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ANNUAL REPORT
(2014-15)



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Nomination & Remuneration Committee			
Compensation Committee			
Risk Management Committee			
Statutory Auditors			
M/s S N Dhawan & Co.			
FRN: 000050N			
C 37, Connaught Place,			
New Delhi-110 001			
Tel No.: +91 114368 4444, Fax: +91 114368 4445			
Registrar & Transfer Agent:			
M/s Alankit Assignments Limited			
205-208, Anarkali Complex			
Jhandewalan Extension, New Delhi- 110 055			
Bankers			
ICICI Bank Limited			
Bank of India			
Listing Information			
The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Listing fees as prescribed have been paid to the respective stock exchanges for the financial year ended 31st March, 2015.			
Stock Code			
Bombay Stock Exchange Limited: 532771			
National Stock Exchange of India Limited: JHS			
ISIN Code: INE544H01014			
Website: www.svendgaard .com			
		Registered Office	
		Trilokpur Road, Kheri (Kala Amb), Tehsil – Nahan, Distt: Sirmaur, Himachal Pradesh-173030 Tel: +91 9218-400346 Fax: +91 1702-238831 Web: www. svendgaard.com	
		Corporate Office	
		B1/E23, Mohan Co-Operative Industrial Area, Mathura Road, New Delhi-110 044 Tel: +91 11 2690 0411, Fax: +91 11 26900434 Web: www. svendgaard.com	
		Unit I	
		Trilokpur Road, Kheri (Kala Amb), Tehsil – Nahan, Distt-Sirmaur, Himachal Pradesh-173030	
		Unit II	
		Jai Hanuman Exports H-3, SDF, NSEZ, Noida Phase-II, Dadri Road, Gautam Budh Nagar, Uttar Pradesh-201305	

NOTICE

To

The Members,

NOTICE is hereby given that the eleventh (11th) Annual General Meeting of the Members of **JHS SVENDGAARD LABORATORIES LIMITED** will be held on Tuesday, 01st September, 2015 at 11.00 a.m. at the Registered Office of the Company at Trilokpur Road, Kheri (Kala-Amb), Tehsil-Nahan District Sirmaur, Himachal Pradesh - 173030 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit and Loss for the financial year ended on 31st March, 2015 together with the Directors' & Auditor's Report thereon
2. To appoint a Director in place of Mr. Vanamali Polavaram (DIN: 01292305) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification (s), the following resolution for appointment and fixation of remuneration for the Statutory Auditors for a term of 5 years from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held for financial year ending 31st March, 2020 as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable Rules framed thereunder, as amended from time to time, M/s S. N. Dhawan & Co., Chartered Accountants (Firm Registration No.000050N), be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 16th Annual General Meeting to be held in the year 2020, subject to the ratification by the members in subsequent general meetings every year, on such remuneration as may be mutually agreed between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS:

4. **Confirmation of the appointment of Mr. Mukul Pathak (DIN: 00051534), as an Independent Director of the Company w.e.f. 02nd July, 2015.**

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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and relevant Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Mukul Pathak (DIN: 00051534), additional Director of the Company, be and is hereby appointed as an Independent

Director of the Company not being liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from 02nd July, 2015."

5. **Confirmation of the appointment of Mr. Vishal Sarad Shah (DIN: 07113784), Additional Director, as a Director of the Company w.e.f. 14.02.2015 as an ORDINARY RESOLUTION.**

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Vishal Sarad Shah, as a Director of the Company with effect from 14th February, 2015 who was appointed as an additional director of the Company as such.

6. **Confirmation of the appointment of Mr. Vishal Sarad Shah (DIN: 07113784), as a Whole Time Director of the Company w.e.f. 14.02.2015.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:-

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Vishal Sarad Shah, as Whole-time Director of the Company with effect from 14th February, 2015 for a period of 5 years till 13th February, 2020, as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Vishal Sarad Shah.

RESOLVED FURTHER THAT the remuneration payable to Mr. Vishal Sarad Shah, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be

required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

7. Appointment of Ms. Mahima Suri of Mahima Suri & Associates, as Secretarial Auditors of the Company for the financial year 2015-16.

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

“RESOLVED THAT pursuant to section 204 of the companies act, 2013, Ms. Mahima Suri of MAHIMA SURI & ASSOCIATES (Membership Number 31768) a Practicing Company Secretary be and is hereby appointed as a Secretarial Auditor, for auditing the Secretarial and related records of the Company for the financial year ending on 31st March, 2016 at an annual fees as may be mutually agreed by the board and the auditor.”

