



Annual Report
2014-2015

IFB Agro Industries Limited


IFB
AGRO

IFB is served in most of
India's best restaurants.

Is yours one?

Your reputation and success are based largely on safe, reliable, quality products, the type of products that IFB consistently crafts with your needs in mind. We go to great lengths to ensure that we maintain the highest standards. Additionally, we routinely monitor product quality and food safety systems to ensure compliance and customer satisfaction.

The IFB quality code

International quality premium products processed under strict adherence to FSSAI, HACCP, GMP, EU & BRC norms which ensure **Consistency, Freshness & Value for Money**

Our esteemed clients



TAJ
Hotels Resorts
and Palaces



WESTIN
HOTELS & RESORTS

THE LEELA
RESIDENCES • HOTELS • RESORTS
The Essence of India

**MAINLAND
CHINA**

Le MERIDIEN

Cherry Hotels & Resorts

Radisson
HOTELS & RESORTS

康翠苑 YAUATCHA

SHANGRI-LA
HOTELS and RESORTS



JW MARRIOTT

HYATT
HOTELS & RESORTS
Feel the Hyatt Touch



Hakkasan



FOUR SEASONS
Hotels and Resorts

■ BOARD OF DIRECTORS

Mr. Bijon Nag *Chairman*
Mr. Bikram Nag *Joint Executive Chairman*
Mr. Arup Kumar Banerjee *Managing Director*
Mr. Amitabha Kumar Nag
Mr. Nandan Bhattacharya
Mr. Hari Ram Agarwal
Mr. Manoj Kumar Vijay
Mr. Sudip Kumar Mukherji
Dr. Lakshmishri Roy

■ COMPANY SECRETARY

Mr. Ritesh Agarwal

■ CHIEF FINANCIAL OFFICER

Mr. Dipak Sen

■ AUDITORS

Walker Chandio & Co LLP
Chartered Accountants

■ REGISTERED OFFICE

Plot No. IND-5, Sector-1
East Kolkata Township, Kolkata - 700 107
Tel : (033) 3984 9675
Fax No.: (033) 2442 1003
E-mail : complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
CIN : L01409WB1982PLC034590

■ REGISTRAR & SHARE TRANSFER AGENT

(For both Physical & Dematerialised Shares)
CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263
Fax : (033) 4011 6739
E-mail: rta@cbmsl.com
Website : www.cbmsl.com

■ WORKS

Noorpur, P.S. Diamond Harbour
Dist. : South 24 Parganas
West Bengal - 743 368

Panagarh
Bud Bud
Dist. : Burdwan
West Bengal - 713 148

Dankuni
Dist. : Hooghly
West Bengal - 712 306

Marine Product Processing Plant
Kasba Industrial Estate
East Kolkata Township
Kolkata - 700 107

■ BANKERS

Indian Overseas Bank
IDBI Bank Limited
ICICI Bank
HDFC Bank

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Notice to the Members

NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of IFB Agro Industries Limited will be held on 31st day of July, 2015, Friday, at 12.30 p.m. at Club Ecovista, Ecospace Business Park, Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata – 700156 to transact the following business:

AS ORDINARY BUSINESS:

Item No. 1 – Adoption of financial statements

To receive, consider and adopt the financial statements of the Company for the year ended on 31st March, 2015, including the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

Item No. 2- Appointment of Director

To appoint a Director in place of Mr. A. K. Nag (DIN 00117546), who retires by rotation and being eligible, seeks re-appointment.

Item No. 3 -Appointment of Auditors

To ratify the appointment of Auditors of the Company and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013, read with Rules made thereunder as amended from time to time, the Company hereby ratifies the appointment of M/s Walker Chandio & Co LLP (Firm Registration No. 001076N/N500013), Chartered Accountants, as the Auditors of the Company to hold office till the conclusion of the 35th Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

AS SPECIAL BUSINESS:

Item No. 4 -Appointment of Dr. Lakshmishri Roy (DIN 07145095) as an Independent Director.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013(‘The Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Dr. Lakshmishri Roy (DIN 07145095) who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2015 and who holds office till the date of this Annual General Meeting, in terms of Section 161 of the Act and who is eligible for the appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, upto March 31, 2016.”

Item No. 5 - Re-appointment of Mr Bikram Nag (DIN 00827155) as Joint Executive Chairman

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 198 read with Schedule V of the Companies Act, 2013 (‘The Act’) and the Rules made thereunder, Mr. Bikram Nag (DIN 00827155), be and is hereby reappointed as Joint Executive Chairman for a period of three years with effect from 27 January, 2016, liable to retire by rotation on such terms and conditions as set out in the statement annexed to the notice convening this meeting, with the liberty to the Board of Directors (herein after referred to as ‘The Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit and as may be acceptable to Mr. Bikram Nag, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modifications or any re-enactment thereof.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 6 - To Authorise the Board of Directors for creation of charge on Assets of the Company against its borrowings.

