



**INDOKEM LIMITED**

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**49<sup>th</sup>**

**Annual Report**

**2014 - 15**



# INDOKEM LIMITED

## **DIRECTORS:**

MR. MAHENDRA K. KHATAU  
MS. LEELABAI KISHORE KHATAU  
MRS. ASHA MAHENDRA KHATAU  
MR. S. RAJAGOPALAN  
MR. KAILASH PERSHAD  
MR. B. G. SONTAKKE  
MR. MUKUND R. NAGPURKAR  
MS. SUGANDHA VAIDYA

CHAIRMAN & MANAGING DIRECTOR  
NON-EXECUTIVE WOMAN DIRECTOR  
NON-EXECUTIVE WOMAN DIRECTOR  
NON-EXECUTIVE INDEPENDENT DIRECTOR  
NON-EXECUTIVE INDEPENDENT DIRECTOR  
NON-EXECUTIVE INDEPENDENT DIRECTOR  
CHIEF FINANCIAL OFFICER  
COMPANY SECRETARY & COMPLIANCE OFFICER (Resigned w.e.f. 19.09.2015)

## **AUDITORS:**

M/S. SHETH DOCTOR & ASSOCIATES.

### **Audit Committee**

Mr. Kailash Pershad, Chairman  
Mr. B. G. Sontakke  
Mr. S. Rajagopalan  
Mr. Mahendra K. Khatau

### **Nomination And Remuneration Committee**

Mr. B. G. Sontakke, Chairman  
Mr. Kailash Pershad  
Mr. S. Rajagopalan

### **Stakeholders Relationship Committee**

Mr. B. G. Sontakke, Chairman  
Mr. Kailash Pershad  
Mr. S. Rajagopalan

### **Share Transfer Committee**

Mr. Mahendra K. Khatau, Chairman  
Ms. Leelabai K. Khatau  
Mr. B. G. Sontakke

### **Committee of Board of Directors**

Mr. Mahendra Khatau, Chairman  
Ms. Leelabai K. Khatau  
Mrs. Asha M. Khatau

## **BANKERS:**

HDFC BANK LTD.  
AXIS BANK LTD.  
BANK OF INDIA  
INDIAN OVERSEAS BANK

## **REGISTERED OFFICE:**

KHATAU HOUSE, PLOT NO. 410/411,  
MOGUL LANE, MAHIM (WEST),  
MUMBAI – 400 016.  
TEL. NO.: 6123 6767 / 6123 6711  
EMAIL: [iklsecretarial@gmail.com](mailto:iklsecretarial@gmail.com)  
WEBSITE: [www.indokem.co.in](http://www.indokem.co.in)

## **REGISTRAR & SHARE TRANSFER AGENT:**

SHAREX DYNAMIC (INDIA) PVT. LTD,  
UNIT NO.1, LUTHRA INDL. PREMISES,  
ANDHERI-KURLA ROAD, SAFED POOL,  
ANDHERI (EAST), MUMBAI – 400 072.  
EMAIL: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)  
WEBSITE: [www.sharexindia.com](http://www.sharexindia.com)

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### **Annual General Meeting (AGM)**

**Date:** December 21, 2015 at 4.00 P.M.

**Venue:** The Matunga Mitra Mandal Hall,  
The Karnataka Housing Co-op. Society Ltd.,  
Mogul Lane, Mahim (West), Mumbai – 400 016.

## **Members are requested to:**

- Direct all shares related queries to Sharex Dynamic India Pvt. Ltd.
- As a measure of economy copies of Annual Report will not be distributed at the AGM. Members are therefore requested to bring their copy to the meeting.
- Send their queries, if any, relating to the accounts of the Company, at least 7 days before the AGM, so that the necessary information can be made available at the meeting.
- Deposit their valid Proxy form at the Registered Office of the Company not less than forty-eight hours before the time for holding the AGM.

