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## NOTICE

The Sixty-Eighth Annual General Meeting of Eastern Silk Industries Ltd. (CIN. L17226WB1946PLC013554) will be held on Wednesday, the 25<sup>th</sup> June, 2014 at 11:00 A.M. at Kala Kunj, 48, Shakespeare Sarani, Kolkata – 700 017, to transact the following business:

**ORDINARY BUSINESS**

- To receive, consider and adopt the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date together with the report of the Directors and Auditors thereon.
- To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

“RESOLVED that pursuant to the provisions of section 139 (2) and 142(1) of the Companies Act, 2013, M/s B. K Shroff & Co, Chartered Accountants, Kolkata (Firm Registration No 302166E) the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company for a period of three (3) years subject to ratification by members at every Annual General Meeting commencing from the conclusion of this Annual General Meeting until the conclusion of the Seventy First Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis.”

**SPECIAL BUSINESS :**

- 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 Section 196, 197 & 203 of the Companies Act 2013 read with Schedule V of the said Act (including any amendment, modification, variation or re-enactment thereof), (Corresponding to Section 198, 269, 309 Schedule XIII to the Companies Act, 1956) and subject to approval of the Central Government, if any, the approval of the Company be and is hereby accorded to the re-appointment of Sri S.S. Shah (**DIN. 00491097**) as the Managing Director of the Company for a period of three years effective from 1<sup>st</sup> September 2014 to 31<sup>st</sup> August 2017 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts things and deeds as may be necessary to give effect to the above resolution.”

- To appoint a Director in place of Sri H.S. Gopalka (**DIN.01099359**), who retires by rotation and being eligible offers himself for reappointment and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.

“RESOLVED THAT Sri H.S. Gopalka, be and is hereby appointed as an Independent Director for a tenure of three (3) years in pursuant to the provisions of sections 149(4), 149(6) and 152 of the Companies Act 2013.”

- To appoint a Director in place of Sri R.S. Rungta (**DIN.00534129**) who retires by rotation and being eligible offers himself for re-appointment and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.

“RESOLVED THAT Sri R.S. Rungta be and is hereby appointed as an Independent Director for a tenure of three (3) years in pursuant to the provisions of sections 149(4), 149(6) and 152 of the Companies Act 2013.”

**Registered Office:**  
19, R. N. Mukherjee Road  
Kolkata – 700 001  
Dated : The 28<sup>th</sup> May, 2014

By Order of the Board  
**DEEPAK AGARWAL**  
SECRETARY



## NOTES :

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead and the proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.**
- The Register of Members and Share Transfer Books of the Company will remain closed from 18<sup>th</sup> June 2014 to 25<sup>th</sup> June 2014, both days inclusive on account of Annual General Meeting.
- Voting through electronic means**

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- The Notice of the 68<sup>th</sup> AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. Initial password is provided as below /at the bottom of the Attendance Slip for the 68<sup>th</sup> AGM:

EVEN (E Voting Event Number)      USER ID      PASSWORD/PIN \_\_\_\_\_

- NSDL shall also be sending the User-ID and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided below.
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- Click on Shareholder – Login
- Put user ID and password as initial password noted in step (i) above. Click Login.
- Password change menu appears. 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.
- Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- Select “EVEN” of **EASTERN SILK INDUSTRIES LIMITED**
- Now you are ready for e-Voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- Upon confirmation, the message “Vote cast successfully” will be displayed.
- Once you have voted on the resolution, you will not be allowed to modify your vote.
- 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [esil.scrutinizer@gmail.com](mailto:esil.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- 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).
- The e-voting period commences on June 18, 2014 (9:00 am) and ends on June 18, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of May 23, 2014, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.