To consider and, if thought fit, to pass the following resolution with or without modification(s) as a special resolution:

“RESOLVED THAT in supersession of all resolutions passed by the Members of the Company under Section 293(1)(a) of the Companies Act, 1956, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to the mortgaging and/or charging by the Board of Directors of the Company of all the movable and immovable properties of the Company wheresoever situated, present and future and whole of the undertaking(s) of the Company together with the power to take-over the management of the business and concern of the Company in certain events of default in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities.”

“RESOLVED FURTHER THAT the Company be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.”

By Order of the Board

Registered Office:
Plot No. IND-5, Sector - 1
East Kolkata Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in

Ritesh Agarwal
Company Secretary

Kolkata, 30th May, 2015

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a 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 a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. 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. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members are requested to:
- bring their copy of Annual Report in the meeting.
 - bring duly filled attendance slips sent herewith for attending the meeting.
 - members holding shares in identical order of names in more than one folio is requested to write to the Company's Registrar & Share Transfer Agent, CB Management Services (P) Limited enclosing their share certificates for consolidation of all such shareholdings into one folio for better investor service. CB Management Services (P) Limited is the Share Transfer Agent for shares in physical as well as dematerialized form.
 - members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the company/ CB Management Services (P) Ltd.
 - provide their e-mail address to the Registrar.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business under Item Nos. 3 to 6 of the Notice is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered with the Stock Exchanges, of persons seeking appointment/reappointment of Directors under Item Nos. 2, 4 & 5 of the Notice are also annexed.
7. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting only.
8. The Register of Members and Share Transfer Registers of the Company will remain closed from July 25, 2015 to July 31, 2015 (both days inclusive).
9. 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.
10. Attendance Slip and Proxy Form are being despatched along with the Annual Report forming annexure to this Notice of the 33rd Annual General Meeting for the convenience of the Members.
11. The Notice of the Annual General Meeting along with Annual Report for 2014-2015 is being sent by electronic mode to all those Members whose email ID's are registered with the Company/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. Physical copies of the Annual Report for 2014-2015 are being sent as per permitted mode to the Members who have not registered their email addresses. The Notice of 33rd Annual General Meeting and the Annual Report will also be available on the Company's website : www.ifbagro.in
12. Non-residents Indian Members are requested to inform CB Management Services (P) Ltd., immediately of:
- Change in their residential status on return to India for permanent status.
 - Notify immediately any change in their address
 - Write to the Companies Registrar or Share Transfer Agents, M/s CB Management Services (P) Ltd., enclosing their Share Certificates for consolidation into one folio for better investor service, if they have more than one folio in identical orders of name(s).
13. The 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 the Members at the Annual General Meeting.
14. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
15. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, shall be opened for inspection by the Members at the Registered Office of the Company on all working days except Saturdays, during business hours upto the date of the Annual General Meeting of the Company.

16. Voting through electronic means

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting 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 the Annual General Meeting (“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 Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on 28th July, 2015 (9.00 am) and ends on 30th July, 2015 (5.00 pm). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participant(s)] :
 - (i) Open PDF file viz; “IFB Agro.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 “IFB Agro 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 scrutinizerifb@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of Annual General Meeting [for Members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :
 - (i) Initial password is provided at the bottom of the Attendance Slip for the Annual General Meeting.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (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 or call on toll free no.: 1800-222-990.

- vii. 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.
- 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 the paid up equity share capital of the Company as on the cut-off date of 24th July, 2015.
- x. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 24th July, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rta@cbmsl.com.

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.
- xi. Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are the shareholder.
- xii. Login to e-voting website will be disabled upon 5 unsuccessful attempts to key in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the website to reset the same.
- xiii. In case of joint holders, only one of the joint holders may cast his vote.
- xiv. 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 shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- xv. Mr. Jitendra Patnaik, Practising Company Secretary (Membership No. FCS 5045) sole proprietor of M/s. J. Patnaik & Associates, Company Secretaries has been appointed 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.
- xvi. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “ballot paper” for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- xvii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting 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, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xviii. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ifbagro.in and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to BSE Limited and NSE Limited.

17. A route guide map of the Annual General Meeting venue is given in the last page of this Annual Report.

By Order of the Board

Registered Office:
Plot No. IND-5, Sector - 1
East Kolkata Township
Kolkata - 700 107
CIN: L01409WB1982PLC034590
E-mail: complianceifbagro@ifbglobal.com
Website : www.ifbagro.in
Kolkata, 30th May, 2015

Ritesh Agarwal
Company Secretary

Statement Pursuant to Section 102(1) of the Companies Act, 2013

As required under Section 102(1) of the Companies Act, 2013 ('The Act'), the following statements set out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice dated 30th May, 2015.

Item No. 3

This statement is provided though strictly not required as per section 102 of the Act.

Walker Chandio & Co LLP, (Firm Registration No. 001076N/N500013), Chartered Accountants, were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting of the Company held on 30th July, 2014.

As per the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the Members at every Annual General Meeting.

