



HIMADRI CHEMICALS & INDUSTRIES LIMITED

CIN: L27106WB1987PLC042756

Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001

e-mail: investors@himadri.com, Website: www.himadri.com Ph: 033 22309953

Notice

NOTICE is hereby given that the 27th Annual General Meeting of Himadri Chemicals & Industries Limited will be held at "Kala Kunj Hall" 48, Shakespeare Sarani, Kolkata - 700017, on Tuesday the 22 September 2015 at 10.00 am to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended 31 March 2015 together with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pavninder Singh (DIN: 03048302), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bankey Lal Choudhary (DIN: 00173792), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, the following as an **Ordinary Resolution**:-

RESOLVED that pursuant to the provisions Section 139, 140, 141, 142 and all other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) **M/s S. Jaykishan**, Chartered Accountants (Firm Registration No. 309005E), **M/s B S R & Co. LLP**, Chartered Accountants (Firm Registration No. 101248W/ W-100022) be and are hereby re-appointed as Joint Statutory 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 on such remuneration as agreed upon by the Board of Directors and the auditors, in addition to, service tax as may be applicable and

out of pocket expenses incurred in connection with the audit of accounts of the Company for the financial year ending 31 March 2016.

SPECIAL BUSINESS

5. **Appointment of Mr. Bankey Lal Choudhary as Managing Director and to consider, if thought fit, to pass the following as a Special Resolution:-**

"RESOLVED that pursuant to provisions of Section 196, 197, 203 and all other applicable provisions, if any of the Companies Act, 2013 (the Act) read with Schedule V of the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time, the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Bankey Lal Choudhary (DIN: 00173792), as Managing Director of the Company for a further period of 3 (Three) years with effect from 1 April 2016 on the terms, conditions including remuneration and perquisites as set out in the Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall deemed to include any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to alter and vary the terms and conditions including remuneration of said Mr. Bankey Lal Choudhary in such manner as may be agreed by the Board and Mr. Bankey Lal Choudhary, subject to the limits as specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER that the Board be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

6. Appointment of Mr. Shyam Sundar Choudhary as a Whole time Director and to consider, if thought fit to pass, the following as a Special Resolution:-

"RESOLVED that pursuant to provisions of Section 196, 197, 203 and all other applicable provisions, if any of the Companies Act, 2013 (the Act) read with Schedule V of the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time, the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Shyam Sundar Choudhary (DIN: 00173732), as Whole time Director of the Company for a further period of 5 (five) years with effect from 1 April 2015 on the terms, conditions including remuneration and perquisites as set out in the Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to be included any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to alter and vary the terms and conditions including remuneration of said Mr. Shyam Sundar Choudhary in such manner as may be agreed by the Board and Mr. Shyam Sundar Choudhary, subject to the limits as specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER that the Board be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

7. To ratify remuneration of Cost Auditors and consider, if thought fit, to pass, the following 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, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 40,000/- (Rupees Forty Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses, to be paid to Mr. Sambhu Banerjee, Cost Auditor (Membership No.9780) of the Company, for conducting the audit of the Cost Accounting Records as required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the financial year 2015-16 as approved by the Board of Directors of the Company be and is hereby ratified and approved.

By Order of the Board of Directors
Sd/-

Place: Kolkata
Date: 12 August 2015

Bajrang Lal Sharma
Company Secretary

NOTES:

- 1. IN TERMS OF SECTION 105 OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT A GENERAL MEETING IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A MEMBER OR NOT) AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF BUT A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A PERSON APPOINTED, AS PROXY SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.** Further, as per the provisions of Section 105 read with rule 19(2) of the Companies (Management and Administration) Rules, 2014, 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 carrying voting rights provided that a member holding more than ten percent, of the total

share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. A proxy form is enclosed to this notice. No instrument of proxy shall be valid unless:-

- (a) it is signed by the member or by his/her attorney duly authorised in writing or, in the case of joint holders, it is signed by the member first named in the register of members or his/her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any member, who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto,

