

TWENTYFIRST ANNUAL REPORT 2013-2014



BOARD OF DIRECTORS

Srirangam Gopalan	: Chairman
Laxminarayan Moondra	: Whole-time Director
Satyanarayan Mundra	: Whole-time Director
C.P. Rangachar	: Director
Dr. C. M. Gurumurthy	: Director
Sunil L. Mundra	: Managing Director
Sushil Kumar Mundra	: Director

BANKERS & FINANCIAL

: M/s. State Bank of India
Bangalore Commercial Branch
Hudson Circle,
BANGALORE - 560 001.

AUDITORS

: M/s Gnanoba & Bhat
Chartered Accountants
45, Annamalai Arcade,
1st Cross, Wilson Garden,
BANGALORE - 560 027.

REGISTERED OFFICE

: 102, "Shreshta Bhumi"
No. 87, K. R. Road,
BANGALORE - 560 004.
Tel. No. : 080-2667 1571,
2667 1573 / 2667 1581
Fax : 080-2667 1562
E-mail : info@naturalcapsules.com
URL : www.naturalcapsules.com

**REGISTRAR AND
TRANSFER AGENTS**

: M/s. Cameo Corporate Services Ltd.
Subramanian Building,
No. 1, Club House Road,
CHENNAI - 600 002.
Tel : 91-044-28460390 (5 Lines)
Fax : 91-044-28460129
Grams : CAMEO
E-mail : cameo@cameoindia.com
Contact Person : Mrs. Kanthimathi Jayakumar
Executive - Shares
ISIN CODE No : INE936B01015

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FINANCIAL HIGHLIGHTS (9 YEARS)

Particulars	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Sales & Other Income	1,571.26	1,782.62	2,033.01	2,605.64	2,948.98	3,453.96	4,459.17	5,418.89	5942.12
Exports	170.23	193.35	272.82	382.72	507.90	615.17	605.92	1,432.36	1589.94
P B T	357.85	360.09	428.47	616.33	641.00	663.79	772.26	729.41	742.64
P A T	239.97	246.19	265.73	397.51	426.56	446.76	506.87	633.11	456.19
E P S	5.60	5.75	5.75	8.83	9.00	10.00	11.26	14.06	9.08
Dividend per share (Rs)	1.00	1.00	1.00	1.00	1.20	1.20	1.50	1.50	1.50
Reserves & Surplus	700.94	897.03	1,161.57	1,495.85	1,859.20	2,242.95	2,671.33	3,225.95	3738.53
Share Capital	428.27	428.27	450.27	450.27	450.27	450.27	450.27	450.27	502.27
Share holders fund	1,129.21	1,325.30	1,611.84	1,946.12	2,309.47	2,693.22	3,121.60	3,676.22	4,240.80
R O I	21.25	18.58	16.49	20.43	18.47	16.59	16.24	17.22	10.76

NOTICE

Notice is hereby given to all members of the Company that the 21st Annual General Meeting of the Company will be held on Wednesday, 27th August 2014 at Bangalore Gayana Samaja, K R Road, Basavanagudi, Bangalore-560 004 at 10.00am to transact the following business:-

Ordinary business:

1. To consider and adopt the Audited Accounts for the period ended 31st March 2014 along with Director's and Auditor's Report
2. To declare a Dividend
3. To appoint a Director in place of Mr Laxminarayana Mundra, the retiring Director, who being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. M/s Gnanoba and Bhat, Chartered Accountants, Bangalore, retire at this AGM and being eligible offer themselves for re-appointment for further 3 years.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary resolution:
"Resolved that pursuant to Sec.149 (10)& (11) and other applicable provisions if any of the Companies Act, 2013 and rules framed there under read with Schedule IV of the Act, Mr S Gopalan, Non-Executive Independent Director, who has submitted a declaration and he meets the criteria for Independence as provided in Sec.149 (6) of the Act and who is eligible for a period of 5 years, whose period of office shall not be subject to retirement by rotation."
6. To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary resolution:
"Resolved that pursuant to Sec.149 (10) & (11) and other applicable provisions if any of the Companies Act, 2013 and rules framed there under read with Schedule IV of the Act, Mr C M Gurumurthy, Non-Executive Independent Director, who has submitted a declaration and he meets the criteria for Independence as provided in Sec.149 (6) of the Act and who is eligible for a period of 5 years, whose period of office shall not be subject to retirement by rotation."
7. To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary resolution:
"Resolved that pursuant to Sec.149 (10) & (11) and other applicable provisions if any of the Companies Act, 2013 and rules framed there under read with Schedule IV of the Act, Mr C P Rangachar, Non-Executive Independent Director, who has submitted a declaration and he meets the criteria for Independence as provided in Sec.149 (6) of the Act and who is eligible for a period of 5 years, whose period of office shall not be subject to retirement by rotation."
8. To consider and if thought fit to pass with or without modification the following as a Special Resolution:
"Resolved that pursuant to the provisions of Sections.196, 197 read with Schedule V and all other applicable provisions if any, of the Companies Act 2013, Clause 95 of the company's Articles of Association and subject to the approval of Central Government if necessary, and such modifications and conditions as the Central Government may direct or suggest and which the Board of Directors are hereby authorized to accept, Mr Sunil L Mundra, be and is hereby re-appointed as Managing Director of the Company w.e.f 01.06.2014 for a period of five years, on the same terms and conditions of the earlier agreement except that his remuneration shall be as per following terms for a period of 3 years (as approved by remuneration committee) with effect from 01.06.2014:-
 - (a) Salary of Rs 3 25 000/-prn on the scale of pay of Rs 3,25,000-15,000-3,55,000
 - (b) Car with the driver for official work.
 - (c) Medical re-imbursement for self and dependent family members not exceeding one month's salary in year or three months' salary in block of three years.
 - (d) LTC once in a year not exceeding one month's salary for self and dependent members of family.
 - (e) P F and Gratuity as applicable to the other officers of the Company.
 - (f) Commission of 1% on profit."

"Resolved further that the aforesaid remuneration shall be construed as minimum remuneration in the absence of profits/inadequacy of profits, except that the overall remuneration including perquisites will be restricted to the maximum permissible as per Schedule V and that commission will not be paid.

9. To consider and if thought fit to pass with or without modification the following as a Special Resolution:

"Resolved that pursuant to the provisions of Sections.196, 197 read with Schedule V and all other applicable provisions

if any, of the Companies Act 2013, Clause 95 of the company's Articles of Association and subject to the approval of Central Government if necessary, and such modifications and conditions as the Central Government may direct or suggest and which the Board of Directors are hereby authorized to accept, the consent of the Company be and is hereby granted for the reappointment of Mr Laxminarayana Mundra, as Wholtime Director of the Company w.e.f 01.09.2014 for a period of three years, on the same terms and conditions of the earlier agreement except that his remuneration shall be as per following terms for a period of 3 years (as approved by remuneration committee) with effect from 01.09.2014:-

- (a) Salary of Rs 2,20,000/- pm on the scale of pay of Rs 2,20,000-15,000-2,50,000
- (b) Car with the driver for official work.
- (c) Medical re-imbursement for self and dependent family members not exceeding one month's salary in year or three months' salary in block of three years.
- (d) LTC once in a year not exceeding one month's salary for self and dependant members of family.
- (e) P F and Gratuity as applicable to the other officers of the Company.
- (f) Commission of 1% on profit."

"Resolved further that the aforesaid remuneration shall be construed as minimum remuneration in the absence of profits/inadequacy of profits except that the overall remuneration including perquisites will be restricted to the maximum permissible as per Schedule V and that commission will not be paid."