Accordingly, ratification of the Members is being sought for the proposal contained in the resolution set out at Item No 3 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives, is interested or concerned in the resolution.

The Board commends the resolution set forth in Item No. 3 for the approval of the Members.

Item No. 4

Dr. Lakshmishri Roy is a Graduate in Pharmacy from KMIPS, Rourkela, Sambhalpur University in the year 1994. She was awarded Gold Medal by Governor of Orissa for her outstanding performance in B.Pharm. She completed her M.Tech, (Life Sciences and Biotechnology) from Jadavpur University in the year 1998. She obtained her Ph.D from IIT Kharagpur in the field of Agricultural and Food Engineering in the year 2013. Dr. Roy's appointment is valid till the date of this Annual General Meeting of the Company.

The Board of Directors upon recommendation of Nomination and Remuneration Committee appointed Dr. Lakshmishri Roy as an Additional Director of the Company with effect from 31st March, 2015, pursuant to Section 149, 152 and 161 of the Companies Act, 2013, read with Articles of Association of the Company and Clause 49 of the Listing Agreement.

In accordance to the provisions of Section 161 of the Companies Act, 2013, Dr. Lakshmishri Roy will hold office upto the date of the this Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a Member along with requisite deposit proposing the candidature of Dr. Lakshmishri Roy for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company has received from Dr. Lakshmishri Roy

- (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) intimation in Form - DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) a declaration to the effect that she meets the criteria of independence provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of the Members for the appointment of Dr. Lakshmishri Roy as an Independent Director of the Company up to March 31, 2016 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Dr. Lakshmishri Roy, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is independent of the Management.

A copy of the draft letter for the appointment of Dr. Lakshmishri Roy as an Independent Director setting out the terms and conditions is available for inspection without any fees by the Members at the Company's Registered Office during normal business hours on working days upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Dr. Lakshmishri Roy, to whom the resolution relates, is interested or concerned in the resolution.

The Board commends the ordinary resolution set out in the Item No. 4 of the Notice for approval by the Members.

Item No. 5

Mr. Bikram Nag, BBA from Richmond College, U.K. was appointed as Director of the Company on 14th October, 1997. He has nineteen years of experience in the field of Marketing and Business Management. He has made several significant contributions to the Company's growth and implementation of investment plans and business strategies. His contributions have been invaluable.

Mr. Bikram Nag was appointed as the Executive Director of the Company at the Nineteenth Annual General Meeting held on 31st August, 2001, for a period of three years with effect from 27th January, 2001, which was further renewed from time to time. He was appointed as Joint Executive Chairman at the Annual General Meeting of the Company held on 26th July, 2013. The existing terms of Mr Nag will expire on 26th January, 2016. Since Mr. Nag's term will expire on 26th January, 2016, the Board of Directors of the Company had, at their meeting held on 30th May, 2015 on the recommendation of the Nomination and Remuneration Committee, reappointed Mr Nag for a further period of three years with effect from 27th January, 2016.

The terms and conditions of the reappointment including remuneration payable to Mr Bikram Nag are as follows :

1. Period of appointment: Three years effective from 27th January, 2016.
2. Remuneration:
 - a) Basic Salary : Rs.301000/- (Rupees three lacs one thousand only) per month with the liberty to the Board to review and set the level from time to time.
 - b) House Rent Allowance : 50% of basic salary
 - c) Commission : In addition to salary, perquisites and other allowances, one percent commission based on net profit of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or enactment thereof.
 - d) Perquisites : Classified into three categories - A, B and C.

Part A

- a) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling of one month's salary in a year or three month's salary over a period of three year.
- b) Leave Travel Allowance: For self and family, once a year incurred in accordance with the rules of the Company.
- c) Club fees: Fees of Clubs subject to maximum of two clubs. This will not include admission and life membership fees.
- d) Personal Accident Insurance: Premium not exceeding Rs. 30100/- per annum.

Part B

- a) Gratuity as per the scheme of the Company.
- b) Contribution to the Provident Fund, Superannuation Fund as per the scheme of the Company.
- c) Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Part C

- a) Car : Provision of car for use on Company's business will not be considered as perquisites. However, use of car for private purpose will be billed by the Company to the Joint Executive Chairman.
- b) Telephone: Company will reimburse the expenses in connection with telephone at residence . However, personal long distance calls will be billed by the Company.

The terms and conditions of the said appointment and/or the Agreement are subject to the provisions of Section 196, 197 and 198 of the Companies Act, 2013, read with Part II of Schedule V and may be altered, and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

In compliance with the provisions of the Companies Act, 2013 the appointment and the terms of remuneration specified above are now being placed before the Members in the Annual General Meeting for their approval. The Board recommends passing of the Ordinary Resolution in the best interests of the Company.

The above may be treated as an abstract of the terms of contract between the Company and Mr Bikram Nag under Section 190 of the Companies Act, 2013. A copy of the aforesaid document setting out the terms and conditions is available for inspection without any fees by the Members at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting.