

**20<sup>th</sup>**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED**  
**31<sup>st</sup> MARCH, 2014**

**Mohindra Fasteners Ltd.**

**BOARD OF DIRECTORS**

Mr. Deepak Arneja  
- Managing Director & CEO

Mr. Ravinder Mohan Juneja  
- Managing Director

Mr. Jatinder Pal Singh Narang  
- Non - Executive Director

Mr. Sudhir Arneja  
- Whole Time Director

Mr. Vinod Kumar  
- Non - Executive Independent Director & Chairman

Mrs. Anjali Malik  
- Non - Executive Independent Director

**CIN**

L74899DL1995PLC064215

**SENIOR EXECUTIVES**

Mr. Anurag Arneja  
(General Manager-Operations)

Mr. Dheeraj Juneja  
(General Manager-SCM)

Mr. Prateek Arneja  
(General Manager-S & M)

**CHIEF FINANCIAL OFFICER**

Mr. Sunil Mishra

**COMPANY SECRETARY**

Ms. Madhu Kaushik

**BANKERS**

The Karnataka Bank Limited  
11/14, West Patel Nagar New Delhi – 110 008

**STATUTORY AUDITORS**

M/s. GSK & Associates LLP  
Chartered Accountants  
8, 1st Floor, Rani Jhasi Road, Motia Khan,  
Industrial Area, New Delhi – 110055

**REGISTRAR & SHARE  
TRANSFER AGENT**

Skyline Financial Services (P) Ltd.  
D-153 / A, 1st Floor, Okhla Industrial Area,  
Phase-1, New Delhi-110020

**REGISTERED OFFICE**

304, Gupta Arcade Inder Enclave,  
Delhi – Rohtak Road, New Delhi – 110 087

**WORKS (IN INDIA)**

60th K. M. Stone, Delhi – Rohtak Road  
N. H. No. 10, V & P.O. Kharawar,  
District Rohtak (Haryana)-124001

60th K. M. Stone, Delhi – Rohtak Road  
N. H. No. 10, V & P.O. Gandhra,  
District Rohtak (Haryana)-124001

**CIN : L74899DL1995PLC064215**

## **NOTICE**

Notice is hereby given that the Twentieth Annual General Meeting of the members of the Company will be held at Bansal Farm House, Hiranki Road, Bakhtawarpur, New Delhi – 110036 on Thursday, 25th day of September, 2014 at 11:30 a.m. to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider & adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit & Loss for the year ending on 31st March 2014 together with Directors' & Auditors' Report thereon.
2. To declare the dividend on equity shares for the financial year ended on 31st March, 2014.
3. To appoint a director in place of Mr. Jatinder Pal Singh Narang (DIN 00007332), who retires by rotation and being eligible, offers himself for re – appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of Twenty Third Annual General Meeting on a remuneration as may be mutually agreed between the Board of Directors and the Auditors, subject to ratification by shareholders in every general meeting.

#### **5. Re-appointment & payment of remuneration to Mr. Sudhir Arneja (DIN 00007589) as Whole Time 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 149 of the Companies Act, 2013 and other rules made thereunder and the Articles of Association of the Company.

**“RESOLVED FURTHER THAT** pursuant to the provision of Section 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013, the approval of the Company be and is hereby accorded for the appointment of Mr. Sudhir Arneja, as a Whole Time Director of the Company for a period of five years, with effect from 01/10/2014 on the terms and conditions as specified in the statement pursuant to Section 102 (1) of the Companies Act, 2013.

#### **6. Re-appointment & payment of remuneration to Mr. Deepak Arneja (DIN 00006112) as 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 149 of the Companies Act, 2013 and other rules made thereunder and the Articles of Association of the Company.

**“RESOLVED FURTHER THAT** in accordance with the provisions of Section 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the approval of the shareholders be and is hereby accorded for re – appointment of Mr. Deepak Arneja as a Managing Director of the Company, for a period of next five years.

#### **7. Appointment of Mr. Vinod Kumar (DIN 02303504) as Independent Director of the Company for a period of five years**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, Sh. Vinod Kumar, who was appointed in casual vacancy on the board of the Company with effect from 21st December, 2013 and who holds office until the date of the AGM, in terms of Section 161 of the Companies act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Vinod Kumar as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 28th September, 2019, not liable to retire by rotation.

**8. Appointment of Mrs. Anjali Malik (DIN 06875087) as Independent Director of the Company for a period of five years.**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 149,150 and 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, Smt. Anjali Malik , who was appointed as additional director on the board of the Company with effect from 30th April, 2014 and who holds office until the date of the AGM , in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Smt. Anjali Malik as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 28th September, 2019, not liable to retire by rotation.”

**9. Appointment of relative of a director to an office of profit**

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 Section and other applicable provision as specified by ministry in Companies Act, 2013, consent of the Company be and is hereby accorded for the appointment of Mr. Anurag Arneja, a relative of Mr. Deepak Arneja, the Managing Director of the Company to hold the office or the place of profit as (General Manager) w.e.f 01st April, 2014 on such terms and conditions as set out in explanatory statement attached to the notice convening this Annual General Meeting.”

**10. Fixation of remuneration of the Cost Auditor of the Company for the financial year 2014-15.**

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

**“RESOLVED THAT** pursuant to the provision of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and on the remuneration of the Board of Directors, consent of the members be and is hereby accorded for the payment of remuneration of Rs. 30,000/- plus service tax as applicable and reimbursement of out of pocket expenses, to M/s Sanjay Garg & Co. (Registration No.00344) Cost Accountants, Cost Auditors of the Company for the financial year commencing from 01st April, 2014 till 31st March, 2015”.

**11. Increase in borrowing power in terms of Section 180(1)(c) of the 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** in supersession of the resolution passed in the Annual General Meeting held on 29th September, 2007 and pursuant to Section 180(1)(c) and other applicable provisions, if any of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which altogether with the monies already borrowed by the Company, (apart from temporary loan obtained from the Company's Banker in the ordinary course of business) may exceed at any time, the aggregate of the paid up share capital of the Company and its free reserves, provided that the total amount so borrowed and outstanding at any point of time shall not be in excess of Rs. 60 Crores ( Rupees Sixty Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

**Regd. Office:**

304, Gupta Arcade, Inder Enclave,  
Delhi – Rohtak Road  
New Delhi – 110 087

**Place: New Delhi**

**Date: 30.07.2014**

**By order of the Board**

Sd/-

**Deepak Arneja**  
**(Managing Director & CEO)**  
**DIN: 00006112**



## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF **AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.**

**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBER NOT EXCEEDING FIFTY AND HOLDING THE SHARES IN AGREEGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**

THE PROXY FORM MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR ANNUAL GENERAL MEETING.

2. The Register of Members and Share Transfer Book will remain closed from 19.09.2014 to 25.09.2014 (both days inclusive).
3. Shareholders are requested to update their bank account particulars, change of address and other details with their respective Depository participants as well as to the Registrar and Transfer Agents (RTA).
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which set out details relating to special business at the meeting is annexed hereto.
5. Members are requested to get their shares dematerialized. The ISIN code of our securities with CDSL & NSDL is **INE705H01011**.
6. Relevant documents referred to in this accompanying Notice are open for inspection by the members at the registered office of the company on all working days between 11 a.m to 1.00 p.m and upto the date of the meeting.
7. For the convenience of the members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy holders / Authorized representative are requested to fill in and affix their signature at the space provided therein and surrender the same at the venue of the AGM. Proxy/ Authorized Representatives of a member should state on the attendance slip as "Proxy or Authorized Representative "as the case may be.
8. The Directors Report, Auditors' Report and Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss Account for the financial year ended on that date are enclosed.
9. The company has designated an exclusive **e-mail id: cs@mohindra.asia** for redressal of shareholders'/Investor' complaints/ Grievances. In case you have any queries / complaints or grievances, then please write to us at the above e-mail address.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they maintain their Demat Accounts .Members holding shares in physical form can submit their PAN details to the company.
11. Pursuant to the provision of Section 124(3) and 125 of the Companies Act, 2013, followed by the issue of Investor Education & Protection Fund (Awareness and Protection of the Investors) Rules, and any further rules as may be notified by the Central Government in this regard any dividend transferred by the company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer by the company to a fund called Investor Education & Protection Fund (the fund) set up by the Central Government along with shares as hold by the shareholder.

Accordingly, unpaid/ unclaimed dividend for the Financial Year 2006-07 shall become transferrable to the fund on 28th September, 2014, followed by the transfer of the amounts of unpaid /unclaimed dividends for the subsequent years. No claim shall lie thereafter against the fund or the company in respect of such amounts transferred. Shareholders are therefore requested to verify their records and send claims. If any, for the relevant years from 2006-07 onwards, before the respective amounts become due for transfer to the fund. The following are the details of the dividend declared by the company and respective due dates for claiming by the shareholders.

<b>Dividend Year</b>	<b>Date of Declaration</b>	<b>Last date for claim</b>
2006-07	29/09/2007	28/09/2014
2007-08	13/09/2008	12/09/2015
2008-09	29/09/2009	28/09/2016
2009-10	30/09/2010	29/09/2017
2010-11	16/09/2011	15/09/2018
2011-12	22/09/2012	21/09/2019
2012-13	30/09/2013	29/09/2020

Those members who have not so far claimed their dividend for the financial year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13 are requested to make their claims to the company for obtaining their respective Demand Draft.

12. In order to avoid fraudulent encashment of the Dividend warrant(s), members are advised to inform details of their bank account number and name and address of the Bank, for incorporating the same on the Dividend warrant(s).

## MOHINDRA FASTENERS LTD.

13. The copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
14. In case of any query, Members are requested to send the same to the Company Secretary at least 10 days before the date of the meeting so that information can be made available at the meeting.
15. Pursuant to the prohibition imposed vide Secretarial Standard of General Meeting (SS-2) issued by the ICSI and the draft MCA circular, no GIFTS/Coupons shall be distributed at the General Meeting.

**Regd. Office:**

304, Gupta Arcade, Inder Enclave,  
Delhi – Rohtak Road  
New Delhi – 110 087

**By order of the Board**

Sd/-

**Deepak Arneja**  
**(Managing Director & CEO)**  
**DIN: 00006112**

**Place: New Delhi**

Date: 30.07.2014

**Pursuant to the requirement of Corporate Governance, a brief resume of the Director being re-appointed at the Annual General Meeting is given below:**

	Particulars of Director	Particulars of Director	Particulars of Director
<b>Name</b>	Mr. Vinod Kumar	Mr. Jatinder Pal Singh Narang	Mrs. Anjali Malik
<b>Date of birth</b>	04/11/1964	31/05/1953	14/04/1968
<b>Date of appointment</b>	21/12/2013	04/08/1995	30/04/2014
<b>Expertise in field</b>	He has immense years of experience in Publication & Marketing Field	He has immense years of experience in Freight and Logistic	She has relevant experience in education Industry
<b>Directorships in other companies</b>	NIL	1. Kanpur Delhi Goods Carriers Ltd 2. Kanpur Delhi Transport (P) Ltd. 3. Harjas Impex (P) Ltd. 4. J.P Fashion wear ( P ) Ltd.	NIL
<b>Committee membership in Mohindra Fasteners Limited</b>	Audit Committee Investor Committee Remuneration Committee Nomination Committee Corporate Social Responsibility Committee	Audit Committee Remuneration Committee Nomination Committee	Audit Committee Remuneration Committee Nomination Committee
<b>Shareholding in the Company</b>	0.04%	3.47%	NIL

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New Delhi – 110 087

**By order of the Board**

Sd/-

**Deepak Arneja**  
**(Managing Director & CEO)**  
**DIN: 00006112**

**Place: New Delhi**

Date: 30.07.2014

**Additional Information on directors recommended for appointment /re-appointment as required under Clause 49 of Listing Agreement**

1. Name : Mr. Jatinder Pal Singh Narang (DIN: 00007332)  
Fathers Name : Lt. Sh. Harbans Singh Narang  
Qualification : Graduate  
Age : 54 Years  
Residential Address : A-135, New Friends Colony, New Delhi - 110065  
Business Experience : Has 25 years of experience of holding responsible positions including directorship in Manufacturing & Trading of Steel Industries. He is also engaged in his family business of Transport/ Fleet Carriers, M/s Kanpur Delhi Goods Carrier (P) Ltd., since 1974-1975 and is instrumental in successful running of the company. His business acumen, leadership quality, financial and management expertise/techniques have benefited the organization significantly wherever he served.
  
2. Name : Mr. Vinod Kumar (DIN: 02303504)  
Fathers Name : Lt. Sh. Madan Lal  
Qualification : Graduate  
Age : 49 Years  
Residential Address : 11096, Doriwalan, East Park Road, Karol Bagh, New Delhi - 110085  
Business Experience : Has 20 years of experience in printing Industry and holding reputed position in the same. His business acumen, leadership quality, financial and management expertise/techniques have benefited the organization significantly wherever he served.
  
