



Annual Report 2015-16

*Celebrating 75 Years of  
GRINDWELL NORTON LTD.*



# Theme for our 75<sup>th</sup> Anniversary

## **alive**

adjective \ə-ˈlɪv\

- lively, animated, spirited, active
- sensitive, perceptive, responsive
- aware, cognizant, on-the-ball

**ALIVE** means all of these things and GNO@75 exemplifies this. Grindwell Norton (GNO) is **alive** in every sense of the word. The organization and its people are active, energetic, innovative, spirited, perceptive, responsive and on-the-ball. They are **alive** to what is going on in the organization and its environment, **alive** to the needs of our customers, **alive** to opportunities and threats, **alive** to the exciting future that beckons us, **alive** to making the future happen... And that is why the theme and the logo for our 75<sup>th</sup> anniversary is:



Anand Mahajan  
Managing Director

**Bankers**

Deutsche Bank  
HDFC Bank  
ICICI Bank

**Statutory Auditors**

M/s. Kalyaniwalla & Mistry  
Chartered Accountants

**Registrars & Transfer Agents**

TSR Darashaw Limited  
6-10, Haji Moosa Patrawala  
Industrial Estate  
20, Dr. E. Moses Road  
Mahalaxmi, Mumbai 400 011  
Telephone : +91 22 6656 8484  
Fax : +91 22 6656 8494  
E-mail id : csg-unit@tsrdarashaw.com

**Registered Office**

5<sup>th</sup> Level, Leela Business Park  
Andheri-Kurla Road  
Marol, Andheri (East)  
Mumbai 400 059  
Telephone : +91 22 4021 2121  
Fax : +91 22 4021 2102

**E-mail id**

sharecmpt.gno@saint-gobain.com

**Website**

www.grindwellnorton.com

**Corporate Identity Number**

L26593MH1950PLC008163

**Factories**

1. Mora, Dist. Raigad,  
Maharashtra
2. Bengaluru, Karnataka
3. Tirupati, Andhra Pradesh
4. Nagpur, Maharashtra
5. Bated, Dist. Solan,  
Himachal Pradesh
6. Halol, Gujarat

**Directors**

Mr. Pradip Shah  
(Chairman)

Ms. Marie-Armelle Chupin

Mr. Keki M. Elavia

Mr. Jean-Pierre Floris

Mr. Patrick Millot

Mr. Mikhil Narang

Mr. Shivanand Salgaocar

Mr. Laurent Guillot

Mr. Anand Mahajan  
(Managing Director)

**Management Committee**

Mr. Deepak Chindarkar  
(Finance & IT)

Mr. Krishna Prasad  
(Ceramics & Plastics)

Mr. Samir Bou Obeid  
(Abrasives)

Ms. Anupama Vaidya  
(HR)

**Company Secretary**

Mr. K. Visweswaran

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## NOTICE

Notice is hereby given that the 66<sup>th</sup> Annual General Meeting of the Members of Grindwell Norton Limited will be held on Thursday, 28<sup>th</sup> July 2016 at 3:00 p.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai 400 001, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2016, together with the Reports of the Board of Directors and the Auditors thereon; and,
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2016, together with the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares as the Final Dividend for the financial year 2015-16.
3. To appoint a Director in place of Mr. Patrick Millot (Director Identification No. 00066275), who retires by rotation, and being eligible, offers himself for re-appointment.
4. Re-appointment of Auditors:

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration plus service tax and out of pocket expenses at actuals, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

### SPECIAL BUSINESS

5. Re-appointment of Mr. Anand Mahajan as the Managing Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), as amended or re-enacted from time to time, read with Schedule V to the Act, the Company hereby approves the re-appointment and terms of remuneration of Mr. Anand Mahajan (Director Identification No. 00066320) as the Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April 2016 upon the terms and conditions set out in the Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Anand Mahajan.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. Appointment of Mr. Laurent Guillot as a Director of the Company:

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

“RESOLVED THAT Mr. Laurent Guillot (Director Identification No. 07412302) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 2<sup>nd</sup> February 2016 and who holds office upto the date of this Annual



General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

**7. Ratification of Remuneration to Cost Auditors:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the remuneration payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March 2017, amounting to ₹ 2,00,000/- (Rupees Two Lacs only) plus service tax and out of pocket expenses at actuals incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board of Directors

**K. VISWESWARAN**  
Company Secretary

Mumbai, 30<sup>th</sup> May 2016

**Registered Office:**

5<sup>th</sup> Level, Leela Business Park  
Andheri-Kurla Road, Marol, Andheri (East)  
Mumbai 400 059  
Tel: +91 22 4021 2121 • Fax: +91 22 4021 2102  
E-mail: sharecmpt.gno@saint-gobain.com • Website: www.grindwellnorton.com  
Corporate Identity Number: L26593MH1950PLC008163

**NOTES:**

- (a) The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of business set out in Item Nos. 5 to 7 of the accompanying Notice and the relevant details as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, of persons seeking appointment/re-appointment as Directors as set out in Item Nos. 3, 5 and 6 of the Notice, are also annexed.
- (b) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by Members at the Annual General Meeting.
- (c) **A Member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight (48) hours before the commencement of AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority, as applicable.**

Members are requested to note that a person can act as proxy on behalf of not exceeding fifty (50) Members and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- (d) Members/Proxies should bring the duly filled Attendance Slip to the AGM. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at AGM.
- (e) Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service ("NECS"), Electronic Clearing Service ("ECS"), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant(s) ("DP"). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents, TSR Darashaw Limited ("TSRDL") to provide efficient and better services.

