ANNUAL REPORT
2013–2014

FILATEX
INDIA
LIMITED

Board of Directors

Mr. Madhu Sudhan Bhageria
Vice Chairman & Managing Director
DIN: 00021934

Mr. Purrshottam Bhaggeria
Joint Managing Director
DIN: 00017938

Mr. Madhav Bhageria
Joint Managing Director
DIN: 00021953

Mr. Ashok Chauhan
Wholetime Director
DIN: 00253049

Mr. B.B. Tandon
Independent Director
DIN: 00740511

Mr. S.C. Parija
Independent Director
DIN: 00363608

Mr. S.P. Setia
Independent Director
DIN: 00255049

Mrs. Pallavi Joshi Bakhru
Independent Director
DIN: 01526618

Company Secretary

Mr. Raman Kumar Jha

Bankers

Union Bank of India
Punjab National Bank
Oriental Bank of Commerce
State Bank of India

Auditors

Amod Agrawal & Associates
D-58, East of Kailash
New Delhi - 110 025

Registered Office

S. No. 274, Demni Road,
Dadra - 396 193
(U.T. of Dadra & Nagar Haveli)
Ph: 260-2668343/8510
Fax: 0260-2668344
Email: fildadra@filatex.com
Website: filatex.com
CIN: L17119DN1990PLC000091

Corporate Office

BHAGERIA HOUSE
43, Community Centre,
New Friends Colony,
New Delhi - 110 025

Works

S. No. 274, Demni Road,
Dadra - 396 191
(U.T. of Dadra & Nagar Haveli)

A-2, Extension,
Phase - II (Noida)
Distt. Gautam Budh Nagar - 201 304 (U.P.)

Plot No. D-2/6, Jolva Village
PCPIR, Dahej-2 Industrial Estate
GIDC, Distt. Bharuch
Gujarat – 392 130

Registrar & Share Transfer Agents

MCS Transfer Agent Limited
F-65, Okhla Industrial Area,
Phase-I, New Delhi- 110020
Tel : 011-41406148
Fax : 011-41709881
Email: admin@mcsdel.com

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Profile of Directors

Madhu Sudhan Bhageria

Vice Chairman & Managing Director (Promoter)

- Gold medallist Commerce graduate from the reputed Shri Ram College of Commerce, Delhi University
- Rich 25 years experience in Polyester Industry
- Director in various other Companies
- President of PTA Users Association

Purrshottam Bhaggeria

Joint Managing Director (Promoter)

- Master's Degree in Business Administration from Cornell University, USA
- Honorary Consul of Republic of Moldova in the Republic of India
- Co-author & publisher of two unique and first of its kind Coffee Table Books: "Elite Clubs of India" and Elite Collector of Modern & Contemporary Indian Art"
- Member of Managing Committee of PHD Chamber of Commerce & Industry
- Ex-Member of Governing Council, software Technology Parks of India (an autonomous Society under Govt. of India, Ministry of Information Tech.)
- Ex-member of the Governing Body of Lakshmibai College, Delhi University
- Director in various other Companies and member of Company's Shareholders Grievances Committee

Madhav Bhageria

Joint Managing Director (Promoter)

- Commerce graduate from Hindu College, Delhi University
- Looks after plant operations and marketing functions of the Company based at Surat & Mumbai.
- Promoter Director of Tapti Valley Education Foundation which is an International School in Surat.
- Directors in various other Companies

Ashok Chauhan

Wholetime Director

- B.E. (Mech) and Master Degree in Business Administration.
- Awarded Gold Medal for the best student of the College of 1968-1973 batch & received Best Sportsman Award in college
- Vast experience in Marketing, Project Management, General and overall Operation, Corporate Planning, Risk Evaluation & Business Investment Strategies
- 42 years of experience in diverse industry segments like Pulp & Paper, Chemicals, Engineering, Consultancy, Polyester Film, Hydro Power Plants, Solar/Renewable Energy, Real Estate Development & Constructions etc.