- and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a nationalized bank.
- (b) it is duly stamped and deposited at the registered office of the Company not less than 48 hours before the time fixed for the meeting, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company.
 2. A member would be entitled to inspect the proxies lodged with the Company, during the period beginning from 24 hours before the time fixed to the commencement of the meeting and ending with the conclusion of the meeting, provided that not less than three days notice in writing is given to the Company by such member.
 3. Explanatory Statements under Section 102 of the Companies Act, 2013, in respect of Item No. 5 to 7 are annexed hereto and forms the part of this notice.
 4. The quorum for the Annual General Meeting, as provided in Section 103 of the Companies Act, 2013, is thirty members (including a duly authorized representative of a body corporate) personally present in the meeting at the commencement of business.
 5. The Register of Members and Share Transfer Books of the Company will remain closed from **the 16 September 2015 to the 22 September 2015** (both days inclusive) for the purpose of Annual General Meeting.
 6. Members are requested to intimate about change in their mailing address, if any, to the Company's Registrar & Share Transfer Agent **M/s S. K. Infosolutions Private Limited, 34/1A, Sudhir Chatterjee Street, Kolkata -700006** in case the shares are held in physical form and to the Depository Participant (D/P) in case of shares held in electronic form.
 7. The Company on 24 November 2014, has transferred the amount of unpaid / unclaimed dividend for the year 2006-07, aggregating to ₹ 24,70,690/- to Investor Education and Protection Fund established by the Central Government in terms of Section 125 of the Companies Act, 2013.
 8. Shareholders desiring any information as regards the Annual Accounts of the Company are requested to write to the Company in advance so as to enable the management to keep the information readily available at the meeting.
 9. Members who have not yet en-cashed their dividend for the financial year 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 2012-13 and 2013-14 are requested to make their claims with the Company. All the monies towards unpaid / unclaimed dividend are lying in a separate bank account of the Company. Members hereby informed that upon expiry of seven years from the date of transfer to unpaid dividend account, such amount of unpaid/ unclaimed dividend, if any, will be transferred to the credit of the Investor Education and Protection Fund established by the Central Government in terms of 125(1) of the Companies Act, 2013. It may be noted by the members that the ***Unpaid / Unclaimed dividend for the financial year ended 31 March 2008, is due for transfer on or after 1 November 2015 to the credit of the Investor Education and Protection Fund established by the Central Government in terms of Section 125 of the Companies Act, 2013, therefore shareholders are requested to make their claim, if any, for Unpaid Dividend for the financial year 2007-08 before 1 November 2015.***
 10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained pursuant to Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
 11. The Register of contracts or arrangements in which directors are interested as maintained pursuant to Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