Members holding shares in physical form are requested to intimate such changes to TSRDL.

- (f) The Securities and Exchange Board of India has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to DP with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to TSRDL.
- (g) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or TSRDL for assistance in this regard.
- (h) Members holding shares in physical form in identical order or names in more than one folio are requested to send to the Company or TSRDL, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- (i) In case of joint holders attending AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- (j) Members desirous of seeking any further information about the financial statements and/or operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, at least ten days in advance of AGM, so that the information, to the extent practicable, can be made available at the AGM.
- (k) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund ("IEPF"):

Pursuant to Section 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, unclaimed/unpaid dividend for the financial year ended 31<sup>st</sup> December 2007 (final dividend) has been transferred to the IEPF established by the Central Government on 16<sup>th</sup> June 2015. The unclaimed/unpaid dividend, declared for the financial year ended 31<sup>st</sup> December 2008 will be due for transfer to IEPF after 28<sup>th</sup> May 2016.

It may be noted that unclaimed/unpaid dividend for the financial year ended 31<sup>st</sup> March 2010 shall be due for transfer to IEPF after 28<sup>th</sup> August 2017. Members who have not yet encashed their dividend warrant(s) for financial year ended 31<sup>st</sup> March 2010 and all subsequent financial years are requested to make their claims without any delay to TSRDL.

- (l) The Notice of AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with their DPs, unless the Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and Annual Report 2015-16 will also be available on the Company's website, [www.grindwellnorton.com](http://www.grindwellnorton.com).

Members who have received the Notice of AGM along with the Annual Report 2015-16 through electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter at the venue to attend the AGM of the Company. As a 'Green Initiative', copies of the Annual Report will not be distributed at AGM.

- (m) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with TSRDL/DPs.

## VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, the Company is pleased to provide Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by National Securities Depository Limited ("NSDL").

- II. The facility for voting through Ballot Paper shall be made available at the AGM and Members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through Ballot Paper.
- III. The remote e-voting period shall commence on Sunday, 24<sup>th</sup> July 2016 (9:00 a.m.) and ends on Wednesday, 27<sup>th</sup> 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, Thursday, 21<sup>st</sup> July 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL after Wednesday, 27<sup>th</sup> July 2016 (5:00 p.m.).
- IV. Once the vote on resolution is cast by the Member through remote e-voting, the Member shall not be allowed to change it subsequently.
- V. The process for remote e-voting is as under:
  - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail IDs are registered with the TSRDL/DPs):
    - (i) Open the e-mail and open PDF file viz., 'GNO e-voting.pdf' 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 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 appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. 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 remote e-voting opens. Click on e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" (E-voting Event Number) of "Grindwell Norton 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 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 [grindwell.scrutinizer@gmail.com](mailto:grindwell.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - B. In case a Member has received physical copy of the Notice of AGM (for Members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requested physical copy):
    - a. EVEN (E-voting Event Number), user ID and password are provided in the Attendance Slip.
    - b. Please follow all steps from Sl. No. A (ii) to Sl. No. A (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact the following:

Mr. Amit Vishal, Senior Manager, National Securities Depository Limited, Trade World, "A" Wing, 4<sup>th</sup> & 5<sup>th</sup> Floors, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 at telephone no. 022 2499 4360 or toll free no 1800-222-990 or at e-mail ID [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in).

- 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 paid up equity share capital of the Company as on the cut-off date, Thursday, 21<sup>st</sup> July 2016.
- X. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date, Thursday, 21<sup>st</sup> July 2016, may obtain the login 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, you can reset password by using "Forgot user details/password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL on toll free no. 1800-222-990.
- XI. The Members who have cast their vote by remote e-voting, may attend and participate at the AGM, however shall not be entitled to cast their vote at the AGM. If a Member casts votes by remote e-voting and at the AGM through Ballot Paper, then vote cast through remote e-voting shall prevail and vote cast through Ballot Paper at the AGM shall be treated as invalid.
- XII. A person, whose name is recorded in the Register of Members as on the cut-off date, Thursday, 21<sup>st</sup> July 2016, only shall be entitled to avail the facility of remote e-voting or voting at the AGM through Ballot Paper.
- XIII. Mr. P.N. Parikh (Membership No. FCS 327) or failing him Mr. Mitesh Dhaliwala (Membership No. FCS 8331) of M/s. Parikh & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting by remote e-voting and votes cast through Ballot Paper at the AGM in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions set out in the Notice of AGM, allow voting with the assistance of the 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.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will 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, within 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 person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, [www.grindwellnorton.com](http://www.grindwellnorton.com), and on the website of the NSDL, [www.nsdl.co.in](http://www.nsdl.co.in), immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges at which the equity shares of the Company are listed.

