



Annual Report 2014-15

COMPO In Control. Always.



Inauguration of plant at Aurangabad of Compo Advics (India) Pvt. Ltd. (JV Company)



Lighting of Lamp and
Inauguration Function



New Plant
Inauguration.



New Manufacturing
Facility.



BOARD OF DIRECTORS

Raghu Mody
 P. K. Choudhary
 Varunn Mody
 K. M. Robinson
 A. B. Vaidya
 Lt. Gen. (Retd.) K. S. Brar
 B. R. Bahl
 Deepak Sethi
 Sakshi Mody

Amit Goenka
 Sunil Jindal

Executive Chairman
 Managing Director
 Executive Director -Treasury & Strategy
 Independent Director
 Independent Director
 Independent Director
 Independent Director (*upto 23rd January, 2015*)
 Independent Additional Director (*w.e.f 23rd April, 2015*)
 Additional Director (*w.e.f 2nd September 2014*)

V. P. Finance and Company Secretary
 Chief Financial Officer

AUDITORS

Lodha & Co.

SOLICITORS

Khaitan & Co.

BANKERS

Bank of Baroda

ICICI Bank

REGISTERED OFFICE

Peninsula Business Park, 'A' Tower,
 8th Floor, Senapati Bapat Marg,
 Lower Parel, Mumbai 400-013
 Phone : (022) 6688 0100
 Fax : (022) 6688 0105
 E-mail : investor @hindcompo.com

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
 C-13, Pannalal Silk Mills Compound,
 LBS Marg, Bhandup (West), Mumbai – 400-076
 Phone : (022) 25963838
 Fax : (022) 66880105
 Email : rnt.helpdesk@linkintime.co.in

WORKS

Paithan : D-2/1, MIDC Industrial area,
 Paithan, Dist. Aurangabad - 431107

Bhandara : C-10/1, Bhandara Indl. Area, Gadegaon
 Dist. Bhandara - 441904

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Annual General Meeting	
Date : 18 th September, 2015	
Time : 11.30 a.m.	
Venue : Hall of Culture, Nehru, Centre, Dr. Annie Besant Road Worli, Mumbai – 400 018	

Hindustan Composites Limited

CIN: L29120MH1964PLC012955

Peninsula Business Park, "A" Tower, 8th Floor, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Tel.: (022) 6688 0100, Fax: (022) 6688 0105, E-mail: hcl@hindcompo.com, Website: www.hindcompo.com

NOTICE

Notice is hereby given that the Fifty First Annual General Meeting of the Members of Hindustan Composites Limited will be held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 at 11.30 a.m. on Friday, 18th September, 2015 to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 together with the reports of the Directors' and Auditors' thereon.
- To declare dividend on Equity Shares for the financial year ended on 31st March, 2015.
- To appoint a Director in place of Mr. Raghu Mody (DIN: 00053329), who retires by rotation and being eligible, offers himself for re-appointment.
- To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Lodha & Company, Chartered Accountants, Mumbai (having Firm Registration Number: 301051E), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT Mrs. Sakshi Mody (DIN: 06518139), who was appointed as an Additional (Non-executive) Director of the Company with effect from 2nd September, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from a member as required under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby

appointed as a Director of the Company, who shall be liable to retire by rotation."

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

"RESOLVED THAT Mr. Deepak Sethi (DIN: 07165462), who was appointed as an Additional Independent Director of the Company with effect from 23rd April, 2015 pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from a member as required under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Section 149, 150 and 152 read with schedule IV of the Companies Act, 2013 to hold office for a term up to five consecutive years i.e. upto 22nd April, 2020."

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

"RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the revision in remuneration payable to Mr. Raghu Mody (DIN: 00053329), Executive Chairman of the Company w.e.f. 1st October, 2014 for the remaining period of his tenure, as detailed in the Explanatory Statement attached to this Notice be and is hereby approved, with the authority to the Board of Directors of the Company to revise the terms on recommendation of Nomination and Remuneration Committee with regards to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Raghu Mody as Executive Chairman of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and all other necessary permissions, sanctions and approvals as may be required, the revision in remuneration payable to Mr. Varunn Mody (DIN: 00090569), Executive Director, Treasury and Strategy of the Company w.e.f 1st April, 2015 for the remaining period of his tenure as detailed in the Explanatory Statement attached to this Notice be and is hereby approved, with the authority to the Board of Directors of the Company to revise the terms on recommendation of Nomination and Remuneration Committee with regards to remuneration from time to time within the limits provided for in the said Schedule V or any amendment thereto for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Varunn Mody as Executive Director, Treasury & Strategy of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the revision in remuneration payable to Mr. P. K. Choudhary (DIN: 00535670), Managing Director of the Company w.e.f. 1st April, 2015 for the remaining period of his tenure as detailed in the Explanatory Statement attached to this Notice be and is hereby