- VI. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Friday, 23<sup>rd</sup> May, 2014.
- VII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of May 23<sup>rd</sup>, 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- VIII. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the 68<sup>th</sup> Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.easternsilk.com](http://www.easternsilk.com) and on the website of NSDL within two(2) days of passing of the resolutions at the 68<sup>th</sup> Annual General Meeting of the Company on 25<sup>th</sup> June, 2014 and communicated to the NSE Limited.
- Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (Corresponding to Section 173(2) of the Companies Act, 1956) in respect of Special Business set out in the Notice is annexed hereto.
  - Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchange regarding the Directors who are proposed to be reappointed at the Annual General Meeting are provided in the Annexure to this Notice.
  - Pursuant to the provisions of Section 123, 124 of the Companies Act, 2013, dividends which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Members, who have not encashed their dividend warrants pertaining to the year 2006-07, 2007-08, 2008-09, 2009-10 may approach the Company's Registrars and Share Transfer Agents for obtaining duplicate dividend warrants.
  - Pursuant to sub-division of each Equity share of ₹10/- into five Equity shares of ₹ 2/- each, members holding shares in physical form, were requested to surrender old share certificates to obtain new share certificates in lieu thereof. Those members, who have not surrendered their old share certificates to the Company's Registrars and Share Transfer Agents, are requested to do so at the earliest.
  - The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrars and Share Transfer Agents.

**Explanatory Statement under Section 102 of the Companies Act, 2013, (Corresponding to Section 173(2) of the Companies Act, 1956).**

**Item No. 3**

Sri S.S. Shah was reappointed as the Managing Director of the Company for a period of three (3) years with effect from 1<sup>st</sup> September 2011 on the terms and conditions and remuneration as approved by the Members at the Annual General Meeting held on 21<sup>st</sup> September 2011. As such, the present term of office of Sri S.S. Shah shall expire on 31<sup>st</sup> August 2014. Sri S.S. Shah has been associated with the Company since 1952 and currently holds overall responsibility for the working of the Company. Keeping in view the contribution made by Sri S.S. Shah for the growth of the Company, the Board of Directors of the Company and the Remuneration Committee have recommended the reappointment of Sri S.S. Shah for a period of three (3) years effective from 1<sup>st</sup> September 2014 on the following terms and conditions:

- Salary : ₹ 2,00,000/- per month
- Perquisites : Sri S.S. Shah will be entitled to the perquisites / benefits of residential accommodation or house rent allowance in lieu thereof; Gas, Electricity, Water, Furnishings; Medical expenses reimbursement for self and family; leave travel concession, club fees and personal accident insurance in accordance with the rules of the Company subject to limit of an amount equal to the annual salary.

In the event of loss or inadequacy of profits of the Company in any financial year, Sri S.S. Shah will be entitled to such remuneration by way of salary, perquisites and allowance as specified above, subject to the approval of the Central Government.

Provisions for the use of the Company's car for official and personal use and telephone at residence shall not be included in the computation of the perquisites for the purpose of calculating the said ceiling.

The Company's contribution to provident fund, gratuity payable as per rules of the Company and encashment of the leave at the end of the tenure shall not be included in the computation of the limits for the remuneration and perquisites as aforesaid.

Your Directors recommend the resolution set out at Item No.3 of the Notice for approval of the Members. Sri S.S. Shah has completed 70 years of age and hence the Special Resolution.

The above may be treated as an abstract of the terms of appointment and Memorandum of concern or interest, pursuant to Section 190 of the Companies Act, 2013.

Sri S.S. Shah, the Managing Director of the Company and Sri Sundeep Shah being a relative of Sri S.S. Shah may be deemed to be interested in the resolution.

**Item No. 4 & 5**

Your Directors recommend the resolution set out at Item No.4 & No.5 of the Notice for approval of the Members, as Sri H.S. Gopalka and Sri R.S. Rungta has completed 70 years of age and hence the Special Resolution.