12. Members are requested to intimate to the Company's Registrar and Share Transfer Agent about consolidation of folios, if shareholdings are in multiple folios and bring copies of the Annual Report and the attendance slips with them while attending the Annual General Meeting.
 13. Members are informed that it is advantageous to keep the physical shareholding in **joint names**, as upon death of a member, the survivor or survivors, where the member was a joint holder, and his legal representatives where he / she was a sole holder, shall be the only persons recognized by the Company as having any title to his/ her interest in the shares.
 14. Members holding shares in physical form may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013, by submitting the **Form No. SH-13** as per rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. The Form SH-13 may be obtained from Company's Registrar & Share Transfer Agent.
 15. Members are informed that the Securities and Exchange Board of India (SEBI) vide its' Circular No. MRD / DoP / Cir-05 / 2009 dated 20 May 2009 has made it mandatory to furnish a copy of PAN Card of the transferee for effecting the transfer of shares in physical forms of a listed Company. Therefore, members are advised to submit a copy of PAN Card along with Share Transfer Form, if any, to the Company to expedite transfer process.
 16. Members are requested to furnish the following details for updating the Register of Members as required in terms of Section 88 of the Companies Act, 2013:-
 - (i) E-mail ID, (ii) PAN No., (iii) AADHAR Card No., (iv) Father/Husband Name, (v) Occupation, (vi) Mobile No., (vii) Bank Account No., Name of the Bank, MICR No. (along with a cancelled cheque), (viii) Updated Signature (duly attested by Nationalized Bank or First Class Magistrate), (ix) CIN (in case of Company), (x) Date of Birth and name of the Guardian (in case of Minor).
 17. The Annual Report for 2014-15 is being sent through electronic mode to those members whose e-mail address are registered with the Company / Depository Participant(s), unless such member has requested for a physical copy of the report and the members who have not registered their e-mail address, the physical copy of annual report and notice of AGM will be sent by permitted mode.
 18. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company has provided a facility to all its' members to exercise their votes electronically through e-voting facility arranged from **National Securities Depositories Limited (NSDL)**. The facility for voting, through ballot paper, will also be made available at the AGM for members attending the AGM and who have not earlier cast their votes by remote E-voting. Members who have cast their votes by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their votes again. In addition, the Company has also provided, the postal voting facility, to the shareholders.
- 19. Instructions for E-Voting**
- [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; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/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 remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Himadri Chemicals & Industries 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 sandipkej@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- b. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - c. 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).
 - d. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15 September 2015.
 - e. 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 i.e. 15 September 2015 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or skcdilip@gmail.com
 - f. 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 your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - g. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - h. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

[B] In case a Member receives physical copy of the Notice of 27th AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

Initial password with EVEN and User ID is provided herein above the Attendance Slip. Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

- a. 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 or call on toll free no.: 1800-222-990.
- i. **Mr. Sandip Kumar Kejriwal**, Practicing Company Secretary, (C.P. No: 3821) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

20. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the 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 on the votes cast in favour or against, if any, of the resolutions and submit the same forthwith to the Managing Director of the Company or to any person authorized for this purpose.
21. 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.himadri.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 where the shares of the Company are listed.

Important Note:

As Himadri Chemicals & Industries Limited, being a listed Company and having more than 1000 shareholders, is compulsorily required to provide e-Voting facility to members in terms of Section 108 of the Act read with Rule 20 of the Rules and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the members at the 27th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

22. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to Directors seeking appointment / re-appointment at forthcoming AGM is given in the annexure:

Annexure to the Notice

Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting (Pursuant to clause 49 of the Listing Agreement)

Name of Director	Mr. Shyam Sundar Choudhary	Mr. Bankey Lal Choudhary
DIN	00173732	00173792
Date of Birth	14-10-1947	06-05-1953
Date of Appointment	28-07-1987	28-07-1987
Qualifications	B. Com	B.Com
Experience	An Industrialist with experience of more than 40 years in area of chemicals business. He has been associated with Company as promoter director since its incorporation	An Industrialist with experience of more than 37 years in area of chemicals business. He has been associated with Company as promoter director since its incorporation
Directorship in other Companies	1. Himadri Industries Limited 2. Sri Agro Himghar Limited 3. Himadri Power Limited	1. Himadri Industries Limited 2. Himadri Dyes & Intermediates Limited 3. Sri Agro Himghar Limited 4. Himadri Power Limited 5. Himadri coke & Petro Limited
Chairman / Member of the committee of Board of other Companies	NIL	NIL
No. of shares held (Re 1/- each)	32,34,280 (0.8385%)	14,84,280 (0.3847%)
Relationship with other Directors	Mr. B L Choudhury - Brother Mr. V K Choudhury - Brother	Mr. S S Choudhury - Brother Mr. V K Choudhury - Brother