approved, with the authority to the Board of Directors of the Company to revise the terms on recommendation of Nomination and Remuneration Committee with regard to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. P. K. Choudhary as Managing Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

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

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

“**RESOLVED THAT** pursuant to the applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred as “**SBEB Regulations**”) (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), the Companies Act, 2013, the provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with the stock exchanges, where the Equity Shares of the Company are listed and any other applicable laws, rules and regulations for the time being in force and subject to such approvals, consents, permissions and sanctions as may be necessary including such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (which term shall be deemed to include any committee including the Nomination and Remuneration Committee) which the Board may, at its discretion authorize to exercise certain or all of its powers, including the powers conferred by this resolution the creation of ‘Carnation Welfare Trust’ vide Indenture of Trust dated 20th June 2011 for the benefit of employees of the Company be and is hereby approved.

RESOLVED FURTHER THAT Objects of the said Carnation Welfare Trust as specified in Clause 8 of Trust Deed dated 20th June, 2011 be and is hereby approved.

RESOLVED FURTHER THAT the purchase of 2,34,899 Equity Shares of the Company by the said Trust

from Secondary Market for a total consideration of ₹ 112,956,669/- which was funded by the Company giving loan to the Trust, be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or expedient in this regard.”

By Order of the Board of Directors

Place : Mumbai

Amit Goenka

Date : 7th May, 2015

**VP - Finance and
Company Secretary**

Registered Office:

Peninsula Business Park, 'A' Tower,
8th Floor, Senapati Bapat Marg,
Lower Parel, Mumbai 400013

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further a person can act as Proxy on behalf of members not exceeding fifty 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 member.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of this notice.
3. Members are requested to bring their Attendance slip along with their copy of Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through e-voting).
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. Brief resume of Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement is annexed to the Notice.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 12th September, 2015 to Friday, 18th September, 2015 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if approved by the members at the ensuing Annual General Meeting.
9. The shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. Listing fees for the financial year 2015-16 has been paid to both the stock exchanges.
10. Members who hold shares in dematerialized form are requested to bring their client ID and DP-ID for easier identification of attendance at the meeting.
11. Members holding shares in identical order of names in more than one folio are requested to write to the Company / Registrar and Share Transfer Agents (RTA) enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio for better services.
12. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number. Members holding shares in the Demat form may update such details with their respective Depository Participants.
13. As required under Section 205A and 205C of the Companies Act 1956, unclaimed dividend up to financial years ended 31st March, 2007 has been transferred to the Investor Education and Protection Fund (IEPF). The shareholders whose dividend remained unclaimed for the financial year ended on 31st March, 2008 or / and for subsequent financial years are requested to claim it immediately from the Company.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.

15. Queries on accounts and operations of the Company, if any, may please be sent to the Company, seven days in advance of the meeting so that the answers can be made available at the Meeting.
16. Members are requested to forward all Share Transfers and other communications to the (RTA) of the Company and are further requested to always quote their Folio Number in all correspondences with the Company.
17. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
18. The dividend on Equity shares as recommended by the Board of Directors for the year ended 31st March, 2015, if approved by the members at the Annual General Meeting, will be paid to those members whose names stand registered in the Register of Members as on Friday, 18th September, 2015; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
19. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members.
- You are thus requested to submit your e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.
- The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the RTA of the Company.
20. The Register of Directors' and Key Managerial Personnels' Shareholdings maintained under Section 170 and Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will be open for inspection during the Annual General Meeting also.
21. The Notice of the 51st Annual General Meeting and instructions for e-voting Attendance Slip and Proxy Form are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant(s) unless member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by courier.
22. Information and other instructions relating to e-voting:
- (a) 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 and Clause 35B of the Listing Agreement, the Company is pleased to provide in members facility to exercise their right to vote on resolutions proposed to be passed in the 51st Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- (b) The Company has engaged the services of National Securities Depository Limited (NSDL) as agency to provide e-voting facility.
- (c) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot paper.
- (d) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (e) The remote e-voting shall commence on Tuesday, 15th September, 2015 (10.00 a.m.) and ends on Thursday, 17th September, 2015 (5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 11th September, 2015, 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, he/she shall not be allowed to change it subsequently.
- (f) 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 i.e. 11th September, 2015.
- (g) 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, i.e. 11th September, 2015 only shall be entitled to avail the facility of remote e-voting and voting at Meeting through ballot paper.
- (h) The Board of Directors of the Company has appointed CS Manish Baldeva, Practicing Company Secretary, (Membership No. F6180) as Scrutinizer to conduct and scrutinize the voting through ballot paper and remote e-voting process in a fair and transparent manner.