S. P. Setia

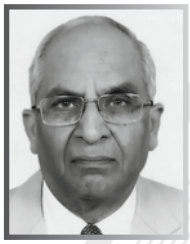
(Independent Director)

- Textile Technologist year of graduation 1962.
- Rich experience in textile industry and providing consultancy to textile industry since 1982
- Chairman of Company's Shareholders Grievances Committee and Member of Audit Committee

S. C. Parija

(Independent Director)

- Masters Degree in Political Science from Allahabad University and a MSc in Fiscal Studies from University of Bath (U.K)
- Executive Member of International Fiscal Association, India
- Served as a Chairman of Income-Tax Settlement Commission and as Chief of Administration and Finance of All India Institute of Medical Sciences.
- 38 years of services with the Government of India and served as the Director of Income-tax Investigation, Chief Commissioner of Income-tax and Director General of Income-tax Investigation.
- Chairman of Company's Audit Committee and Member of Shareholders Grievances Committee
- Chairman of Audit Committee, Independent Director of Board of ARSS Infra Projects Ltd.



B. B. Tandon

(Independent Director)

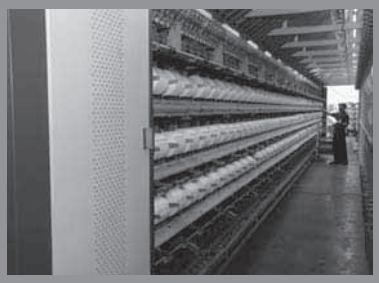
- Retd. IAS Officer and former Chief Election Commissioner of India
- M.A. (PG in Economics) and LLB from the University of Delhi. CAIIB (Associate Certificate of the Indian Institute of Bankers)
- Served as Secretary to the Government of India in various key Ministries/ Departments
- Member of the Securities & Exchange Board of India as Special Invitee.
- Independent Director in various other renowned Companies
- Member of Company's Audit Committee

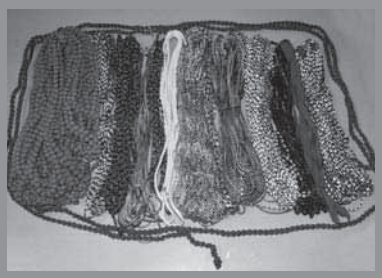
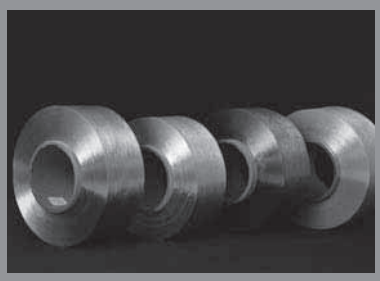
Pallavi Joshi Bakhru

(Independent Director)

- Has more than 23 years of post-qualification experience in the field of taxation. Her area of expertise includes inbound and outbound structuring advisory (including regulatory compliance) for both Indian and Overseas Investors.
- She is a fellow member of the Institute of Chartered Accountants of India
- She is a member of The International Fiscal Association – (India Branch)
- She is a Charter Member with TIE – Delhi Chapter.
- Independent Director in various other Companies.

Filatex India Limited



NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of FILATEX INDIA LIMITED will be held on Tuesday, the 30th September, 2014 at 9.30 AM at the Registered Office of the Company at SURVEY NO.274, DEMNI ROAD, DADRA, (U.T. OF DADRA & NAGAR HAVELI)- 396 193 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at March 31, 2014 and the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Purrshottam Bhaggeria (DIN:00017938), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company from the conclusion of this meeting until the conclusion of the twenty seventh consecutive Annual General Meeting and 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, Amod Agrawal & Associates, Chartered Accountants (Firm Registration No.005780N), be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty seventh AGM of the Company, subject to ratification of their appointment at every AGM, on such remuneration as may be fixed by the Board of Directors of the Company".

