and future and the whole of the undertaking of the Company and/or to give the power to

**NOTICE** (Contd.)

take over the management of the business and concern of the Company in certain events (whether such power is contained in the documents creating the hypothecation, mortgage and/or charge or otherwise) to or in favour of Export Import Bank of India (EXIM Bank) to secure Rupee Term Loan not exceeding ₹ 1 Crore (Rupees one crore only) sanctioned by EXIM Bank and in favour of State Bank of India (SBI) to secure working capital facilities not exceeding ₹ 30 Crores (Rupees thirty crores only) sanctioned by SBI together with interest thereon at the agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to EXIM Bank and SBI under their respective sanction letters in such form and manner and with such ranking for priority and at such times as the Board of directors of the Company including Committee thereof may deem fit.

FURTHER RESOLVED THAT the Board of directors of the Company including Committee thereof be and is hereby authorised to execute security documents with Export Import Bank of India and State Bank of India for creating mortgage and/or charge and to do all such acts and things and to take all such steps as may be necessary to give effect to this resolution."

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the payment of commission for a period of five years commencing from 1st April, 2017 to the non-executive directors, including independent directors of the Company (i.e. directors other than the Managing Directors and / or Wholtime Directors) as may be decided by the Board of directors from time to time, provided that the total commission payable to the non-executive directors, including independent directors of the Company shall not exceed one percent of the net profits of the Company for that financial year as computed in the manner specified under Section 198 of the Act, with authority to the Board of directors to determine the manner and proportion in which the amount be distributed among non-executive directors, including independent directors of the Company."

9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 32,500/- plus applicable taxes and re-imbursement of out of pocket expenses payable to M/s D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), who has been appointed by the Board of directors of the Company as cost auditor to conduct an audit of the cost accounting records maintained by the Company for the year ending 31st March, 2017 be and is hereby ratified."

Kolkata, 25th May, 2016  
CIN : L65993WB1897PLC001409  
Registered Office:  
24, Park Street,  
'Magma House', (9th Floor),  
Kolkata - 700 016  
Website : [www.groupcheviot.net](http://www.groupcheviot.net)

By Order of the Board,  
CHEVIOT COMPANY LIMITED  
CS Aditya Banerjee  
Company Secretary

**NOTICE** (Contd.)**NOTES :**

1. **The Register of Members and the Share Transfer Register of the Company will remain closed from Saturday, 23rd July, 2016 to Friday, 29th July, 2016 (both days inclusive).**
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
3. Members/Proxies are requested to bring the attendance slip along with their copy of Annual Report with them at the AGM.
4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
5. Dividend which remain unpaid / unclaimed over a period of seven years will have to be transferred by the Company to "Investor Education and Protection Fund" of the Central Government under Sections 205A & 205C of the Companies Act, 1956. Accordingly, all unpaid/unclaimed amounts in respect of dividends paid by the Company for the financial year ended 31st March, 2008 have been transferred to the said Fund. Unpaid / unclaimed dividend for the financial year ended 31st March, 2009 will become due for transfer during August, 2016. Shareholders are advised to encash the unpaid dividend warrants before transfer to the above referred Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 13th August, 2015 (date of previous year AGM) on the website of the Company ([www.groupcheviot.net](http://www.groupcheviot.net)), as also on the website of Ministry of Corporate Affairs.

6. Members are hereby informed that Securities and Exchange Board of India (SEBI) has made it mandatory for all the listed companies to make cash payments through electronic payment modes to the investors. It is further directed that in case electronic payment is rejected or returned, the Company shall mandatorily print the bank account details of the investor on payment instrument. Members are requested to provide their updated bank account particulars allotted after implementation of CBS to enable the Company to electronically credit dividend directly in their respective bank accounts.

Members holding the Company's shares in dematerialised form are requested to intimate all changes relating to their bank account details, change in their registered address, e-mail ID, nomination, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates etc. to their respective Depository Participants (DPs), if they have not done so already. Members holding the Company's shares in physical form are requested to intimate such changes to the Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Pvt. Ltd.

7. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company at least 10 (Ten) days in advance of the meeting i.e. by 19th July, 2016, so that proper information can be made available at the AGM.
8. Members who hold shares in dematerialised form are requested to bring their Client ID and DP numbers for prompt identification while recording attendance at the AGM.
9. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order or names, are requested to send the share certificates to the Company's Registrar and Share Transfer Agent for consolidation into a single folio.
10. Members who are yet to provide required particulars for the purpose of maintaining records in the new format of Register of Members pursuant to Section 88(1)(a) of the Companies Act, 2013 and rule 3(1) of the Companies (Management and Administration) Rules, 2014 are requested to intimate following information to the Company's Registrar and Share Transfer Agent, as may be applicable for respective members :

**NOTICE** (Contd.)

I. E-mail ID; II. Permanent Account Number (PAN) or Corporate Identification Number (CIN); III. Father's/ Mother's/ Spouse Name; IV. Unique Identification Number (Aadhar No.); V. Occupation; VI. Status; VII. Nationality; VIII. In case member is a minor, name of guardian and date of birth of minor member; IX. Name and address of nominee (in Form SH-13).

