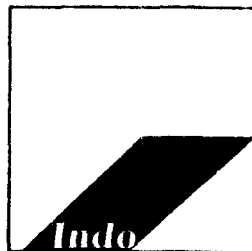


# **12TH ANNUAL REPORT 2004 - 2005**

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## **INDO AMINES LIMITED**

**W-38 / 39, PHASE II, M.I.D.C. DOMBIVLI (EAST).  
DIST.- THANE**

## **INDO AMINES LIMITED**

### **BOARD OF DIRECTORS**

Mr. VIJAY B. PALKAR	: CHAIRMAN & MANAGING DIRECTOR
MR. KIRIT H. SHAH	: WHOLE TIME DIRECTOR ( PROMOTER )
Mrs. BHARATI V. PALKAR	: NON - EXECUTIVE PROMOTER DIRECTOR
Mr. RAHUL V. PALKAR	: EXECUTIVE PROMOTER DIRECTOR
Mr. N. G. MANE	: EXECUTIVE INDEPENDENT DIRECTOR (W.E.F. 1 <sup>ST</sup> April 2005).
Mr. SURESH IYER	: EXECUTIVE INDEPENDENT DIRECTOR (W.E.F. 1 <sup>ST</sup> April 2005).
Mr. MILIND P. PATIL	: EXECUTIVE INDEPENDENT DIRECTOR (W.E.F. 1 <sup>ST</sup> April 2005).
MR.R.RAGHAVENDRA RAVI	: INDEPENDENT NON EXECUTIVE DIRECTOR (W.E.F. 1 <sup>ST</sup> August, 2004).
Dr. J. H. SHAH	: INDEPENDENT NON EXECUTIVE DIRECTOR

### **AUDITORS**

Kulkarni and Khanolkar, Chartered Accountants, Mumbai.

### **CORPORATE GOVERNANCE REPORT**

H. Shetye Associates, Company Secretaries, Mumbai

### **BANKERS**

State Bank of India, Dadar Commercial Branch, Mumbai.

State Bank of India, Baroda.

State Bank of India, Alkapuri, Baroda

Union Bank of India, Sayajikunj Branch, Baroda.

### **REGISTERED OFFICE**

W-38/39, MIDC, Phase II, Dombivli (E), Dist. Thane.

### **REGISTRARS & SHARE TRANSFER AGENTS**

#### **BIGSHARE SERVICES PVT LTD**

E/2, Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri (E), Mumbai 400 072.

### **MANUFACTURING FACILITIES AT**

1. W-38/39, Phase II, MIDC, Dombivli (E), Dist. Thane.
2. Survey No. 1723, Tundav, Taluka Savli, Baroda, Gujarat.

### **SHARES LISTED AT;**

The Stock Exchange

Mumbai

Ahmedabad

Calcutta

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### **12<sup>th</sup> ANNUAL GENERAL MEETING**

**Date :** 19<sup>th</sup>, September, 2005

**Day :** Monday

**Time :** 11.00 A.M

**Place:** Dombivali Gymkhana,

P-9, Phase I, M.I.D.C

Dombivli (E), Dist.: Thane -421201

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 12<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF INDO AMINES LIMITED WILL BE HELD ON Monday, 19<sup>TH</sup>, September, 2005 AT 11.00 A.M. AT Dombivli Gymkhana, P-9, PHASE I, MIDC, DOMBIVLI (E), DIST. THANE -421 201 TO TRANSACT THE FOLLOWING BUSINESS.

\*\*\*\*\*

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited accounts for the year ended 31<sup>st</sup> March, 2005 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Bharati Palkar, Director of the company who retires by rotation & being eligible offers herself for re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

4. To consider and if thought fit to pass, with or without modification, the following resolution as an **ordinary resolution**.