SPECIAL BUSINESS

4. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Shri B.B.Tandon (DIN: 00740511), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting".
5. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Shri S.C.Parija (DIN: 00363608), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting".
6. 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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Shri S.P.Setia (DIN: 00255049), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting".
7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:-

   "RESOLVED THAT Smt. Pallavi Joshi Bakhru (DIN: 01526618), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 20th September, 2013, in terms of Section 161(1) of the Companies Act, 2013 and Article 143 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV to the Act, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director and who has also submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting".
8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:-

   RESOLVED THAT Shri Ashok Chauhan(DIN: 00253049), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12th February, 2014, in terms of Section 161(1) of the Companies Act, 2013 and

Article 143 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and pursuant to the applicable provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company and shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956) and subject to such other approvals as may be necessary in this regard, consent of the Members of the Company be and is hereby accorded to the appointment and payment to remuneration of Shri Ashok Chauhan(DIN: 00253049) as Wholetime Director of the Company for a period of one years w.e.f. 12.02.2014 on the following terms and conditions:

1. Remuneration not exceeding Rs. 36,00,000/- (Rupees Thirty Six Lacs) per annum on cost to company basis as may be determined between the Vice Chairman & Managing Director of the Company and Shri Ashok Chauhan.
2. Reimbursement of actual travelling and out of pocket expenses incurred in the course of the company's business and mobile phone as per the rules of the company.
3. Entitlement to privilege leave with full pay and casual leave benefits as per the rules of the company.
4. No sitting fee shall be payable for attending the meeting of the Board of Directors and Committees thereof.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded that in the event of loss or inadequacy of profits in any financial year during the tenure, Shri Ashok Chauhan shall be entitled to receive remuneration including perquisites/benefits mentioned above as minimum remuneration in accordance with and subject to the applicable provisions of schedule V of the Companies Act, 2013 (corresponding to schedule XIII of the Companies Act, 1956) including any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Shri Madhu Sudhan Bhageria, Vice Chairman & Managing Director of the Company and Mr. Raman Kumar Jha, Company Secretary be and are hereby severally authorized to do all such acts, deeds, and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto."

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:-

   "RESOLVED THAT in supersession of the resolution passed at the 22nd Annual General Meeting held on 27.09.2012, consent of the Company be and is hereby accorded to the Board of Directors in terms of Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, for borrowing monies from time to time for the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided, however, that the aggregate amount of monies which so borrowed (apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) shall not at any time exceed the sum of Rs.1200 Crores (Rupees Twelve Hundreds Crores only)".

10. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:-

    "RESOLVED THAT in supersession of the resolution passed at the 22nd Annual General Meeting held on 27.09.2012, consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 180 (1)(a) and other applicable provision, if any, of the Companies Act, 2013, to create mortgage, charge, hypothecation, lien and other encumbrances, if any, by the Company, as the Board may deem fit, on the assets of the Company, both present and future, favouring various lenders who have granted and/or who may hereafter grant to the Company, financial facilities in the nature of short term/long terms, or other forms of secured financial facilities for an aggregate nominal value not exceeding Rs. 1200 crores (Rupees Twelve Hundreds Crores only) for the purpose of securing the said facilities granted/ to be granted to the Company together with interest, further interest, liquidated damages, cost, charges, expenses and other monies payable by the Company under the terms of the respective financial facilities.

    RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorized to finanlise with the respective lenders the security documents and such other documents/agreements for creating or evidencing the creation of mortgage and\or charge as aforesaid and to do all such other acts, deeds and things and resolve any matter as may be necessary for giving effect to this resolution.''

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

    "RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), the approval of the Members be and is hereby accorded to maintain and keep the Company's Register of Members, the Index of Members etc. required to be maintained under Section 88 of the Act and copies of all its annual returns prepared under Sections 92 and other applicable provisions, if any, of the Act together with the copies of certificates and documents required to be annexed thereto and such other documents as may be permitted under the Act, on and from October 1, 2014 at the Corporate Office of the Company at 43, Community Centre, New Friends Colony, New Delhi-110025".

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

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013, the payment of Remuneration of Rs. 40,000 plus service tax and out of pocket expense to M/s Bahadur Murao & Co., a firm of Cost Auditors, (Firm Registration No. 000008), who were appointed by the Board of Directors in their Meeting held on 30th May 2014, for conducting the audit of cost records of the Company for the financial year ending 31st March 2015, be and is hereby approved and ratified".