10. To consider and if thought fit to pass with or without modification the following as a Special Resolution:

"Resolved that pursuant to the provisions of Sections.196, 197 read with Schedule V and all other applicable provisions if any, of the Companies Act 2013, Clause 95 of the company's Articles of Association and subject to the approval of Central Government if necessary, and such modifications and conditions as the Central Government may direct or suggest and which the Board of Directors are hereby authorized to accept, the consent of the Company be and is hereby granted for the reappointment of Mr Sathyanarayan Mundra, as Whole time Director of the Company w.e.f 01.06.2014 for a period of five years, on the same terms and conditions of the earlier agreement except that his remuneration shall be as per following terms for a period of 3 years (as approved by remuneration committee) with effect from 01.06.2014:-

- (a) Salary of Rs 2,20,000/- pm on the scale of pay of Rs 2,20,000-15,000-2,50,000
- (b) Car with the driver for official work.
- (c) Medical re-imbursement for self and dependent family members not exceeding one month's salary in year or three months' salary in block of three years.
- (d) LTC once in a year not exceeding one month's salary for self and dependent members of family.
- (e) P F and Gratuity as applicable to the other officers of the Company.
- (f) Commission of 1% on profit."

"Resolved further that the aforesaid remuneration shall be construed as minimum remuneration in the absence of profits/inadequacy of profits except that the overall remuneration including perquisites will be restricted to the maximum permissible as per Schedule V and that commission will not be paid."

11. To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary resolution:

"Resolved that pursuant to Sec.204 of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014, the appointment of Mr Parthasarathi, Company Secretary, Bangalore, as Company's Secretarial Auditor for the Accounting year 2014-15 on a remuneration to be fixed by the Managing Director of the Company in consultation with the said Auditor, be and is hereby ratified and confirmed."

12. To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary resolution:

"Resolved that pursuant to Sec.148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, reappointment of KSS, VKG and Associates, Cost Accountant, Bangalore, as cost auditors for the Financial Year 2014-15 on a remuneration of Rs 40,000/- (Rupees forty thousand only) is hereby ratified and confirmed."

13. Consider and if thought fit, to pass with or without modification, the following resolution as Special resolution:

"Resolved that Pursuant to Sec.14 of the Companies Act, 2013, the Articles of Association of the Company, be and

is hereby amended as follows by amendment of clause 82 a) and addition of Clause 81 (A) after Clause 81:-

Clause 82 a): "The Company shall have not less than three and not more than fifteen Directors. No share qualification is necessary for any individual for being appointed as a Director of the Company.

ii) The Company may have combined post of Chairman and Managing Directors/CEO or Chairman from Independent Directors."

iii) The first Directors of the Company are:

1. Sri.Laxminarayan Mundra
2. Sri.Satyanarayana Mundra
3. Sri.Sunil L. Mundra
4. Sri Sushil Kumar Mundra
5. Smt. Indira Mundra
6. Smt. Sharada Mundra
7. Sr.Mani C. Kappan

Clause 81 A:-

The Company may charge an amount of not exceeding Rs.10/- or such higher amount as may be prescribed under Companies Act, 2013 read with relevant Rules, for every page of document required by the Members of the Company.

Place: Bangalore
Date: 30-07-2014

For and on behalf of Board of Directors

Sunil L Mundra
Managing Director

Note:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy and that proxy need not be a member. A proxy to be effective shall reach the Registered office of the Company, not less than 48 hours before the meeting.
2. Member Register and Transfer Register will remain closed from 22nd August 2014 to 27nd August 2014 (both days inclusive) for determining members entitled to receive dividend for the financial year ended 31-03-2014.
3. Members are requested to bring duly filled-in attendance slips at the time of meeting.
4. Proxy form is attached.
5. Explanatory Statement as per Section 102(1) of the Company's Act 2013.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item 5,6 &7: Considering the qualification and vast experience of the following Directors, as detailed here under, and the Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, have appointed them as Independent Directors. Now, it is proposed to re-appoint them as Independent Directors for 5 Years as per the provisions of new Companies Act 2013, subject to the approval of members. They being eligible offer themselves for appointment as Independent Directors.

- 1.Mr.S.Gopalan
- 2.Dr.C M Gurumurthy
- 3.Mr.C P Rangachar

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations and Remuneration Committee has recommended the appointment of these directors as Independent Directors for a period of five years, from the date of AGM. However, in the case of Mr.Laxminarayana Mundra who has attained the age of 70 years, it was recommended to appoint him for a period of 3 years from September 01, 2014 to August 31, 2017 in accordance with the appointment and remuneration policy of the Company.

Mr.S.Gopalan, Dr.C M Gurumurthy and Mr.C P Rangachar, non-executive directors of the Company, have given a declaration to the

Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these

directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday between 10 AM to 12 Noon.

A brief profile of the Independent Directors to be appointed is given below:

1. Mr S.Gopalan, is a top ranking Chemical Engineer and a senior intellectual decorated with high academic honours. He was Executive Director of Industrial Bank of India. He has been associated with the Company as Chairman for 20 years now. His vast experience in pharma industry and expertise in finance has greatly influenced growth and development of the organization. His knowledge, capability, visions have been of immense value to the Company.
2. Dr C M Gurumurthy is a highly respected medical practitioner and reknowned ENT Surgeon of Bangalore. He was on the panel of various committees and Boards and has worked with some of the topmost intellectuals of the country including Dr Manmohan Singh, Ex Prime Minister of India. He was also the Vice- Chancellor of Devraj Urs University, Kolar. At present he is involved as consultant for construction of a multispeciality hospital medical research centre at Tumkur, Karnataka.
3. Mr C P Rangachar is a qualified Engineer with widest of exposure and has travelled to most of the countries in the world and is the Chairman of M/s Sai India Ltd and Yuflow Engineering Pvt Ltd. He is also the Managing Director of M/s Yuken India limited and Director of 5 other companies besides NCL. He is a member in Audit / Shares committee of 3 other companies. His expertise, timely advice and active involvement in spite of his tightest of schedules are invaluable asset to the company.

Agenda 8

I. General Information

- | | |
|--|-------------------------|
| (i) Nature of Industry | : Pharmaceutical |
| (ii) Financial Performance based on given indicators | : Sound and progressive |
| (iii) Foreign Investments/Collobarations if any | : None as of now |

II. Information about the appointee.

1) Background Details:-

Considering the fact that Mr Sunil L Mundra is a promoter Director having professional qualification as "Chartered Accountant" and have immensely contributed to the progress of the Company in his capacity as Managing Director, and also considering his business experience and knowledge, in the interest of the Company, the Board of Directors as recommended by Nomination and Remuneration Committee, in their meeting held on 28th May 2014 decided to continue his remuneration for his tenure of further period of 3 years with effect from 01st June 2014 on the terms set out in the resolution.

- 2) Past Remuneration:- Indian Rs 2,55,000/-per month Plus Perqs.
- 3) Recognition or Awards - Achieved top 10 position both in pre-university and University examination.
- 4) Job Profile and his suitability :-Overall management, Production and Marketing.
- 5) Remuneration Proposed :- Rs 3,25,000/-PM (in the time scale of 3,25,000-15,000-3,55,000) Plus Perqs. as per resolution
- 6) Comparative Remuneration Profile with respect to Industry, Size of Company, Profile of the position and person :- Rs 3,50,000/-PM Plus perqs.
- 7) Pecuniary relationship with the Company/if any:- NIL

/Relationship with the Managerial Personnel, if any:-

Son of Mr.Laxminarayan
Mundra, Whole Time Director
and niece of Mr.Satyanarayana
Mundra, Whole Time Director.

III. Other Information:

- 1) Reasons of loss/inadequate profits : Not applicable
- 2) Steps taken or proposed to be taken for improvement : Not applicable
- 3) Expected increase in productivity and profits in measureable terms: 5 to 8% per annum.

IV Disclosures:-

7) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc of all the directors

The details of remuneration drawn by the Executive & Non executive Directors for the year 2013-14 are as follows:

Directors	Sitting fees	Salary and Perquisites	Commission linked to performance of the company which in turn depends upon the performance of mainly the Executive Directors	Total
Executive Directors :				
1. Sri Sunil L Mundra	----	30.54	6.00	36.54
2. Sri Laxminarayan Moondra	----	24.52	---	24.52
3. Sri Satyanarayan Mundra	----	24.39	---	24.39
Non Executive Directors :				
1. Sri S. Gopalan	0.90	----	1.85	2.75
2. Sri Dr. C. M. GuruMurthy	0.90	----	1.85	2.75
3. Sri V. Subramony	----	----	---	--
4. Sri C. P. Rangachar	0.90	----	1.85	2.75
5. Sri V. Balaji Bhat	0.20	----	---	0.20
6. Sri Sushil Kumar Mundra	0.50	----	1.85	2.35