**11. Brief details of director seeking re-appointment at the ensuing AGM :**

Mr. Nawal Kishore Kejriwal (Mr. Kejriwal), (holding DIN 00060314), who was appointed as a Wholetime Director of the Company at the AGM held on 8th August, 2014, retires from the Board by rotation at the forthcoming AGM, and being eligible, offers himself for re-appointment.

Information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as under :

Mr. Kejriwal, aged 73 years, is a commerce graduate and holds a bachelor degree of law. Mr. Kejriwal has a long association with the Company. He has wide range of experience in management, marketing and administration. The Company will be benefitted by his rich experience and knowledge.

None of the directors on the Board of the Company are related to Mr. Kejriwal.

Mr. Kejriwal does not hold directorship and / or membership of Committees of the Board in any other listed Companies.

Number of Share held in the Company : 300 Shares.

**12. Voting through electronic means :**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, The Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on resolutions set forth in this notice by electronic means from a place other than venue of the AGM ("remote e-voting"). The remote e-voting service will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM venue and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right to cast vote through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period shall commence on Tuesday, 26th July, 2016 (10:00 a.m.) and end on Thursday, 28th July, 2016 (5:00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Friday, 22nd July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under :
  - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
    - i. Open the PDF file viz; "Cheviot Company Limited remote e-voting.pdf" attached to the e-mail with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - iii. Click on Shareholder – Login
    - iv. Put user ID and password as initial password noted in step (i) above. Click Login.
    - v. Password change menu appear. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



**NOTICE** (Contd.)

- vi. Home page of remote e-voting will open. Click on remote e-voting: Active Voting Cycles.
  - vii. Select "EVEN" of "Cheviot Company Limited".
  - viii. Now you are ready for remote e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once you have confirmed your vote on the resolution, you will not be allowed to modify your vote.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to [evoting@chevjute.com](mailto:evoting@chevjute.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a member receives physical copy of the notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- (i) A separate letter containing remote e-voting particulars together with notice shall be despatched at the address of the member as per records available with the Company. The remote e-voting particulars shall include :
 

EVEN (Remote e-voting Event Number);	USER ID;	PASSWORD
--------------------------------------	----------	----------
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any query, you may refer the frequently asked questions (FAQs) for members and remote e-voting user manual for members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. : 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up ordinary share capital of the Company as on the cut-off date, Friday, 22nd July, 2016.
- X. Any person, who acquires share(s) of the Company and becomes member of the Company after despatch of the notice of AGM and holding shares as on the cut-off date, Friday, 22nd July, 2016, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you forgot your password or your login is disabled upon five unsuccessful attempts to key-in the correct password, you can reset your password by using "Forgot user ID/password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. : 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, Friday, 22nd July, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Ms. Suhana Islam, a practising advocate at Calcutta High Court, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

**NOTICE** (Contd.)

- XIV. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company ([www.groupcheviot.net](http://www.groupcheviot.net)) and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.
13. The notice of the AGM, inter-alia, indicating the process and manner of remote e-voting alongwith Attendance Slip, Proxy Form and the Annual Report for 2016 are available on the Company's website ([www.groupcheviot.net](http://www.groupcheviot.net)).
14. Route-map to the venue of the AGM is annexed for the convenience of the members.
15. All documents referred to in the accompanying notice and the statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours prior to the date of the AGM between 10.00 a.m. and 12.00 noon and will also be available for inspection at the AGM.
16. The statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business set out in the notice, is annexed hereto.

**STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 5**

The Articles of Association of the Company currently in force were adopted in accordance with the provisions of the Companies Act, 1956.

With the enactment of Companies Act, 2013 ("the Act") and its substantial Sections having come into force, it is now expedient to replace the existing Articles of Association with new set of Articles of Association.

As per the provisions of Section 14 of the Act, alteration of the Articles of Association of the Company needs to be approved by the members of the Company.

The proposed new set of Articles of Association of the Company may be inspected by any Member at the Registered Office of the Company on any working day prior to the date of the meeting between 10.00 a.m. and 12.00 noon and will also be available for inspection at the AGM.

None of the directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommend passing of the proposed Special Resolution as set out at Item No. 5 of the notice.

**Item No. 6**

Mr. Nawal Kishore Kejriwal (Mr. Kejriwal), aged 73 years (holding DIN 00060314) is a commerce graduate and holds a bachelor degree in law. He has been associated with the Company for the last several years in his capacity as Wholetime Director. Mr. Kejriwal is a member in stakeholders relationship committee and committee of directors of the Board of directors of the Company.

The present term of office of Mr. Kejriwal will expire on 31st May, 2016. In view of his experience and useful contribution made to the Company's growth, the Board of Directors recommend his re-appointment as Wholetime Director, for a further period of two years with effect from 1st June, 2016, whose period of office shall be liable to determination by retirement of directors by rotation, on the terms and conditions mentioned in the draft letter of appointment to be issued to Mr. Kejriwal.

The principal terms and conditions including the remuneration governing the re-appointment of Mr. Kejriwal are set out below :

1. Salary: ₹ 1,55,000 per month or such other sum not exceeding ₹ 2,00,000 per month as may be determined by the Chairman and Managing Director from time to time.