**RESOLVED THAT** R. Raghavendra Ravi, who was appointed as an Additional Director w.e.f 1<sup>st</sup> August, 2004 and who holds office upto the date of the 12<sup>th</sup> Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the company has received a notice in writing from a member under section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director.

5. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.

**RESOLVED THAT** subject to the provisions of the section 198, 269, 309, 310, 314 of the Companies Act, 1956, Schedule XIII and other applicable provisions and subject to consent of shareholders, the Managerial remuneration of **Mr. Vijay Palkar, Chairman & Managing Director** be and is hereby varied w.e.f. 1<sup>st</sup> April, 2005 on such terms and conditions as approved by the Board.

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

6. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.

**RESOLVED THAT** subject to the provisions of the section 198, 269, 309, 310, 314 of the Companies Act, 1956, Schedule XIII and other applicable provisions and subject to consent of shareholders, the Managerial remuneration of **Mr. Kirt Shah, Whole Time Director** be and is hereby varied w.e.f. 1<sup>st</sup> April, 2005 on such terms and conditions as approved by the Board.

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

7. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution.

**RESOLVED THAT** subject to the provisions of the section 198, 269, 309, 310, 314 of the Companies Act, 1956, Schedule XIII and other applicable provisions and subject to consent of shareholders, the Managerial remuneration of **Mr. Rahul Palkar, Executive Director** be and is hereby varied w.e.f. 1<sup>st</sup> April, 2005 on such terms and conditions as approved by the Board.

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

8. To consider and if thought fit to pass, with or without modification, the following resolution as an **ordinary resolution**

**"RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company be and is hereby accorded to the appointment of **Mr. N.G. Mane as an Executive Director** of the Company for a period of 5 (Five) years with effect from 1<sup>st</sup> April, 2005 on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement."

**"RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Executive Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time."

INDO AMINES LIMITED

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

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

9. To consider and if thought fit to pass, with or without modification, the following resolution as an **ordinary resolution**

**"RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company be and is hereby accorded to the appointment of **Mr. Suresh Iyer as an Executive Director of the Company** for a period of 5 (Five) years with effect from **1<sup>st</sup> April, 2005** on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement."

**"RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Executive Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time."

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

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

10. To consider and if thought fit to pass, with or without modification, the following resolution as an **ordinary resolution**

**"RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), (hereinafter referred to as "the said Act") the consent of the Company be and is hereby accorded to the appointment of **Mr. Milind Patil as an Executive Director of the Company** for a period of 5 (Five) years with effect from **1<sup>st</sup> April, 2005** on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or agreement."

**"RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Executive Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Executive Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time."

**"RESOLVED FURTHER THAT** the Board is also authorized to vary/revise the aforesaid remuneration from time to time within the limits of Schedule XIII of the Companies Act, 1956 & also authorized to take necessary steps for implementing the aforesaid resolution."

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

BY ORDER OF THE BOARD  
INDO AMINES LIMITED

DATE: 25<sup>th</sup> July, 2005  
PLACE: Dombivli

VIJAY B. PALKAR  
CHAIRMAN & MANAGING DIRECTOR

INDO MINES LIMITED

DIRECTOR'S REPORT

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register shall remain closed from Friday the 9<sup>th</sup> September, 2005 to Monday 19<sup>th</sup> September, 2005 (both days inclusive).
4. Explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business set above is annexed.
5. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies at the meeting.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
7. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidation their holdings in one folio.
8. Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, additional information related to Directors recommended for appointment /re-appointment at the Annual General Meeting appears in the Directors' report and Accounts.
9. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven days before the date of the meeting, so that the information required may be made available at the meeting.
10. Members holding shares in electronic form are advised that address/bank details as furnished to the company by the respective Depositories, viz NSDL & CDSL, will be printed on the dividend warrants. Members are requested to inform the concerned Depository participants of any change in address, dividend mandate, etc.
11. Members holding shares in physical form are requested to notify/send the following to the company's Register and Transfer Agents to facilitate better service.
  - Any change in their address/mandate / bank details.
  - Particulars of their bank accounts in case the same have not been sent earlier , and
  - Share certificate (s) held in multiple accounts in identical names & or joint accounts in the same order of names for consolidation of such shareholdings into one account.