**Indokem Limited**

(CIN:L31300MH1964PLC013088)

**Registered Office:** “Khatau House”, Plot No. 410/411, Mogul Lane, Mahim (West), Mumbai – 400 016.

**NOTICE**

NOTICE is hereby given that the FORTY NINTH Annual General Meeting of the Members of the Company will be held on Monday, 21<sup>st</sup> December, 2015 at 4.00 P.M. at The Matunga Mitra Mandal Hall, The Karnataka Housing Co-op. Society Ltd., Mogul Lane, Mahim (West), (next to Ganga Vihar Restaurant), Mumbai – 400 016 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2015 including the Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss and the Cash Flow Statement as on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Leelabai Kishore Khatau (DIN: 00063807), who retires by rotation at this Annual General Meeting and being eligible and has offered herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company to carry on the Statutory Audit for the financial year 2015-16 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 139 and 142 along with other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the 48<sup>th</sup> Annual General Meeting (AGM) held on 30<sup>th</sup> September 2014, the appointment of M/s. Seth Doctor & Associates, Chartered Accountants, Mumbai – registered with the Institute of Chartered Accountants of India vide Registration No. 124822W, as the Statutory Auditors of the Company to conduct the Statutory Audit for the Financial year 2015-16 and to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company, be and is hereby ratified and that the Board of Directors be and is hereby Authorised to fix the remuneration in consultation with the auditors.”

**SPECIAL BUSINESS:**

4. **Re-appointment of Managing Director of the Company:**

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

**“RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made there under, including any statutory modifications and re-enactments thereof, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Mahendra K. Khatau as the Managing Director (DIN: 00062794) of the Company for a period of five years w.e.f. 01.04.2015 on such terms and conditions and on remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** all the Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts deeds and things, including but not limiting to filing of the necessary forms and documents with the Registrar of Companies and other regulatory authorities, and to do all such acts deeds and things as may be necessary to give effect to the foregoing resolutions.”

5. **To alter the Articles of Association of the Company:**

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

**“RESOLVED THAT,** pursuant to the provisions of Section 5 and Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modifications(s) or re-enactments thereof, for time being in force), the draft regulations contained in the Articles of Association submitted to

this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** all the Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts deeds and things, including but not limiting to filing of the necessary forms and documents with the Registrar of Companies and other regulatory authorities, and to do all such acts deeds and things as may be necessary to give effect to the foregoing resolutions.”

**6. Transactions with the Related Parties under Section 188 of Companies Act, 2013:**

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

“**RESOLVED THAT**, pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for entering into related party transactions with the parties and upto the limits as stated herein below:

Maximum value of Contract/ Transaction (per annum)				₹ In Crores
S.No.	Name of Related Parties	Transaction defined u/s 188 of Companies Act, 2013		
		Sale , purchase or supply of any goods, materials	Leasing of property of any kind	Availing or rendering of any services or Appointment of any agent for purchase or sale of goods, materials, services or property
On actual basis, Exempted being in the ordinary course of business and on arm’s length basis. (Subject to a maximum of amount p.a. as mentioned against the name of the Company)				
1.	Samudra Dye-Chem Private Limited	3	0.25	5
2.	Spiweld Chemtrade Private Limited	3	0.25	5
3.	Textomax Chemicals Private Limited	3	0.25	5
4.	Formost Chemicals Private Limited	3	0.25	5
5.	Chemron Texchem Private Limited	3	0.25	5
6.	Priyamvada Holdings Limited	3	0.25	5
7.	Asha Marine Products Private Limited	1	0.25	1
8.	Emerald Capital Services Private Limited	1	0.25	1
9.	Vindhyapriya Holdings Private Limited	1	0.25	1
10.	Khatau Leasing & Finance Company Private Limited	1	0.25	1
11.	Prism Plantations Private Limited	1	0.25	1
12.	Khatau Holding & Trading Company Private Limited	1	0.25	1
13.	Prerana Leasing & Finvest Private Limited	1	0.25	1
14.	MKK Holdings Private Limited	1	0.25	1
15.	Priyanilgiri Holdings Private Limited	1	0.25	1
16.	Refnol Resins & Chemicals Limited	10	0.25	1

**PARTNERSHIP FIRMS:**

1.	Orchard Acres	10	0.25	1
2.	D. M. Khatau & 3 Brothers	3	0.25	1

**Directors/KMPs/Relatives of Directors & KMPs/Other Firms & Companies in which director have some interest as per the provisions of section 2(76) of the Companies Act, 2013.**