Name of Director	Mr. Pavinder Singh	
DIN	03048302	
Date of Birth	24-10-1976	
Date of Appointment	30-10-2012	
Qualifications	MBA from Harvard Business School – Baker Scholar. In addition he is also a BA from Harvard College - Magna Cum Laude.	
Experience	<p>Mr. Singh is Managing Director, Bain Capital (New York, Mumbai). He is a co-leader for India and South East Asia Investments</p> <p>He was the CEO of Medrishi (New Delhi) during 2000-2001</p> <p>He was associated during 1998-2000 with Oliver Wyman (New York) formerly known as Mercer Management Consulting, as consultant focused on technology, automotive, retail and Utilities.</p>	
Directorship in other Companies	1. Hero FinCorp Limited	
Chairman/ Member of the committee of Board of other Companies		NIL
No. of shares held (Re 1/- each)		NIL
Relationship with other Directors		NIL

Place: Kolkata
Date: 12 August 2015

By Order of the Board of Directors
Sd/-
Bajrang Lal Sharma
Company Secretary

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item No. 5

The Board of Directors at its' meeting held on 12 February 2015, and upon recommendation made by the Nomination and Remuneration Committee, has approved the re-appointment of Mr. B L Choudhary as Managing Director for a period of three years with effect from 1 April 2016 subject to the approval of the shareholders. Mr. Choudhary was appointed as Managing Director by the shareholders for a period of three years at its meeting held on 23 September 2013 and the present term is expiring on 31 March 2016.

Mr. Bankey Lal Choudhary has been associated with the Company since incorporation and having vast experience of the business of the Company. Mr. Choudhary's association with the Company as Managing Director would be beneficial to the Company and his continued support is required for further growth and development of the business of the Company.

Since, the conditions laid down in Section II of Part II of Schedule V appended to the Companies Act, 2013 have been fulfilled, approval of the shareholders of the Company is required for his re-appointment. An agreement with Mr. Choudhary will be entered to record his terms of appointment, after getting the approval of the shareholders.

The terms and conditions of re-appointment are enumerated under:

1. Period of appointment

The appointment will be for a period of 3 (Three) years with effect from 1 April 2016.

2. Remuneration

In terms of Schedule V to the Companies Act, 2013 read with Section 196 & 197 of the Companies Act, 2013 and subject to approval of the Company in general meeting the Managing Director shall be paid the following remuneration.

- i) Salary
₹ 5,00,000/- per month. (Rupees five Lakh per month)

ii) Perquisites:

In addition to above, the Managing Director shall be entitled to the following perquisites subject to a maximum amount equal to the annual salary with an option to receive the perquisites or any lawful combination as mutually agreed between him and the Board.

a) Housing

- i) The expenditure by the Company on hiring un-furnished accommodation will be subject to a ceiling of sixty percent of the salary, over and above ten per cent payable by the Managing Director.

Or

- ii) In case the accommodation is owned by the Company, ten per cent of the salary shall be deducted by the Company.

Or

- iii) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling as specified above.

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

- c) Reimbursement of Medical Expenses incurred for self and his family subject to a ceiling of one months' salary in a year or three month's salary over a period of three years.

- d) Leave Travel Assistance for self and his family once in a year incurred in accordance with the rules specified by the Company.

- e) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

- f) Personal accident insurance, group health insurance, group saving linked insurance and life insurance coverage for self / family as may be fixed by the Board from time to time.

- g) Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in computation of the ceiling on perquisites, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- h) Earned Leave on full pay and allowance as per the Rules of the Company but not exceeding one month's salary for every eleven months of service. Encashment of leave at the end of the tenure as per the rules of the Company and the same will not be included in computation of the ceiling on perquisites.
- i) Provision of Company car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Managing Director.

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of the Managing Director, the remuneration by way of salary and perquisites etc., as specified here in, shall be the minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Provided that the aggregate of salary, and perquisites in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may be amended from time to time.

After getting approval of members, the Company will enter into an agreement with the Managing Director. The draft Agreement to be entered into by the Company with Managing Director will remain open for inspection by members at the Registered Office of the Company during 10.00 a.m. to 1.00 p.m. on all working days until the date of the ensuing Annual General Meeting.