**EXPLANATORY STATEMENT****As required by section 173(2) of the Companies Act, 1956****Item No. 4.**

Mr. R. Raghavendra Ravi who was appointed as an Additional Director w.e.f. 1<sup>st</sup> August, 2004 under section 260 of the Companies Act, 1956. The said Director will hold office upto the date of the 12<sup>th</sup> Annual General Meeting. The Company has received a notice in writing from member proposing the candidature of Mr. R. Raghavendra Ravi for the office of the Director under section 257 of the Companies Act, 1956.

A detail of Resume of the Director as per the Clause 49 of the Listing agreement is listed in the Corporate Governance Report.

The Board of Directors recommends the resolution for approval of the members.

Name of the Directors, except Shri R. Raghavendra Ravi is concerned or interested in the said Resolution.

**ITEM NO. 5.6 AND 7 :**

Mr. Vijay Paikar, Mr. Kirit Shah & Mr. Rahul Paikar are Managing Director, Whole Time Director & Executive Director respectively. Due to their sustained efforts, the company posted improved financial performance in the current year. Board in their meeting held on 31<sup>st</sup> January, 2005 proposed increase in their remuneration subject to approval of shareholders. The major terms & conditions of their remuneration are as per following.



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a. **Major Terms of variation in the remuneration of Mr. Vijay Palkar, Managing Director & Chairman.**

I) **TERMS & CONDITIONS:**

1. Name & Designation of Director. : **Mr. Vijay Palkar, Managing Director & Chairman**
2. Variation in remuneration : w.e.f. 1/4/2005
3. Period : For remaining tenure of his appointment i.e. upto 31/03/2008.
4. Salary (p.m) : Rs. 65,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act, 1956.

II) **PERQUISITES:**

Mr. Vijay Palkar as a Managing Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contribution to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) **Children's Education Allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible up to a maximum of two children.
- d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study in India or stay abroad if they are not residing in India with the managerial person.
- e) **Leave Travel Concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
- f) Salary and perquisites specified herein shall be payable to the Managing Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- g) The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- h) The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- i) The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendment hereafter in that regard.

**OTHER BENEFITS:** Apart from the aforesaid remuneration, the Managing Director & Chairman shall be entitled to reimbursement of all the medical expenses of his and his dependents, all fringe benefits and all other expenses incurred in connection with the business of the Company.

**MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Managing Director, the company has no profits or its profits are inadequate, the remuneration payable by way of salary and perquisites shall remain same as above and will be considered as minimum remuneration.

b. **Major Terms of variation in remuneration of Mr. Kirit Shah, Whole Time Director.**

I) **TERMS & CONDITIONS:**

1. Name & Designation of Director. : **Mr. Kirit Shah, Whole Time Director.**
2. Variation in remuneration : w.e.f. 1/4/2005
3. Period : For remaining tenure of his appointment i.e. upto 31/03/2008.
4. Salary (p.m) : Rs.60,000/--p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act, 1956.

II) **PERQUISITES:**

Mr. Kirit Shah as a Whole Time Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contributions to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.

- c. **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible up to a maximum of two children.
- d. **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study in India or stay abroad if they are not residing in India with the managerial person.
- e. **Leave Travel Concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
- f. Salary and perquisites specified herein shall be payable to the Whole Time Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- g. The Whole Time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- h. The Whole Time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- i. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendment hereafter in that regard.

**OTHER BENEFITS:** Apart from the aforesaid remuneration, the Whole Time Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company.

#### **MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Whole Time Director, the company has no profits or its profits are inadequate, the remuneration payable by way of salary and perquisites shall remain same as above and will be considered as minimum remuneration.