**Annexure to Notice dated 28th May, 2014**

Details of Director seeking Re-Appointment at the forthcoming Annual General Meeting  
(Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Shri R. S. Rungta	Shri H.S. Gopalka
Age	80 years	82 years
Date of Appointment on the Board	19.07.1986	27.11.1991
Qualification	B.Com.	M.Com., L.L.B
Experience	Wide experience in managing large and diverse business.	Wide experience in finance and taxation.
Directorship held in other Public Companies	D. R. Steel Construction Pvt. Ltd.	—
Memberships / Chairmanships of Committees of Public Companies	—	—
Shareholding of Non-Executive Directors	Nil	Nil



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their sixty-eighth Annual Report together with the Audited Accounts of your Company for the year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS

	(₹ in Lacs)	
	2014	2013
Profit/(Loss) before depreciation / Exceptional items and taxation	(11,771.01)	(9,759.52)
Less: Depreciation	1,567.52	1,782.17
Profit/(Loss) before taxation	(13,338.53)	(11,541.69)
Less: Exceptional Items	306.21	186.88
	(13,644.74)	(11,728.57)
Less/Add: Provision for Earlier Year Taxation	-	0.37
	(13,644.74)	(11,728.20)
Less/Add: Deferred Tax Liability	-	(2,193.03)
Profit/(Loss) after tax	(13,644.74)	(9,535.91)
Add: Balance brought forward from previous year	(4,692.78)	1,981.36
Add: Transferred from General Reserve	-	5,450.00
Less: Impairment of Revalued Assets	-	2,588.23
Which the Directors have decided to carry forward to the next year	(18,337.52)	(4,692.78)

### PERFORMANCE REVIEW

Highlights of performance during the financial year 2013-14 are:

- Total Revenue from Operation of the Company is ₹ 7,962.76 lacs as against ₹ 7,586.10 lacs in the previous year.
- Operating Profit / (Loss) is ₹ (11,771.01) lacs as against ₹ (9,759.52) lacs in the previous year.
- Profit / (Loss) before taxation is ₹ (13,338.53) lacs as against ₹ (11,541.69) lacs in the previous year.
- Profit / (Loss) after Tax is ₹ (13,644.74) lacs as against ₹ (9,535.91) lacs in the previous year.

The Company has incurred substantial losses and the same was compounded due to debiting of the interest for the past for Working Capital and Term Loan for modernization coupled with bad markets resulting in poor sales.

Further the year ended 31.03.2014 the net worth of the Company has eroded and the Company has become Sick Industrial Company as per the provisions of Sick Industrial Companies (Special Provision) Act, 1985 (SICA) and the Company is required to make reference with the Board for Industrial and Financial Reconstruction (BIFR). Necessary compliances will be made in accordance with the provision of SICA.

The markets, in which the Company operates, are undergoing serious stagflation. In spite of the Company's best efforts to increase its share in the market in Europe and US, have faced serious resistance. Your Company has more or less achieved the same level of operations by introducing new products, new designs and new blends. Wherever offtake in the market is low, the customers/buyers are demanding more performance from the suppliers. This cycle of market phenomena is being faced by us also. On standalone basis without considering any interest and depreciation, there is a small surplus during the year.

### FUTURE OUTLOOK

The outlook of the economic growth across the globe with positive vibrations will fuel a growth and demand recovery. At the present moment there is a lull in the market and the management is looking forward for changing situation in the global market. While optimism rears for new vigour and thrust like emphasis on colourways and new designs, it is expected these changes will bring in positive response from the overseas buyers and will trigger growth and profitability in due course of time.



### DIVIDEND

In view of the accumulated losses the Board of Directors does not recommend any dividend on Equity Shares. The Board of Directors does not also declare dividend on Redeemable Cumulative Preference Shares.

### PUBLIC DEPOSIT SCHEME

During the year, your Company has not accepted any deposits. There are no outstanding deposits as on date.

### CORPORATE GOVERNANCE

A separate section on Corporate Governance and Management Discussion and Analysis together with the Auditors' Certificate confirming the compliance of conditions on Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchange form part of the Annual Report.

### DIRECTORS

Shri R.S. Rungta and Shri H.S. Gopalka, Directors of the Company retire from the office by rotation and are eligible for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- That in preparation of the annual accounts, the applicable accounting standards have been duly followed.
- That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review.
- That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a going concern basis.

### DISCLOSURE OF PARTICULARS

The information required under Rule 2 of the Companies Act, 1956 (Disclosure of Particulars in the Report of Board of Directors Rules, 1988) relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed.