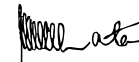
1.	Mr. Mahendra K. Khatau	-	0.25	10
2.	Ms. Leelabai K. Khatau	-	0.25	3
3.	Mrs. Asha M. Khatau	-	0.25	3
4.	Mr. Manish M. Khatau	-	0.25	5
5..	Ms. Priya M. Khatau	-	0.25	5
6.	*Chief Financial Officer	-	-	0.50
7.	*Company Secretary	-	-	0.50
8.	*Managing Director	-	-	2

\*Any Contract between the Company & person appointed / designated as Company Secretary, Chief Financial Officer and Managing Director

Any Contract or transaction with all the above parties for selling or otherwise disposing of, or buying, property of any kind to be on marker value and on arms lengths relationship basis.

**RESOLVED FURTHER THAT** all the Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts deeds and things, including but not limiting to filing of the necessary forms and documents with the Registrar of Companies and other regulatory authorities, and to do all such acts deeds and things as may be necessary to give effect to the foregoing resolutions.”

**For Indokem Limited**  
By Order of the Board



**Mahendra K. Khatau**  
Chairman and Managing Director

**Place: Mumbai**

**Date: 3<sup>rd</sup> November 2015**

**NOTES:**

- 1. A Member entitled to attend and vote at the Annual General Meeting ('AGM') is entitled to appoint a proxy to attend and to 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 (48) Hours before the commencement of the Annual General Meeting.**
- 2. 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. 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.**
- Corporate members intending to send their authorized representatives to attend the Annual General Meeting (AGM) are requested to send to the Company a certified true copy of their Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
- Only registered members of the Company or any proxy appointed by such registered member may attend the Annual General Meeting (AGM) as provided under the provisions of the Companies Act, 2013.
- The Explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of Special Business is enclosed herewith.

6. All documents referred to in the Notice and the Explanatory Statement annexed hereto, are open for inspection upto two days prior to the said meeting, at the Registered Office of the Applicant Company between 11.00 A.M. and 1.00 P.M. on all working days of the Applicant Company (except Saturdays, Sundays and Government Holidays).
7. Members are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Applicant Company in respect of such joint holding will be entitled to vote.
8. Alteration, if any, made in the Form of Proxy should be initialed.
9. Members may note that the Notice of the 49<sup>th</sup> Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.indokem.co.in](http://www.indokem.co.in). The physical copies of the aforesaid documents will also be available at the Company's Registered Office situated at Plot No. 410/411, Khatau House, Mogul Lane, Mahim (West), Mumbai- 400 016 for inspection between 11.00 A.M. and 1.00 P.M. on all working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [iklsecretarial@gmail.com](mailto:iklsecretarial@gmail.com).
10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide E-voting facility to the members to enable them to exercise their right to vote on resolutions proposed to be considered at the 49<sup>th</sup> Annual General Meeting (AGM) of the Company by electronic means. 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 Central Depository Services (India) Limited.
11. The facility for voting through Ballot Paper shall be made available at the Annual General Meeting (AGM) 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.
12. 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.

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

- i. The voting period commences on Friday, 18<sup>th</sup> December, 2015 at 10.00 A.M. and ends on Sunday, 20<sup>th</sup> December, 2015 at 5.00 P.M. During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> December, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- iii. Click on Shareholders.
- iv. Now Enter your User ID:
  - a. For **CDSL: 16 Digits beneficiary ID;**
  - b. For **NSDL: 8 Character DP ID followed by 8 Digits Client ID;**
  - c. Members holding shares in **Physical Form** should enter **Folio Number** registered with the Company.
- v. Next enter the Image Verification as displayed and Click in Login.
- vi. If you are holding shares in Demat form and have logged in to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, the your existing password is to be used.
- vii. If you are a first time user follow the Steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 Digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of demat account/folio number in the PAN filed.</li> <li>In case the folio number is less than 8 digits enter the applicable number in 0's before the number after the first two characters of the name in CAPITAL letters, eg. if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN filed.</li> </ul>
<b>DOB</b>	<p>Enter the Date of Birth as recorded in your Demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company please enter the number of shares held by you on <b>the cut-off date in the Dividend Bank Details field.</b></li> </ul>