## ANNEXURE TO NOTICE

### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“Act”)

The following Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

#### Item No. 5:

Mr. Anand Mahajan was first appointed as the Managing Director of the Company on 1<sup>st</sup> April 1991. The Members had approved the last re-appointment and terms of remuneration of Mr. Anand Mahajan as the Managing Director of the Company for a period of five years from 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2016.

The Board, on the recommendations of the Nomination and Remuneration Committee, re-appointed Mr. Anand Mahajan as the Managing Director of the Company for a further period of five years, with effect from 1<sup>st</sup> April 2016, on the terms and conditions as specified below, subject to the approval of the Members.

A brief profile of Mr. Anand Mahajan is given below:

Mr. Anand Mahajan graduated from St. Xavier's College, Mumbai, in 1973 with a B.A. (Honours) degree in Economics. He completed his Master's Degree in Economics from the University of Bombay in 1975. In 1983, he received an MBA from Cornell University, USA.

Mr. Anand Mahajan started his career with State Bank of India in 1974 and served the Bank in various positions until 1981. On completion of his MBA in 1983, Mr. Mahajan joined the Company. In 1988, he was elected as a Director on the Board of the Company and, in 1991, he was appointed the Managing Director and, since then, has continued in this position. He is the Chairman and Managing Director of Saint-Gobain India Private Limited and the Chairman of Saint-Gobain India Foundation.

Further details of Mr. Anand Mahajan have been given in the Annexure to this Notice.

The main terms and conditions of the appointment of Mr. Anand Mahajan (hereinafter referred to as “Managing Director”) are given below:

#### I) Tenure of Appointment:

The appointment of the Managing Director is for a period of five years with effect from 1<sup>st</sup> April 2016.

#### II) Nature of Duties:

The Managing Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the supervision, control and directions of the Board with and in the best interests of the Company and the business of one or more of its subsidiaries, including performing duties as assigned to the Managing Director from time to time.

#### Remuneration:

##### a) Basic Salary:

Current Basic Salary of ₹ 12,34,877/- per month and Medical Reimbursement of ₹ 1,250/- per month.

The annual increments which will be effective from 1<sup>st</sup> January of each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee.

##### b) Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as follows:

- Medclaim / Hospitalisation cover for self and family, two Company-maintained cars with drivers, reimbursement of mobile and telephone expenses and housing loan facility as per the Rules of the Company.
- Other perquisites and allowances including leave travel allowance and/or other allowances, personal accident insurance for self and club membership fees.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.
- Leave and encashment of unavailed leaves as per the Rules of the Company.



**c) Commission:**

In addition to Salary, Benefits, Perquisites and Allowances, the Managing Director would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company, subject to maximum 1% of the net profits of the Company.

**III) Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, wherein any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances and Commission subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.

**IV) Other terms of Appointment:**

- i. The Managing Director shall not become interested or otherwise concerned, directly or through his spouse and /or children, in any selling agency of the Company.
- ii. The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deems fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.
- iii. The agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- iv. All personnel policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.
- v. The terms and conditions of appointment of the Managing Director also include a clause pertaining to adherence with the Principles of Conduct and Action and the Company's Code of Conduct, non-solicitation and maintenance of confidentiality.
- vi. No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- vii. The Managing Director shall not be liable to retire by rotation.

Mr. Anand Mahajan does not have any relationship with any Director and Key Managerial Personnel of the Company in terms of the Act.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Anand Mahajan is concerned or interested in this resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 for approval by the Members.

**Item No. 6:**

The Board, on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Laurent Guillot as an Additional Director with effect from 2<sup>nd</sup> February 2016.

As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160 of the Act proposing his candidature for the office of Director of the Company along with the requisite deposit.

A brief profile of Mr. Laurent Guillot is given below:

Mr. Laurent Guillot is a graduate of Ecole Polytechnique and Ecole Nationale des Ponts et Chaussees, with a post-graduate degree in Macroeconomics from Universite Paris I.

After serving the Government for a few years, Mr. Guillot joined Compagnie de Saint-Gobain in 2002 as Vice-President, Corporate Planning. Between 2004 and 2007, he held various positions within the High Performance Materials Sector of Saint-Gobain. In 2007, he was appointed General Delegate for Brazil, Argentina and Chile. He was the Saint-Gobain Group's Chief Financial Officer from 2009 to the end of 2015. In January 2016, Mr. Guillot was appointed as the President of High Performance Materials Sector of Saint-Gobain.