By Order of the Board of Directors
For FILATEX INDIA LIMITED

PLACE : NEW DELHI
DATE : 04TH AUGUST, 2014

RAMAN KUMAR JHA
COMPANY SECRETARY

REGISTERED OFFICE:
Survey No.274, Demni Road, Dadra-396 193
(U.T. of Dadra & Nagar Haveli)
Phone no. 260-2668343/8510
Fax No.260-2668344
Email: fildadra@filatex.com
Website: filatex.com
CIN: L17119DN1990PLC000091

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. The blank proxy form is enclosed. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Explanatory statement pursuant to Section 102 of the Companies, 2013 in respect of Special Business under item No. 4 to 12 of the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2014 to 30th September, 2014 (both days inclusive) for ensuing Annual General Meeting.
4. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting.
5. Members are requested to bring their copies of the Annual Report at the Annual General Meeting.
6. Members are requested to notify:
   A) change of address, if any, with Pin Code, quoting reference of their folio number, to the Company.
   B) members who are holding shares in Demat Mode are requested to notify any change in their address to their respective Depository Participant.
7. Members seeking any information with regard to Accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
8. Members who have not yet encashed dividend for the financial year 2009-10, 2010-11 and 2011-12 are requested to write to the Company Secretary of the Company.
9. All Documents referred to in the Notice and Explanatory Statement are open for inspection by the members at the Registered Office of the Company on any working day during office hours from 10.00 A.M. to 1.00 P.M. upto the date of the Meeting.
10. As a part of Green initiative in the Corporate Governance, the Ministry of Corporate Affairs (MCA) vide its circulars dated 21st and 29th April, 2011, permitted service of documents through electronic mode in place of physical mode to all the shareholders. Your Company is also keenly desiring to participate in such initiative and request all the shareholders **to update their email Ids with their Depositories (NSDL & CDSL) or send their email IDs alongwith DP ID/Client ID to the Company to enable your Company to serve all future communication through email.** Keeping in view of the aforesaid initiative of MCA, your Company shall send the Annual Report, to its Members in electronics form, to the email address provided by them.
11. **Voting through electronic means**

    In compliance with provisions of Section 108 of the Companies Act, 2013 and rules made thereunder and listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the 24th 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:

    A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:

(i) Open email and open PDF file viz; "FIL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for 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/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN 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.

(vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

(vii) Select "EVEN" of Filatex India Limited.

(viii) Now you are ready for 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 voted 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to shares@filatex.com with a copy marked to 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 Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

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

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. 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

III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

IV. 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).

V. The e-voting period commences on 22nd September, 2014 (9:00 am) and ends on 24th September, 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 23rd August, 2014, may cast their vote electronically. The e-voting module shall 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 the cut-off date (record date) of 23rd August, 2014.

VII. Mr. K.O. Siddiaui has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock 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 AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.filatex.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchanges.

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

Item No(s). 4 to 6

The concept of appointment of Independent Directors has been introduced for the first time under the provisions of Companies Act, 2013 and was made effective from 1st April, 2014. However, your Company being a listed Company, by virtue of clause 49 of the Listing Agreement with Stock exchanges, was required to appoint requisite number of Independent Directors on the Board of Directors ("the Board") of the Company. Accordingly, Shri B.B.Tandon, Shri S.C.Parija and Shri S.P.Setia , Directors of the Company, whose appointment has already been approved by the Board and Members of the Company, are acting as Independent Directors in compliance with the listing requirement at the commencement of the Companies Act, 2013. However their terms are subject to liable by retirement by rotation as per erstwhile Companies Act, 1956.

Section 149 of the Companies Act, 2013 inter-alia provides that every listed public company shall have at least one-third of the total number of directors as Independent Directors and that every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable; comply with the said requirement.

Further Section 149 of the Companies Act, 2013, inter-alia, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office will not be subject to retirement by rotation. It is further clarified that any tenure of an Independent Director on the date of commencement of this Act shall not be counted as a term of appointment of Independent Directors.