- viii. After entering these details appropriately, click on **“SUBMIT”** tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password filed. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. Click on the **EVSN of INDOKEM LIMITED** for voting.
- xi. On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/ NO”** for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the **“RESOLUTION FILE LINK”** if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- xiv. Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on **“Click here to print”** option on the Voting page.
- xvi. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xvii. Note for Non- Individual Shareholders and Custodians
- Non- Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the Stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded if PDF format in the system for the scrutinizer to verify the same.



xviii. In case you have any queries or issues regarding e-voting, you may refer the **Frequently Asked Questions ("FAQs")** and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Please Note that:**

1. The voting period begins on Friday, 18<sup>th</sup> December, 2015 at 10.00 A.M. and ends on Sunday, 20<sup>th</sup> December, 2015 at 5.00 P.M. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is 14<sup>th</sup> December, 2015, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on 20<sup>th</sup> December, 2015.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. Mrs. Samita Tanksale, a Practicing Company Secretary (Membership No. CP10763) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizers shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward her report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.indokem.co.in](http://www.indokem.co.in) and on the website of CDSL within two (2) days of passing of resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges.

**For Indokem Limited  
By Order of the Board**

**Place: Mumbai  
Date: 3<sup>rd</sup> November, 2015**

**Mahendra K. Khatau  
Chairman and Managing Director**

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

**Item No. 4:**

**Re-appointment of Managing Director:**

The tenure of Mr. Mahendra K. Khatau, who was appointed as the Managing Director of the Company by the Members of the Company expires on 31<sup>st</sup> of March, 2015. Company is desirous of and Mr. Mahendra K. Khatau has consented to being re-appointed as the Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> of April, 2015.

Keeping in view that Mr. Mahendra K. Khatau has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Mahendra K. Khatau as the Managing Director of the Company.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Remuneration Committee, which is now called as Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on 30<sup>th</sup> January, 2015 approving re-appointment of Mr. Mahendra K. Khatau, as Managing Director of the Company for a further period of five years with effect from 1<sup>st</sup> April, 2015 upto 31<sup>st</sup> March, 2020. This is subject to the approval of the shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Mahendra K. Khatau and the terms and conditions of the re-appointment are given below:

- i) Salary: ₹ 1,80,000/- per month with annual increment of such amount as may be decided by the Board.
- ii) Rent Free furnished Accommodation owned or leased / rented. In case the Company provides no accommodation, Mr. Khatau shall receive house rent allowance of ₹ 55,000/- per month.
- iii) Housing Maintenance Allowance : ₹ 30,000/- p.m.
- iv) Reimbursement of gas, electricity, water charges & furnishing up to ₹ 25,000/- p.m.
- v) Medical Reimbursement:

Reimbursement of expenses incurred by Mr. Khatau for himself and his family subject to ceiling of ₹ 24,000/- per month.

- vi) Leave Travel allowance for himself and his family is ₹ 1,20,000/- p.a. once in a year in accordance with rules of the Company.

- vii) Personal Accident Insurance / Mediclaim Policies :-

In accordance with the rules of the Company, however the premium thereof not to exceed ₹ 24,982/- for both the policies.

- viii) Club Fees:-

Fees of the Clubs subject to a two clubs. No admission and life membership fees shall be paid.

- ix) Car with driver and Telephone:-

The Company will provide a Car with Driver and Telephone at the residence of Mr. Khatau. The provision of car for use on Company's business and Telephone at residence will not be considered as perquisite. Personal long distance calls and use of car for private purposes shall be billed by the Company to Mr. Khatau.

- x) Earned Leave:-

On full pay and allowance and perquisite as per the rules of the Company. Encashment of leave for a maximum of 60 days at the end of the tenure will be permissible, which shall not be included in the computation of minimum remuneration.

- xi) Company's contribution towards Provident Fund to the extent it is not taxable under Income Tax Act, 1961.

- xii) Gratuity not exceeding half a month's salary for each completed year of service. The aforesaid perquisites stated shall not be included in the computation of minimum remuneration.

The Board of Directors recommends the resolution in relation to the re-appointment of Executive Chairman and Managing Director, for the approval of the shareholders of the Company.

Notice has been received from member signifying their intention to propose appointment of Mr. Mahendra K. Khatau as Managing Director of the Company. The disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided at Annexure A of this Notice.

Except Ms. Leelabai K. Khatau and Mrs. Asha M. Khatau or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 4.