3. Name : Mrs. Anjali Malik (DIN: 06875087)  
Fathers Name : Sh. Shadi Lal Batra  
Qualification : Doctorate  
Age : 46 Years  
Residential Address : House No-190, Civil Lines, Rohtak, Haryana-124001  
Business Experience : She is been associated with education field for last 15 years and active socialite and providing free education to the less fortunate children of society.

## **Explanatory Statement**

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

### **Item No 5. Re-appointment & payment of remuneration to Mr. Sudhir Arneja as Whole Time Director of the Company**

On recommendation by the Nomination Committee of the name of Mr. Sudhir Arneja for the reappointment on the post of Whole Time Director of the Company for the term of five years is hereby presented before the shareholders of the Company. The necessary explanatory and other requisite details are as follows:-

#### **Validity of Appointment**

The appointment will be valid for a period of 5 years from 01/10/2014 to 30/09/2019.

#### **REMUNERATION**

##### **1) Basic Salary**

Rs. 77000/- per month. In the grade of Rs. 77,000 - 8,000 – 1,09,000.

##### **2) Allowances & Perquisites**

In addition to above basic salary, he shall be entitled to the following perquisites & allowances:

- (a) HRA: 40% of the Basic Salary.
- (b) Conveyance Allowance: As per the Rules of the Company.
- (c) Children Education Allowance: As per the Rules of the Company
- (d) Tiffin Allowance: As per the Rules of the Company.
- (e) Medical Reimbursement: As per the Rules of the Company.
- (f) Bonus/Ex-gratia – As per the Rules of the Company.
- (g) Car with driver and telephone- free use of company's car(s) with driver and free telephone/internet facility at residence for official as well as personal use. The expenses on car used for official purpose shall be reimbursed on actual basis as per company rules and shall not be included in the computation of remuneration. However, the cost of driver and cost of maintenance of car excluding that incurred for official purpose will be considered as a perquisite.

The overall amount of perquisites, in addition to salary and shall be restricted to Rs. 9,00,000/- per annum.

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in **Para (1) and (2) above**:

- a. Contribution to Provident Fund, Super Annuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable as per the Payment of Gratuity Act, 1972.
- c. Encashment of leave as per company's rules.

The entire remuneration by way of salary and remuneration mentioned above shall be paid as minimum remuneration, subject to the provisions under Schedule V of the Companies Act, 2013.

#### **Other Terms and Conditions**

- i) Remuneration for a part of the month / year shall be computed on pro-rata basis.
- ii) The appointment as aforesaid may be terminated by either party giving to the other three months notice in writing.

**“RESOLVED THAT** notwithstanding anything herein above stated wherein any financial year closing on or after 31st March, 2014, during the tenure of Mr. Sudhir Arneja as a Whole Time Director of the Company, the company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Sudhir Arneja the above mentioned remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under



Sechdeule V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.”

**RESOLVED FURTHER THAT**, the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of appointment and/or remuneration subject to the same not exceeding the limits specified under Section 197, read with Sechdeule V of the Companies Act, 2013.

### **Item 6: Re-appointment & payment of remuneration to Mr. Deepak Arneja as Managing Director of the Company**

On recommendation by the Nomination Committee of the name of Mr. Deepak Arneja for the post of Managing Director of the Company for the term of five years is hereby presented before the shareholders of the Company. The necessary explanatory and other requisite details are as follows:-

#### **Validity of Appointment**

The appointment will be valid for a period of 5 years from 01/07/2015 to 31/07/2020.

#### **REMUNERATION**

##### **1) Basic Salary**

Rs. 1,35,000/- per month. In the grade of Rs. 1,35,000- 20,000 – 2,15,000.

##### **2) Allowances & Perquisites**

In addition to above basic salary, he shall be entitled to the following perquisites & allowances:

- (a) HRA: 40% of the Basic Salary.
- (b) Conveyance Allowance: As per the Rules of the Company.
- (c) Children Education Allowance: As per the Rules of the Company
- (d) Tiffin Allowance: As per the Rules of the Company.
- (e) Medical Reimbursement: As per the Rules of the Company.
- (f) Bonus/Ex-gratia – As per the Rules of the Company.
- (g) Car with driver and telephone- free use of company’s car(s) with driver and free telephone/internet facility at residence for official as well as personal use. The expenses on car used for official purpose shall be reimbursed on actual basis as per company rules and shall not be included in the computation of remuneration. However, the cost of driver and cost of maintenance of car excluding that incurred for official purpose will be considered as a perquisite.