- (i) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 11th September, 2015, may obtain user ID and password by sending a request at evoting@nsdl.co.in or rnt.helpdesk@linkintime.co.in. However, if the member is already registered with NSDL for remote e-voting then he can use his existing user ID and password for casting the vote through e-voting. If have forgotten 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.
- (j) The Scrutinizer, after scrutinizing the votes cast at the meeting through ballot paper and through remote e-voting, will, not later than 3 days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.hindcompo.com and on the website of the NSDL i.e. www.evoting.nsdl.com
- The results shall simultaneously be communicated to the stock exchanges.
- (k) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 18th September, 2015.
- 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 Hindustan Composites 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 secretarial@hindcompo.com with a copy marked to evoting@nsdl.co.in

The instructions for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose e-mail IDs' are registered with the Company/Depository Participants(s)]:
- (i) Open email and open PDF file viz; "HCL 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
- 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]:
- a) 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.
- b) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (i) 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
- (ii) 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.
- (iii) 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).

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 5:**

Mrs. Sakshi Mody, aged 30 years, was appointed as an Additional Director (Non- Executive) pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of the Association of the Company with effect from 2nd September, 2014 and holds office as such till the date of ensuing Annual General Meeting.

The matter regarding the appointment of Mrs. Sakshi Mody as Director was placed before the Nomination & Remuneration Committee, which has recommended her appointment as Director of the Company.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Sakshi Mody as a Director of the Company. Accordingly, the Board recommends an Ordinary Resolution in relation to appointment of Mrs. Sakshi Mody as Director, for the approval by the shareholders of the Company.

The Company has received a notice along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director. Further, she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company, if appointed.

The letter of appointment is available for inspection by members at the registered office of the Company between 11 a.m. to 1 p.m. on any working day of the Company.

Except Mrs. Sakshi Mody, Director (Non- Executive) being an appointee and Mr. Varunn Mody, Executive Director, Treasury and Strategy being her relative, none of the Directors and / or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

Item No. 6

Mr. Deepak Sethi was appointed as an Additional Independent Director for a period of five years with effect from 23rd April, 2015 till 22nd April, 2020, subject to approval of shareholders at the ensuing Annual General Meeting. He is an alumnus of IIT-Kanpur and IIM-Ahmedabad. His corporate career began in sales & marketing at Philips, followed by decade long stints with Hindustan Lever & Cadbury and he has held leadership responsibilities at the Director & CXO levels at Cadbury, Dabur, Apollo Tyres, LML and Mayar India.

In recent years, he has provided business consulting & CXO-level guidance to mid-sized organizations - SRF, IGNOU, Simbhaoli Sugar Mills, Kris Flexipacks, Biostadt India Ltd and Rabyte Electronic. He leverages his extensive knowledge of the Indian marketplace, his expertise in sales & marketing and a

'constraint centric approach' in his consulting projects.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of shareholders.

Mr. Deepak Sethi has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Clause 49 of the listing agreement. The Company has also received notice along with requisite deposit from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director. Further, he is not disqualified from being appointed as director in terms of Section 164 of the Act and has given his consent to act as a director of the Company. The Nomination & Remuneration Committee has also approved his appointment as Independent Director for a term of five years.

In the opinion of the Board, Mr. Deepak Sethi fulfils the conditions as specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management.