8. Enhancement of Authorised Share Capital and Alteration of Capital Clause contained in the Memorandum of Association

To consider and if thought fit, to pass, with or without modification(s), the Resolution for Increase in Authorized Share Capital as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company be and is hereby increased from Rs.55,00,00,000 (Rupees Fifty Five Crores) divided into 5,50,00,000 (Five Crores Fifty Lacs) Equity Shares of Rs.10/- each to Rs.60,00,00,000 (Rupees Sixty Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs. 10/- each, by creation of additional 50,00,000 equity shares of Rs. 10/- each ranking pari-passu in all respect with the existing Equity Shares .

RESOLVED FURTHER THAT pursuant to Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause V as follows:

- V. *“The Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs. 10/- (Rupees Ten) each.”*

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as it may in its absolute discretion considered necessary, desirable or expedient and to sign, execute and submit all the requisite documents with the appropriate authority including filing of requisite documents with the Registrar of Companies.

9. Issuance of Warrants on Preferential Basis

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 42, Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as the “Companies Act”) read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the Stock Exchange(s) where the shares of the Company are listed, and in accordance with the existing guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”) (including the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009, the SEBI (Substantial Acquisition of Shares and Takeovers Regulations, 2011) (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being in force) and subject to the approvals, consents, permissions and/ or sanctions, as may be required from the Government of India, the Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other relevant statutory, governmental authorities or departments, institutions or bodies (“Concerned Authorities”), institution or body and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to offer and allot up to 3,59,04,748 (Three Crores Fifty Nine Lacs Four Thousand Seven Hundred and Forty Eight) Fully Convertible Warrants to be convertible at the option of Warrant holders in one or more tranches, within 18 (eighteen) months from its allotment date into equal number of fully paid up Equity Shares of face value of Rs.10/- (Rupees Ten only) each for cash at an issue price of Rs. 11/- (Rupees Eleven Only) per share or such other price as may be determined in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations or directions of the Stock Exchanges and to issue fresh Equity Shares on the conversion of the Warrants on such further terms and conditions as may be finalized by the Board of Directors, to the persons belonging to the Promoter as well as Non-Promoter Category.

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI (ICDR) Regulations, 2009, as amended up to date, for the determination of issue price of the Equity Shares is 31st July, 2015 being the date which is 30 days prior to the date of this Extra-Ordinary General Meeting i.e. 1st September, 2015.

RESOLVED FURTHER THAT aforesaid issue of

Equity Shares shall be subject to the following terms & conditions:

- (a) The proposed allottee(s) of Warrants shall, on the date of allotment of warrants, pay an amount equivalent to at least 25% of the price fixed per Warrant in terms of the SEBI (ICDR) Regulations, 2009. The balance 75% of the Issue Price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof.
- (b) Warrants, being allotted to the persons belonging to Promoter and Non-Promoter Category and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed by the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (c) Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

RESOLVED FURTHER THAT the equity shares proposed to be so allotted upon conversion of Warrants shall rank pari passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dhiraj Kumar Jha, Company Secretary and/or Mr. Nikhil Nanda, Director of the Company be and are hereby severally/jointly authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient including listing of shares with the Stock Exchanges, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT the Board/Committee of the Board/person authorized by the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors, including obtaining requisite consents from the allottees and filing of documents required for In Principle approvals etc and to give effect to this resolution."