The overall amount of perquisites, in addition to salary and shall be restricted to Rs. 12,00,000/- per annum.

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in Para (1) and (2) above:

- a. Contribution to Provident Fund, Super Annuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable as per the Payment of Gratuity Act, 1972.
- c. Encashment of leave as per company’s rules.

The entire remuneration by way of salary and remuneration mentioned above shall be paid as minimum remuneration, subject to the provisions under Schedule V of the Companies Act, 2013.

#### **Other Terms and Conditions**

- i) Remuneration for a part of the month / year shall be computed on pro-rata basis.
- ii) The appointment as aforesaid may be terminated by either party giving to the other three months notice in writing.

**“RESOLVED THAT** the Board of Directors of the company be and is hereby authorised to fix and / or re-fix remuneration, provided that such remuneration and perquisites does not exceed limits prescribed under Schedule V or any other provisions of the Companies Act, 2013 and/or any statutory modification(s) thereof.”

**Item 7 and 8:- Appointment of Mr. Vinod Kumar and Mrs. Anjali Malik as Independent Director of the Company for a period of five years**

Mr. Vinod Kumar and Mrs. Anjali Malik are Independent Directors of the Company, whose period of office is not liable to determination by rotation.

Pursuant to Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, it is proposed to appoint Mr. Vinod Kumar and Mrs. Anjali Malik as independent directors to hold office for five consecutive years for a term up to 31st March, 2019. Notice(s) has been received from member(s) proposing Mr. Vinod Kumar and Mrs. Anjali Malik as candidate(s) for the office of Independent Director(s) of the company.

Mr. Vinod Kumar and Mrs. Anjali Malik are not disqualified from being appointed as directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Vinod Kumar and Mrs. Anjali Malik that they meet with the criteria of independence as prescribed both under Section 149 of the Act and under clause 49 of the Listing agreement.

In the opinion of the board, Mr. Vinod Kumar and Mrs. Anjali Malik fulfill the conditions for appointment as Independent Directors; and they are independent of the management.

**Item 9:- Appointment of relative of a director to an office of profit**

The Board of Directors of the Company vide their meeting held on 29th January, 2014 approved the appointment of Mr. Anurag Arneja, brother of Mr. Deepak Arneja, the Managing Director of the Company, as General Manager-operations w.e.f 01st April, 2014, subject to the approval of shareholders in General Meeting on the following terms and conditions:-

Basic: 50,000, HRA 20,000, Transport Allowance 10,000, Children Education 7500, Special Allowance 8750

**Present Ceiling:** The Remuneration payable to Mr. Anurag Arneja in form of salary, perquisites and allowances shall not exceed 1,00,000 per month (12,00,000 p.a in Financial in Financial Year 2014-15)

**Annual Increment:** Mr. Anurag Arneja shall be entitle to get an Annual Increment of 12% p.a. on cumulative basis according to the present ceiling of Rs. 1 Lac and shall keep on increasing by the amount of increment in subsequent years of his continuance in the present job.

**Note:** Except Shri. Ravinder Mohan Juneja, Shri. Deepak Arneja and Shri. Sudhir Arneja ,none of the other Directors of the Company is, in any way concerned or interested in this resolution.

**Item 10 :-Fixation of remuneration of the Cost Auditor of the Company for the Financial Year 2014-15**

On recommendation of Audit Committee at its meeting held on 30th April, 2014, the board has considered and approved appointment of M/s Sanjay Kumar Garg & Co. Cost Accountants, for the conduct of the Cost Audit at a remuneration of Rs. 30,000/- plus Service Tax and reimbursement of actual travel and out of pocket expenses for the financial year 2014-15

Mr. Sanjay Kumar Garg is a fellow member of the Institute of Cost Accountants of India.

M/s. Sanjay Kumar Garg & Co, Cost Accountants are not related to any director of the Company.

The resolution at item No. 10 of the notice is set out as an ordinary resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the directors and/or key managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution.

**Item 11:- Increase in borrowing power in terms of Section 180(1)(c) of the Companies Act, 2013**

The members of the company at their Annual General Meeting held on 29th September, 2007 approved under Section 293(1)(d) of the Companies Act, 2013, borrowing over and above the aggregate of paid up share capital and free reserves of the Company, provided that the total amount of such borrowing together with the amounts