### AUDITORS

Messrs B.K. Shroff & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

**The remarks of the Auditors regarding losses of company, provision for bad and doubtful debts, recognition of Net Deferred Tax Assets have been duly explained in Note No. 35, 36 and 38 to the Accounts respectively.**

### COST AUDITORS

Pursuant to the directives of the Central Government under the provisions of Section 148 of the Companies Act, 2013 (Corresponding to Section 233 B of the Companies Act, 1956), the Cost account records maintained by your Company are subject to yearly audit by qualified Cost Auditors. Your Company has appointed M/s. N. Radhakrishnan & Co., a firm of Cost Auditors, for conducting the audit of such records for the financial year 2013-14.

### PERSONNEL

There was no employee employed during the financial year or a part of the financial year who was in receipt of remuneration for that year or any part of that year at a rate prescribed under Section 217(2A) of the Companies Act, 1956 record with the Companies (Particulars of Employees) Rules, 1975 as amended.

### ACKNOWLEDGEMENT

Your Directors wish to convey their appreciation for the co-operation and assistance received from the government, financial institutions, bankers and stakeholders of your Company. The Board wishes to place on record its deep appreciation for the integrity and hard work of its employees at all levels to meet challenging markets.

### Registered Office:

19, R. N. Mukherjee Road  
Kolkata 700 001

Dated: The 28<sup>th</sup> May, 2014

By Order of the Board

**S. S. SHAH**

Chairman & Managing Director



## ANNEXURE TO DIRECTORS' REPORT

Disclosure of Particulars pursuant to Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988 :

## CONSERVATION OF ENERGY :

The Company is engaged in the continuous review of energy costs, reduction in energy generation cost through improved operational and maintenance practices.

## FORM A

## (A) Power and Fuel Consumption

1.	Electricity		Current Year	Previous Year
(a)	Purchased	Units	26,80,730	30,83,301
	Total Amount	₹	1,73,91,706	1,93,89,568
	Rate/Unit	₹	6.49	6.29
(b)	Own Generation through Diesel Generator	Units	1,86,388	1,81,481
	Total Amount	₹	34,13,006	27,38,737
	Cost/Unit	₹	18.31	15.09
2.	(a) Briquettes	Kgs.	4,71,099	9,58,400
	Quantity	₹	25,26,839	42,36,298
	Total Amount	₹	5.36	4.42
	Cost/Unit			
(b)	Fire Wood	Kgs.	9,63,750	5,37,470
	Quantity	₹	35,72,123	20,93,262
	Total Amount	₹	3.72	3.89
	Cost/Unit			
(B)	Consumption per unit of products:			
	<u>Silk Fabrics</u>	Mtrs	5,47,391.40	5,25,779.30
	Electricity	₹	31.77	36.88
	Briquettes	₹	4.62	8.06
	Fire wood	₹	6.54	3.98
	Diesel	₹	6.24	5.21

## TECHNOLOGY ABSORPTION

## Research &amp; Development

1. Specific areas in which R&D carried out by the Company
2. Benefits derived as a result of above R&D
3. Future plan of action
4. Expenditure on R & D

## FORM B

R&D activities are carried out for development of new products.

Improvement in quality and customer satisfaction

Development of new varieties of products.

Capital	₹	Nil
Recurring	₹	73.98 lakhs
R&D Expenditure as a percentage of turnover		0.95%

## Technology Absorption, Adaptation &amp; Innovation

1. Efforts in brief, made towards technology Absorption, adaptation and innovation
2. Benefits derived as a result of the above
3. Details of imported technology

Latest softwares are used for better design development

Improved products

Not Applicable.

## FOREIGN EXCHANGE EARNINGS &amp; OUTGO

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for product and services and export plans.

Participating in the international trade fairs to showcase the Company's new developments and also invite the different Company selling agents as well as customers to provides a platform of interaction in order to procure orders for the Company's products as well as scout for new customers.

Travelling expenses in respect of such activities are also expensive. Travelling by the sales personnel also brings in orders for the Company's products.