By order of the Board of Directors
For **JHS Svendgaard Laboratories Limited**

Nikhil Nanda
(Managing Director)
DIN: 00051501

Place: New Delhi
Date: 07th August, 2015

NOTES:-

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the special businesses to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL 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.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than 10 percent Share capital of the Company. Members holding more than 10 percent of the total Share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument appointing a proxy as per the format in the Annual Report should, however, be deposited at the registered office of the Company not later than 48 (forty eight) hours before the commencement of the meeting. Proxies submitted on behalf of Companies, societies, partnership firm, etc. must be supported by appropriate resolution / authority, as applicable, issued by the member of organization.
4. The Register of Members and Share Transfer Register of the Company shall remain closed from Tuesday, 25th August, 2015 to Tuesday, 1st September, 2015 (both days inclusive).
5. The Notice of the AGM along with the Attendance slip and Proxy form is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice is being sent by the permitted mode. In view of the recent cases of bouncing of emails while sending notice of EGM dated 4th August, 2015, The company has decided to send the hard copy of the notice of AGM and Annual Report to such members in advance and simultaneously the same will be sent through emails. Such members are also requested to update their emails with our RTA.
6. Members may also note that the Notice of the AGM will be available on the Company's website, www.svendgaard.com. The Notice will also be available at the Company's registered office for inspection during normal business hours on working days. Members may write to us at cs@svendgaard.com if they have any queries or require communication in physical form in addition to electronic communication.
7. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
8. **Voting through electronic means**
 1. In compliance with 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 (AGM) 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 AGM ("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 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.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 29th August, 2015 (10:00 am) and ends on 31st August, 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 25th August, 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 Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Name of the company".
 - (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 scrutinizer@svendgaard.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID/	PASSWORD/PIN
 - (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 25th August, 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 of the cut-off date i.e. 25th August, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cs@svendgaard.com / rta@alankit.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. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Mr. Ankit Garg, Chartered Accountant (Membership No. 515099) and Partner M/s. VSD & Associates, Chartered Accountants has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, 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 AGM but

have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the 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 AGM, 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.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.svendgaard.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

- Details of Directors who are proposed to be appointed/ reappointed at the ensuing Annual General Meeting, as required under Clause 49 of the Listing Agreement, are as under:-

Name of Director	Vanamali Polavoram	Mukul Pathak	Vishal Sarad Shah
Date of Birth	24th September, 1946	13th January, 1967	14th August, 1970
Brief Resume	Mr. P. Vanamali, Non-Executive Director, (IAS Retired) aged 66 years, is a MA (English), MA (Political Science) MBA. He retired as Resident Commissioner, Government of West Bengal. He worked with the State Government of West Bengal and Government of India in various positions. He has administrative experience of over 30 years to his credit.	Mr. Pathak is MA in Economics and having an experience of over 20 years in teaching. Mr. Pathak possesses a wide ranging experience and knowledge of finance having been associated with the reputed institutions.	Mr. Vishal Sarad Shah, is a graduate with commerce from Narsee Monjee College of Commerce and Economics, Mumbai University and has done PGDM (Marketing) from S. P. Jain Institute of Management and Research. He is having a rich experience of more than has 20 years in the field of Sales and Marketing of consumer goods. He has held SBU and EBITDA responsibility as well as Regional Director duties across India and Global markets. He started his career in 1990 and worked for companies like Nestle India, Hindustan Unilever, Glaxo Smithkline Consumer, Dabur, Merisant PLC. He was extensively involved launch of "Dabur Red Toothpaste" which clocked a turnover of INR 100 Cr within 3 years of launch.
Date of Appointment	02nd February, 2007	02nd July, 2015	14th February, 2015

Expertise in specific Functional Area	Technical Guidance in Administration	Financial Guidance in Company Operations.	Guidance Related to Sales & Marketing of consumer goods.
Qualifications	IAS,MA (English),MA (Political Science),MBA	MA (Economics)	Graduate from Narsee Monjee College of Commerce and Economics, Mumbai University, PGDM (Marketing) from S. P. Jain Institute of Management and Research.
Directorship held in other public Companies	GTFS Multi Services Limited	N.A	N.A
Membership/ chairmanship of other public companies	Nil	NIL	Nil
Shareholding in the Company	Nil	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

As per section 149(4) of the Companies Act, 2013, every Listed Company is required to have atleast 1/3rd of the total number of Directors as Independent Directors. The Company had already appointed Mr. Chhotu Ram Sharma and Mr. Amarjit Singh and Mr. P K Misra as Independent Directors.

However, with a view to increase the independence of the Board the management has decided to bring one more independent director on the Board of the Company. The Board of Directors after consideration has recommended to appoint Mr. Mukul Pathak, (DIN: 00051534) as an Independent Director within the meaning of section 149 and 152 of the Companies Act, 2013 read with Schedule IV and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years with effect from 02nd July, 2015 to 01st July, 2020.

The Company has received declarations from Mr. Mukul Pathak that he meets the criteria of independence as prescribed under section 149 (6) of the Companies Act, 2013 and also under clause 49 of the Listing Agreement with the stock exchanges. He has further confirmed that he is not disqualified from being appointed as Director under section 164 of the said Act. The Board of Directors are of the opinion that Mr. Mukul Pathak is a person of integrity and possess relevant expertise and experience and is eligible and fulfils the conditions specified by the Companies Act, 2013 for the position of an Independent Director. The Board considers that his association as Director will be beneficial to and in the interest of the Company.