Based on the declaration received from Shri B.B.Tandon, Shri S.C.Parija and Shri S.P.Setia, Directors of the Company in terms of Section 149 (7) of the Companies Act, 2013, the Board is of the opinion that Shri B.B.Tandon, Shri S.C.Parija and Shri S.P.Setia fulfills the criteria of being appointed as Independent Directors as stipulated in Section 149 (6) of the Companies Act, 2013 and other applicable provisions of Companies Act, 2013 and Rules made thereunder and are also independent of the management.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of requisite amount proposing the candidature for appointment of aforesaid Directors as Independent Directors.

Details in respect of the aforesaid three Directors are furnished in the Corporate Governance Report. All are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, the Board recommends for approval of the members for the appointment of Shri B.B.Tandon, Shri S.C.Parija and Shri S.P.Setia, Directors of the Company as Independent Directors of the Company pursuant to the provisions of Companies Act, 2013 for a period of five years from the conclusion of Company's 24th Annual General Meeting to the conclusion of Company's 29th Annual General Meeting and shall not be liable to retire by rotation.

Your Directors recommend passing of the Resolutions at Item No(s). 4 to 6 as ORDINARY RESOLUTIONS.

None of the Directors except Shri B.B.Tandon, Shri S.C.Parija and Shri S.P.Setia and Key Managerial Personnel of the Company and their relatives are concerned or interested in the respective Resolutions.

Item No.7

Smt. Pallavi Joshi Bakhru was co-opted as Additional Director of the Company on 20.09.2013 in terms of Section 161(1) of the Companies Act, 2013 and Article 143 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting.

Based on the declaration received from Smt. Pallavi Joshi Bakhru in terms of Section 149 (7) of the Companies Act, 2013, the Board is of the opinion that Smt. Pallavi Joshi Bakhru, fulfills the criteria of being appointed as Independent Directors as stipulated in Section 149 (6) of the Companies Act, 2013 and other applicable provisions of Companies Act, 2013 and Rules made thereunder and is also independent of the management.

Notice under Section 160 of the Companies Act, 2013 has been received from a member of the Company signifying his intention to propose the candidature of Smt. Pallavi Joshi Bakhru to the office of Independent Director of the Company.

The profile(s) of the aforesaid appointee have been set out in the Report on Corporate Governance annexed with the Directors' Report.

The Board of Directors consider that the continuance of Smt. Pallavi Joshi Bakhru on the Board will be beneficial to the Company and recommend the resolution at Item No.7 of her appointment for your approval.

None of the Directors except Smt. Pallavi Joshi Bakhru and Key Managerial Personnel of the Company and their relatives are concerned or interested in this resolution.

Item No. 8

Remuneration Committee and the Board of Directors of the Company in their meeting held on 12th February, 2014 appointed Shri Ashok Chauhan as Additional Director as well as Wholetime Director on the terms and conditions and remuneration as stated in the resolutions for a period of one year w.e.f. 12.02.2014.

In the event of loss or inadequacy of profits in any financial year, he shall be eligible to receive the said remuneration alongwith perquisites/benefits as minimum remuneration in accordance with Schedule V of the Companies Act, 2013 (corresponding to Schedule XIII of the Companies Act, 1956) including any statutory modification(s) or re-enactment thereof.

The profile(s) of the aforesaid appointee have been set out in the Report on Corporate Governance annexed with the Directors' Report.

Your Directors recommend passing of the Resolutions at Item No. 8 as SPECIAL RESOLUTIONS.

None of the Directors of the Company except Shri Ashok Chauhan, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in this resolution.

Item No(s). 9 to 10

Section 180(1)(c) of the Companies Act, 2013 provides that the Board of Directors of a Public Company shall not, except with the consent of the Company in General Meeting, borrow monies which together with the monies already borrowed (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital and free reserves, that is to say, reserves not set apart for any specific purpose.

The Company had in its meeting held on 27th September, 2013 passed the ordinary resolution for borrowings upto an aggregate limit of Rs.1200 crores under the erstwhile section 293(1)(d) of the Companies Act,1956. The Company had also in its meeting held on 27th September, 2013 passed the ordinary resolution to create mortgage, charge, hypothecation, lien and other encumbrances, by the Company, as the Board may deem fit, on the assets of the Company, both present and future, in favour of the various lenders for securing the said facilities granted/ to be granted to the Company together with interest, further