- c) **Major Terms of variation in remuneration of Mr. Rahul Palkar, Executive Director.**

#### **I) TERMS & CONDITIONS:**

1. Name & Designation of Director. : Mr. Rahul V. Palkar. Executive Director.
2. Variation in remuneration in : w.e.f. 1/4/2005
3. Period : For remaining tenure of his appointment i.e. upto 31/03/2008.
4. Salary (p.m) : Rs.50,000/-p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act, 1956.

#### **II) PERQUISITES:**

Mr. Rahul Palkar as an Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contributions to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible up to a maximum of two children.
- d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study in India or stay abroad if they are not residing in India with the managerial person.
- e) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.
- f) Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- g) The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- h) The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendment hereafter in that regard.

**OTHER BENEFITS:** Apart from the aforesaid remuneration, the Executive Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company

**MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Executive Director, the company has no profits or its profits are inadequate, the remuneration payable by way of salary & perquisites shall remain same as above and will be considered as minimum remuneration.

Mr. Vijay Palkar, aged 52 years, is engineer & one of the Chief promoters of the Company. Due to his sustained efforts the company achieved this level. Your Board therefore recommends revision in remuneration w.e.f. 1<sup>st</sup> April, 2005 as a Managing Director & Chairman of the Company.

Mr. Kirit Shah, aged 57 years, is another promoter. He has vast experience in marketing field. Having regard to the knowledge & experience & further the enhanced responsibilities carried due to manifold increase in the operations of the Company, the Board recommends revision in remuneration w.e.f. 1<sup>st</sup> April, 2005 as a Whole Time Director of the Company

Mr. Rahul Palkar, aged 26 years, is B.sc.by profession. His main area of operation is Research & Development. Your Board therefore recommends revision in remuneration w.e.f. 1<sup>st</sup> April, 2005 as a Executive Director of the Company.

The copies of the terms & conditions of all these Managerial Personnel are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 2.00 p.m. up to the date of Annual General Meeting.

Mr. Vijay Palkar, Mrs. Bharati Palkar, Mr. Rahul Palkar, Directors are interested in the resolutions about variation of Managerial remuneration of Mr. Vijay Palkar and Mr. Rahul Palkar. Mr. Kirit Shah is interested in his resolution of variation of managerial remuneration.

This explanatory statement, along with relevant resolutions may be treated as an abstract of the terms of this contract of appointments to be disclosed to the members pursuant to Section 302 of the Companies Act, 1956.

**ITEM NO.8,9 AND 10**

A) In view of increase in business activities, your Board of Directors appointed Mr.N.G.Mane, as an Executive Director of the company for a period of 5 (Five ) years with effect from 1<sup>st</sup> April, 2005. The said appointment was approved by the remuneration committee meeting and subject to approval of shareholders in the forthcoming Annual General Meeting.

The remuneration to **Mr. N. G. Mane**, inter alia, includes the payment of salary, perquisites and benefits.

A detail of Resume of the Director as per the Clause 49 of the Listing agreement is listed in the Corporate Governance Report.

The terms & Conditions proposed to be entered into by the Company with **Mr. N.G. MANE** in respect of his appointment, inter alia, contains the following terms and conditions:

**TERMS & CONDITIONS**

- |                                    |   |
|------------------------------------|---|
| 1. Name & Designation of Director. | : <b>Mr. N.G. MANE.</b><br>Executive Director.  |
| 2. Date of Appointment             | : <b>Appointed as an Executive Director w.e.f. 1<sup>st</sup> April, 2005.</b>  |
| 3. Period                          | : 5 years. i.e. 1 <sup>st</sup> April, 2005 to 31 <sup>st</sup> March, 2010.  |
| 4. Salary (p.m)                    | : Rs. 24,100/-p.m. (w.e.f 01/04/2005) with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.  |
| 5. Minimum Remuneration            | : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to <b>Mr. N.G. MANE</b> by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to <b>Mr. N.G. MANE</b> shall be the maximum amount permitted as per Schedule XIII, as amended from time to time. |