A copy of respective draft letters of appointment of Mr. Mukul Pathak as Independent Director setting out the terms and conditions are available for inspection at the Registered Office of the Company during business working hours.

The Board of directors recommends the special resolutions for your approval. The said independent director is not related to any of the directors or key managerial personnel (including relatives of directors or key managerial personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013. None of the Directors and key managerial personnel of the Company (including relatives of directors or key managerial personnel) other than the respective Independent Director himself, is concerned or interested, financially or otherwise, in these resolutions.

Item No.5

Mr. Vishal Sarad Shah, was appointed as an additional director of the Company w.e.f. 14th February, 2015. The Board recommends the confirmation of his appointment as a director of the Company who shall be liable to retire by rotation by passing the above resolution.

Item No. 6

I. Information about Mr. Vishal Sarad Shah

1. Background details:

Mr. Vishal Sarad Shah, aged about 46 years, is a graduate with commerce from Narsee Monjee College of Commerce and Economics, Mumbai University and has done PGDM (Marketing) from S.P.Jain Institute of Management and Research.

He is having a rich experience of more than has 20 years in the field of Sales and Marketing of consumer goods. He has held SBU and EBITDA responsibility as well as

Regional Director duties across India and Global markets. He started his career in 1990 and worked for companies like Nestle India, Hindustan Unilever, Glaxo Smithkline Consumer, Dabur, Merisant PLC. He was very extensively involved launch of "Dabur Red Toothpaste" which clocked a turnover of INR 100 Cr within 3 years of launch.

2. Job Profile & his Sustainability

Mr. Vishal Sarad Shah is responsible for overall day to day management of the Company under the supervision and Control of the Managing Director of the Company. The Company has undergone various expansions projects, which require review of operations and decisions- making on day to day basis and the Company, would be benefited by his mature and expert advice.

3. Past Remuneration of the proposed Appointee

As on Date, Mr. Shah was not drawing any remuneration from the Company.

4. Remuneration Proposed

Keeping in view the current system of the Company, the remuneration would comprise of monthly salary of Rs. 50,000 (Fifty Thousand only). The Board however may, in its discretion, revise/modify any of the terms from time to time, within the specified limits as per the provision of Companies Act, 2013 and rules made thereunder

5. Comparative remuneration profile with respects to industry, size of the Company, profile of the position and person

The proposed remuneration would be commensurate with the size of the Company and nature of the industry.

The salary structure of the managerial remuneration personnel has undergone a major change in industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Shah, the proposed remuneration is competitive with the remuneration paid by other companies to such similar positions.

The main terms and conditions relating to the appointment of Mr. Shah as the Whole Time Director (WTD), of the Company are as follows:

1. Period: From 14th February, 2015 to 13th February, 2020

2. Nature of Duties:

Mr. Shah as WTD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Managing Director and the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint venture companies and/or subsidiaries. This includes performing duties as assigned by the MD and Board from

time to time by serving on the boards of such associated companies and/or joint venture companies and/or subsidiaries or any other executive body or any committee of such a company for which he may be allowed to receive remuneration as may be determined by the Board of such associated companies and/or joint venture companies and/or subsidiaries, subject to compliance with the applicable provisions of the prevailing laws and regulations.

A. Remuneration:

- a. Salary : Rs.50,000/- per month, with annual increments effective 1st April, each year, as may be decided by the Board, based on merit and taking into account the Company's performance for the year;
- b. Commission on net profit of the Company as may be determined by the Board from time to time;
- c. Bonus/performance linked incentive, and/or commission based on certain performance criteria laid down by the Board;
- d. Benefits, perquisites and allowances as will be determined by the Board from time to time.

B. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of WTD, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits and perquisites and allowances, bonus/performance linked incentive as approved by the Board and to the extent permitted under the Act.

2. i. The WTD shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- ii. The terms and conditions of his appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule to the Act, or any amendments made hereinafter in this regard in such manner as may be agreed to between the Board and him, subject to such approvals as may be required.
- iii. The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- iv. The employment of the WTD may be terminated by the Company without notice or payment in lieu of notice:
 - a. If the WTD is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or joint venture company or associated company to which he is required by the Agreement to render services; or
 - b. In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement to be executed between the Company and him; or