The letter of appointment is available for inspection by members at the registered office of the Company between 11 a.m. to 1 p.m. on any working day of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Deepak Sethi as an Independent Director. Accordingly, the Board recommends an Ordinary Resolution in relation to appointment of Mr. Deepak Sethi as an Independent Director, for the approval by the shareholders of the Company.

Brief resume of the Directors proposed to be appointed as stipulated under the Clause 49 of the Listing Agreement is given in the annexure to the Notice.

Mr. Deepak Sethi is not holding any shares in the Company. Except Mr. Deepak Sethi, being an appointee, none of the Directors and / or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 6

Item No. 7:

Mr. Raghu Mody, Executive Chairman of the Company is a promoter of the Company and is associated with the Company since 1987. He is a leading industrialist with several decades of extensive and varied experience in setting up businesses in different kinds of industrial products.

Considering his experience, knowledge and contribution made in the growth of the Company and as recommended by the Nomination and Remuneration Committee, the Board of

Directors of the Company has revised the remuneration payable to Mr. Raghu Mody, Executive Chairman of the Company w.e.f. 1st October, 2014 for remaining period of his tenure as follows:

Sr. No.	Particulars	Details of Remuneration
1.	Salary	₹ 600,000/- per month and special allowance of ₹ 210,000/- per month with an increase which may be decided by the Board of Directors from time to time within the limits, as specified in Schedule V of the Companies Act, 2013.
2.	Commission	Subject to limit prescribed under Companies Act, 2013.
3.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas, telephone and maintenance in the premises etc.
4.	Conveyance/ Motor Car	Provision of motor car with driver.
5.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependent children, not exceeding ₹ 100,000/- per annum.
6.	Servant Allowance	Provision for Servant Allowance ₹ 15,000/- p.m.
7.	Gratuity	As per rules of the Company's Scheme.
8.	Personal accident insurance	As per rules of the Company's Scheme.
9.	Club subscription	Reimbursement of club subscription fees of two clubs.
10.	Leave encashment	Encashment of leave accumulation as per the rules of the Company.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

The Board of Directors recommends the Special Resolution as set out at item no. 7 of the notice for approval of the Members.

Except Mr. Raghu Mody, Executive Chairman none of the Directors and / or Key Managerial Personnel of your Company or their relatives are concerned or interested in the said resolution.

Item 8:

Mr. Varunn Mody, Executive Director, Treasury and Strategy of the Company is actively involved in formulation and implementation of strategies for Treasury and other activities of the Company. He is a Commerce Graduate and has knowledge and experience in the field of Finance, Treasury and Business Administration.

Considering his experience, knowledge and contribution made in growth of the Company and as recommended by Nomination and Remuneration Committee, the Board of Directors has

revised remuneration payable to him w.e.f. 1st April, 2015 for remaining period of his tenure as follows:

Sr. No.	Particulars	Details of Remuneration
1.	Salary	₹ 750,000/- per month and special allowance of ₹ 204,000/- per month with an increase which may be decided by the Board of Directors from time to time within the limits, as specified in Schedule V of the Companies Act, 2013.
2.	Accommodation	Free furnished accommodation with reimbursement of the cost of electricity, water, gas and maintenance in the premises etc. not exceeding ₹ 24,000/- per month. In case no accommodation is provided, the payment of HRA subject to the ceiling of sixty percent of the salary.
3.	Medical	Reimbursement of medical expenses and insurance premium for self, spouse and dependent children, not exceeding ₹ 180,000/- per annum.
4.	Servant Allowance	Provision for Servant Allowance ₹ 24,000/- p.m.
5.	Leave Travel Concession	As per rules of the Company, not exceeding ₹ 216,000/- per annum.
6.	Provident and other funds including superannuation and gratuity	As per rules of the Company's Scheme.
7.	Personal accident insurance	As per rules of the Company's Scheme.
8.	Conveyance Motorcar with Driver/Club Bills	Free Conveyance, Motor Car with Driver, Club Bills etc.
9.	Leave encashment	Encashment of leave accumulation as per the rules of the Company.
10.	Commission	Such amount as may be decided by the Board of Directors of the Company from time to time, subject to limit prescribed under Companies Act, 2013.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

Accordingly, the Directors recommend the Special Resolution as set out at item no. 8 of the notice for approval of the Members.

Except Mr. Varunn Mody, Executive Director, Treasury and Strategy and Mrs. Sakshi Mody, Director (Non- Executive) none of the Directors and / or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.