- (b) (i) Overseas Travelling  
(ii) Commission to Agents  
(iii) Consultation Fees  
(iv) Others

The information on foreign exchange earnings and outgo is contained in Note No. 45 & 46 of Notes on Financial Statements.

Kolkata 700 001  
Dated : The 28<sup>th</sup> May 2014

By Order of the Board  
**S. S. SHAH**  
Chairman & Managing Director



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company lays emphasis on good corporate practices which will enable the management to conduct the affairs of the Company in a transparent manner and culminate in optimum use of its resources for achieving highest standards of corporate governance.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Report on Corporate Governance for the year 2013-14 is given below.

### BOARD OF DIRECTORS

The Board comprises of five members – two Executive Directors and three Non-Executive Independent Directors. The composition of the Board of Directors and also the number of the Board of Directors or Board Committees of which he is a Member / Chairperson are as under.

Name of the Director	Category	No. of other Directorship	No. of Membership of other Board Committee	No. of Board Committee for which Chairperson
Shri S.S. Shah	Promoter, Executive	—	—	—
Shri Sundeep Shah	Promoter, Executive	—	—	—
Shri G.D. Harnathka	Non-Executive, Independent	—	—	—
Shri H.S. Gopalka	Non-Executive, Independent	—	—	—
Shri R.S. Rungta	Non-Executive, Independent	1	—	—

During the year under review, Board Meetings were held on 29<sup>th</sup> May 2013, 08<sup>th</sup> August 2013, 12<sup>th</sup> November 2013 and 12<sup>th</sup> February 2014. The attendance of the Directors for the Board Meeting and the last Annual General Meeting (AGM) was as follows :

Name of the Director	Meeting Attended	Whether attended the last AGM
Shri S.S. Shah	4	Yes
Shri Sundeep Shah	4	Yes
Shri G.D. Harnathka	2	No
Shri H.S. Gopalka	4	Yes
Shri R.S. Rungta	4	Yes

### BOARD COMMITTEES

#### Audit Committee

- Constitution**  
The Audit Committee of the Company was constituted to exercise powers and discharge functions as stipulated in Section 177 of the Companies Act, 2013 (Corresponding to Section 292A of the Companies Act, 1956), Clause 49 of the Listing Agreement with Stock Exchange and other relevant statutory / regulatory provisions.



### II. Composition

The Audit Committee of the Company comprises three Directors of which two are non executive independent Directors namely Shri H.S. Gopalka and Shri R.S. Rungta and one Executive Promoter Director namely Shri Sundeep Shah. All these directors have knowledge of corporate finance, accounts and company law. The Chairman of the Committee is Shri H.S. Gopalka. The Company Secretary acts as the Secretary of the Committee. Besides the Committee Financial Officer and partners / representatives of the firm of Statutory Auditors and Internal Auditors are permanent invitees at the meetings of the Committee.

### III Meetings and Attendance

During the financial year ended 31<sup>st</sup> March 2014 four Audit Committee meetings were held on 28<sup>th</sup> May 2013, 7<sup>th</sup> August, 2013, 11<sup>th</sup> November, 2013 and 11<sup>th</sup> February 2014 which were attended by all the members of the Committee.

### REMUNERATION COMMITTEE

- Constitution**  
The Remuneration Committee of the Company was formed to recommend remuneration packages for whole-time Directors. Such recommendation are based on the overall financial performance and profitability of the Company and on evaluation of the personal contribution of the individual directors.
- Composition**  
The Members of the Remuneration Committee are Shri H.S. Gopalka, Shri R.S. Rungta and Shri G.D. Harnathka. Shri R.S. Rungta acts as the Chairman of the Committee.
- Meeting and Attendance**  
During the financial year ended 31<sup>st</sup> March 2014 no Remuneration Committee Meeting was held.