**II) PERQUISITES:**

Mr. N.G. MANE as an Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contribution to provident Fund, Superannuation fund or annuity funds to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of **Rs. 5,000/-** per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
- d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study in India or stay abroad if they are not residing in India with the managerial person.
- e) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

**OTHER BENEFITS:** Apart from the aforesaid remuneration, the Executive Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company

**III).** Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

**IV).** The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

**V).** The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

**VI).** The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendment hereafter in that regard.

**MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Executive Director, the company has no profits or its profits are inadequate, the remuneration payable by way of salary & perquisites shall remain same as above and will be considered as minimum remuneration.

None of the Directors of the company, except Mr. N.G. Mane is considered to be interested or concerned in this resolution.

This Terms & Conditions of appointment may be treated as abstracts between the company & Mr. N.G. Mane pursuant to section 302 of the Companies Act, 1956.

B) In view of increase in business activities, your Board of Directors appointed Mr. Suresh Iyer, as an Executive Director of the company for a period of 5 (Five) years with effect from **1<sup>st</sup> April, 2005**. The said appointment was approved by the remuneration committee meeting and subject to approval of shareholders in the forthcoming Annual General Meeting.

The remuneration to **Mr. Suresh Iyer**, inter alia, includes the payment of salary, perquisites and benefits.

A detail of Resume of the Director as per the Clause 49 of the Listing agreement is listed in the Corporate Governance Report.

The terms & Conditions proposed to be entered into by the Company with **Mr. Suresh Iyer** in respect of his appointment, inter alia, contains the following terms and conditions:

**TERMS & CONDITIONS**

1. Name & Designation of Director. : **Mr.Suresh Iyer.**  
Executive Director.
2. Date of Appointment : **Appointed as an Executive Director w.e.f. 1<sup>st</sup> April, 2005.**
3. Period : **5 years. I.e. 1<sup>st</sup> April 2005 to 31<sup>st</sup> March, 2010.**
4. Salary (p.m) : **Rs.30,000/-p.m. ( w.e.f 01.04.2005 ) with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.**
5. Minimum Remuneration : **In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Suresh Iyer by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Suresh Iyer shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.**

**II) PERQUISITES:**

Mr. Suresh Iyer as an Executive Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a) Contributions to provident Fund, Superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b) **Gratuity:** as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c) **Children's education allowance:** In case of children studying in or outside India, an allowance limited to a maximum of **Rs. 5,000/-** per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
- d) **Holiday passage for children studying outside India/family staying abroad:** Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study in India or stay abroad if they are not residing in India with the managerial person.
- e) **Leave travel concession:** Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

**OTHER BENEFITS:** Apart from the aforesaid remuneration, the Executive Director shall be entitled to reimbursement of medical expenses, all fringe benefits and all expenses incurred in connection with the business of the Company.

**III).** Salary and perquisites specified herein shall be payable to the Executive Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

**IV).** The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

**V).** The Executive Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.

**VI).** The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, or any amendment hereafter in that regard.

**MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Executive Director, the company has no profits or its profits are inadequate, the remuneration payable by way of salary & perquisites shall remain same as above and will be considered as minimum remuneration .

None of the Directors of the company, except Mr Suresh Iyer is considered to be interested or concerned in this resolution.

This Terms & Conditions of appointment may be treated as abstracts between the company & Mr. Suresh Iyer pursuant to section 302 of the Companies Act, 1956.

C) In view of increase in business activities, your Board of Directors appointed Mr.Milind Patil, as an Executive Director of the company for a period of 5 (Five ) years with effect from **1<sup>st</sup> April, 2005**. The said appointment was approved by the remuneration committee meeting and subject to approval of shareholders in the forthcoming Annual General Meeting.