None of the other Directors and KMP except, Mr. Vijay Kumar Choudhary, Mr. Shyam Sundar Choudhary, Mr. Bankey Lal Choudhary and Mr. Anurag Choudhary, CEO are concerned and interested, financially or otherwise in this resolution as they are related parties.

Item No. 6

The Board of Directors at its' meeting held on 12 February 2015, and upon recommendation made by the Nomination and Remuneration Committee, has approved the re-appointment of Mr. Shyam Sundar Choudhary as Whole time Director for a period of five years with effect from 1 April 2015 subject to the approval of the shareholders. Mr. Choudhary was appointed as Whole time Director by the shareholders for a period of five years at its meeting held on 28 September 2010 and the present term has expired on 31 March 2015.

Mr. Shyam Sundar Choudhary has been associated with the Company since incorporation and having vast experience of the business of the Company. Mr. Choudhary's association with the Company as Whole time Director would be beneficial to the Company and his continued support is required for further growth and development of the business of the Company.

Since, the conditions laid down in Section II of Part II of Schedule V appended to the Companies Act, 2013 have been fulfilled, approval of the shareholders of the Company is required for his re-appointment. An agreement with Mr. Choudhary will be entered to record his terms of appointment, after getting the approval of the shareholders.

The terms and conditions of re-appointment are enumerated under:

1. Period of appointment

The appointment will be for a period of 5 (Five) years with effect from 1 April 2015.

2. Remuneration

In terms of Schedule V to the Companies Act, 2013 read with Section 196 & 197 of the Companies Act, 2013 and subject to approval of the Company in general meeting the Whole-time Director shall be paid the following remuneration.

- i) Salary
₹ 5,00,000/- per month.(Rupees Five Lakhs per month)
- ii) Perquisites:
In addition to above, the Whole time Director shall be entitled to the following perquisites

subject to a maximum amount equal to the annual salary with an option to receive the perquisites or any lawful combination as mutually agreed between him and the Board.

a) Housing

- i) The expenditure by the Company on hiring un-furnished accommodation will be subject to a ceiling of sixty percent of the salary, over and above ten per cent payable by the Whole time Director.

Or

- ii) In case the accommodation is owned by the Company, ten per cent of the salary shall be deducted by the Company.

Or

- iii) In case no accommodation is provided by the Company, the Whole time Director shall be entitled to house rent allowance subject to the ceiling as specified above.

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

- c) Reimbursement of Medical Expenses incurred for self and his family subject to a ceiling of one months' salary in a year or five month's salary over a period of five years.

- d) Leave Travel Assistance for self and his family once in a year incurred in accordance with the rules specified by the Company.

- e) Fees of clubs subject to a maximum of two clubs. This will not include admission and life member ship fee.

- f) Personal accident insurance, group health insurance, group saving linked insurance and life insurance coverage for self / family as may be fixed by the Board from time to time.

- g) Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in computation of the ceiling on perquisites, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- h) Earned Leave on full pay and allowance as per the Rules of the Company but not exceeding one month's salary for every eleven months of service. Encashment of leave at the end of the tenure as per the rules of the Company and the same will not be included in computation of the ceiling on perquisites.

- i) Provision of Company car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Whole time Director.

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of the Whole time Director, the remuneration by way of salary and perquisites etc., as specified here in, shall be the minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Provided that the aggregate of salary, and perquisites in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may be amended from time to time.

After getting approval of members, the Company will enter into an agreement with the Whole time Director. The draft Agreement to be entered into by the Company with Whole time Director will remain open for inspection by members at the Registered Office of the Company during 10.00 a.m. to 1.00 p.m. on all working days until the date of the ensuing Annual General Meeting.

None of the other Directors and KMP except, Mr. Vijay Kumar Choudhary, Mr. Shyam Sundar Choudhary, Mr. Bankey Lal Choudhary and Mr. Anurag Choudhary, CEO are concerned and interested, financially or otherwise in this resolution as they are related parties.