The details of the remuneration to the directors for the year ended 31<sup>st</sup> March 2014 are as under:

Name of the Director	Salary	Perquisites	Sitting Fees for Board & Committee Meetings	Total `
Shri S.S. Shah	22,80,000	8,23,803	—	31,03,803
Shri Sundeep Shah	15,00,000	2,58,00	—	17,58,000
Shri H.S. Gopalka	—	—	28,000	28,000
Shri R.S. Rungta	—	—	28,000	28,000
Shri G.D. Harnathka	—	—	10,000	10,000

### SHAREHOLDERS COMMITTEE:

#### Share Transfer Committee

- Constitution**  
Share Transfer Committee was constituted to deal with various matters relating to transfer and transmission of shares, issue of duplicate share certificates and approving the split and consolidation requests and other matters relating to transfer and registration of shares.
- Composition**  
The members of the Committee are Shri S. S. Shah, Shri Sundeep Shah and Shri Deepak Agarwal. Shri S. S. Shah acts as the Chairman of the Committee.
- Meeting & Attendance**  
During the financial year ended 31<sup>st</sup> March, 2014, four Share Transfer Committee meetings were held. No sitting fee was paid to any member of the Share Transfer Committee.



## INVESTORS' GRIEVANCE COMMITTEE

### I. Constitution

Investors' Grievance Committee was formed to oversee the redressal of shareholders' and investors' grievances in relation to transfer of shares, non-receipt of annual report, non-receipt of dividend etc.

### II. Composition

The Committee comprises of two non-executive independent directors namely Shri H. S. Gopalka and Shri R. S. Rungta and one Executive Director namely Shri Sundeep Shah. Shri R.S. Rungta is the Chairman of the Committee.

### III. Meeting & Attendance

During the financial year ended 31<sup>st</sup> March, 2014, four Investors' Grievance Committee meetings were held.

## GENERAL BODY MEETING

### i) General Meetings:

The last three Annual General Meeting of the Company were held as under:-

Date	Time	Venue
21 <sup>th</sup> September 2011	11:00 A.M.	Kala Kunj 48 Shakespeare Sarani Kolkata – 700 017.
26 <sup>th</sup> September 2012	11:00 A.M.	-- DO --
5 <sup>th</sup> September 2013	11:00 A.M.	-- DO --

### ii) Special Resolutions:

No special resolutions were passed during the year.

### iii) Postal Ballot

No Postal Ballot was conducted during the year.

## DISCLOSURES

- The Company has not entered into any transaction of a material nature with the promoters, directors or management, or their relatives that may have potential conflict with the interest of the Company at large.
- A qualified practicing Company Secretary carries out a secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- Chairman and Managing Director and Executive (Finance) have furnished the requisite certificates to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

## MEANS OF COMMUNICATION

The financial results of the Company are published in English and Regional newspapers in India. The results are also displayed on the Company's website. Press releases are also made by the Company from time to time to facilitate better communication with the shareholders and investors.



## GENERAL SHAREHOLDERS INFORMATION

### i) Sixty Eight Annual General Meeting

Venue	:	Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017
Date	:	25 <sup>th</sup> June, 2014
Time	:	11:00 A.M.

### ii) Financial Calendar

First quarter results	-	By start of August
Second quarter results	-	By mid November
Third quarter results	-	By start February
Fourth quarter results	-	By end May

### iii) Book Closure

The date of book closure is from 18<sup>th</sup> June, 2014 to 25<sup>th</sup> June 2014 (both days inclusive).

### iv) Listing on Stock Exchange

NAME OF STOCK EXCHANGE	STOCK CODE
National Stock Exchange of India Ltd.	EASTSILK

Listing fees for the year 2013-2014 has been paid to National Stock Exchange of India Ltd.

## V) Stock Market Data

The Company's high and low prices recorded on National Stock Exchange of India Ltd. during the financial year 2013-2014 are given below :

MONTH	HIGH (₹)	LOW (₹)
APRIL 2013	2.50	1.75
MAY 2013	2.05	1.60
JUNE 2013	2.05	1.45
JULY 2013	1.90	1.20
AUGUST 2013	1.35	1.00
SEPTEMBER 2013	1.25	1.00
OCTOBER 2013	1.45	1.20
NOVEMBER 2013	1.45	1.10
DECEMBER 2013	1.25	1.20
JANUARY 2014	1.45	1.30
FEBRUARY 2014	1.65	1.30
MARCH 2014	1.45	1.20