- 1) Details of fixed component and performance linked incentives along with the performance criteria: As Above.
- 2) Service contracts, notice period, severance fees: **NIL**
- 3) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Not applicable

None of the Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except Mr Laxminarayana Mundra, Mr Satyanarayana Mundra , Mr Sushilkumar Mundra and Mr.Sunil L Mundra

Copy of original agreement for appointment of MD is available for inspection during office hours of the Company between 10 A.M and 12 Noon on any working day.

Your Directors recommend the resolution for your approval.

Agenda 9

I. General Information

- (i) Nature of Industry : Pharmaceutical
- (i) Financial Performance based on given indicators : Sound and progressive
- (ii) Foreign Investments/Collobarations if any : None as of now

II. Information about the appointee

1) Background Details:-

Considering the fact that Mr Laxminarayana Mundra is a promoter Director have immensely contributed to the progress of the Company in his capacity as Whole Time Director, and also considering his business experience and knowledge, in the interest of the Company, the Board of Directors as recommended by Nomination and Remuneration Committee, in their meeting held on 30th July, 2014 decided to continue his remuneration for his tenure of further period of 3 years with effect from 01st September 2014 on the terms set out in the resolution:

- 1) Past Remuneration - Indian Rs 2,05,000/- per month Plus Perqs.
- 2) Recognition or Awards : NIL
- 3) Job Profile and his suitability : Bank and Finance, Human Resources and Management and he is suitable due to his immense experience in trade and industry.

- 4) Remuneration Proposed :- Rs 2,20,000/- PM(in the time scale of 2,20,000-15,000-2,50,000) Plus Perqs. as per resolution
- 5) Comparative Remuneration Profile with respect to Industry, Size of Company, Profile of the position and person
Rs 2.75 000/- PM Plus perqs.
- 6) Pecuniary relationship with the Company:- NIL
/Relationship with the Managerial Personnel, if any:- Father of Managing Director and brother of Mr.Satyanarayana Mundra, Whole Time Director.

III. Other Information..

1) Reasons of loss/inadequate profits : Not applicable

2) Steps taken or proposed to be taken for improvement : Not applicable

Expected increase in productivity and profits in measureable terms: 5 to 8% per annum.

IV Disclosures:-

- 1) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc of all the directors:
The details of remuneration drawn by the Executive & Non executive Directors for the year 2013-14 are as follows:

(Rs. In lac)

Directors	Sitting fees	Salary and Perquisites	Commission linked to performance of the company which in turn depends upon the performance of mainly the Executive Directors	Total
Executive Directors :				
1. Sri Sunil L Mundra	----	30.54	6.00	36.54
2. Sri Laxminarayan Moondra	----	24.52	---	24.52
3. Sri Satyanarayan Mundra	----	24.39	---	24.39
Non Executive Directors :				
1. Sri S. Gopalan	0.90	----	1.85	2.75
2. Sri Dr. C. M. GuruMurthy	0.90	----	1.85	2.75
3. Sri V. Subramony	----	----	---	--
4. Sri C .P. Rangachar	0.90	----	1.85	2.75
5. Sri V. Balaji Bhat	0.20	----	---	0.20
6. Sri Sushil Kumar Mundra	0.50	----	1.85	2.35

- 1) Details of fixed component and performance linked incentives along with the performance criteria: As Above.
- 2) Service contracts, notice period, severance fees: **NIL**
- 3) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Not applicable

None of the Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except Mr Laxminarayana Mundra, Mr Satyanarayana Mundra , Mr Sushilkumar Mundra and Mr.Sunil L Mundra

Copy of original agreement for appointment of MD is available for inspection during office hours of the Company between 10 A.M and 12 Noon on any working day.

Your Directors recommend the resolution for your approval.

Agenda 10

I. General Information

- (i) Nature of Industry : Pharmaceutical
(ii) Financial Performance based on given indicators : Sound and progressive
(iii) Foreign Investments/Colloborations if any : None as of now

II. Information about the appointee.

1) Background Details:-

Considering the fact that Mr Satyanarayana Mundra is a promoter Director have immensely contributed to the progress of the Company in his capacity as Whole Time Director, and also considering his business experience and knowledge, in the interest of the Company, the Board of Directors as recommended by Nomination and Remuneration Committee, in their meeting held on 28th May, 2014 decided to continue his remuneration for his tenure of further period of 3 years with effect from 01st June 2014 on the terms set out in the resolution.

- 2) Past Remuneration:- Indian Rs 2,55,000/- per month Plus Perqs.
3) Recognition or Awards :- NIL
4) Job Profile and his suitability :-Quality control and Logisitcs.
5) Remuneration Proposed :- Rs 2,20,000/- PM (in the time scale of 2,20,000-15,000-2,50,000) Plus Perqs. as per resolution
6) Comparative Remuneration Profile with respect to Industry, Size of Company, Profile of the position and person :- Rs 2,75,000/- PM Plus perqs.

- 7) Pecuniary relationship with the Company/if any:- NIL

Relationship with the Managerial Personnel, if any:- Uncle of Managing Director and brother of Mr.Laxminarayana Mundra, Whole Time Director.

III. Other Information..

- 1) Reasons of loss/inadequate profits : Not applicable
2) Steps taken or proposed to be taken for improvement : Not applicable
3) Expected increase in productivity and profits in measureable terms: 5 to 8% per annum.

IV. Disclosures:-

- 8) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc of all the directors:
The details of remuneration drawn by the Executive & Non executive Directors for the year 2013-14 are as follows:

(Rs. In lac)

Directors	Sitting fees	Salary and Perquisites	Commission linked to performance of the company which in turn depends upon the performance of mainly the Executive Directors	Total
Executive Directors :				
1. Sri Sunil L Mundra	----	30.54	6.00	36.54
2. Sri Laxminarayan Moondra	----	24.52	---	24.52
3. Sri Satyanarayan Mundra	----	24.39	---	24.39
Non Executive Directors :				
1. Sri S. Gopalan	0.90	----	1.85	2.75
2. Sri Dr. C. M. GuruMurthy	0.90	----	1.85	2.75
3. Sri V. Subramony	----	----	---	--
4. Sri C. P. Rangachar	0.90	----	1.85	2.75
5. Sri V. Balaji Bhat	0.20	----	---	0.20
6. Sri Sushil Kumar Mundra	0.50	----	1.85	2.35

- 7) Details of fixed component and performance linked incentives along with the performance criteria: As Above.
- 3) Service contracts, notice period, severance fees: **NIL**
- 9) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Not applicable

None of the Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except Mr Laxminarayana Mundra, Mr Satyanarayana Mundra , Mr Sushilkumar Mundra and Mr.Sunil L Mundra

Copy of original agreement for appointment of MD is available for inspection during office hours of the Company between 10 A.M and 12 Noon on any working day.

Your Directors recommend the resolution for your approval.

Agenda No.11

Considering the qualification and rich experience of Mr.R.Parthasarathi, practicing Company Secretary who has been in the field for more than 25 years, and also the fact that he is eligible for appointment as Secretarial Auditor and has given his consent, the Audit Committee and the Board of Directors, in their wisdom appointed him as Company's Secretarial Auditor as per the provisions of new Companies Act 2013. None of the Directors,Key Managerial Personnel or their relatives are interested in this item of business.

Agenda No.12

It is proposed to re-appoint M/s KSS, VKG and Associates, Cost Accountant, Bangalore, as Company's cost auditors as recommended by the Audit Committee and the Board of Directors appointed them as Cost Accountants of the Company for the Financial Years 2014-15. None of the Directors, Key Managerial Personnel or their relatives are interested in this item of business.

Agenda No. 13

The Board of Directors felt the need for amending the Articles of Association of the Company as stated in the Resolution as required in the provisions of Companies Act 2013, keeping in mind the administrative convenience and future exigencies. None of the Directors,Key Managerial Personnel or their relatives are interested in this item of business.