



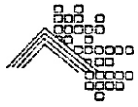
**Naraingarh Sugar Mills Ltd.**

**Annual Report 2013-14**

# **21st ANNUAL REPORT 2013-2014**

**NARAINGARH SUGAR MILLS LIMITED**

**CIN No. : L74899HR1991PLC032873**

**BOARD OF DIRECTORS**

Mrs. Renu Anand, Director  
Mrs. Ravinder Kaur Kang, Director  
Mr. Baldev Singh Kang, Director  
Mr. Mahavir Singh, Independent Director  
Mr. Gurkirpal Singh Bedi, Independent Director  
Mr. Gurdev Bassi, Independent Director  
Mr. Aman Handa, Independent Director  
Mr. Jitendra Anand, Executive Director

**COMPANY SECRETARY**

Mrs. Jaswant Kaur

**STATUTORY AUDITORS**

M/s VASUDEVA & ASSOCIATES

Chartered Accountants

Chandigarh

**COST AUDITORS**

M/s Khushwinder Kumar & Co.,

Cost Accountants

Jalandhar

**REGISTERED OFFICE & WORKS**

Village Banondi, P.O. Shahzadpur.

Tehsil Naraingarh, Distt. Ambala (Haryana)

**REGISTRAR AND SHARE TRANSFER AGENT**

M/s Alankit Assignments Limited

205-206, Anarkali Market,

Jhandelwala Extension, New Delhi, 110055

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**NOTICE**

**NOTICE** is hereby given that the 21st Annual General Meeting of the company be and is hereby convened to be held on Tuesday the 30th September, 2014 at 11.30 a.m. at the registered office of the company at Village Banondi, PO; Shazadpur, Teh. Naraingarh, Distt. Ambala to transact the following business(s):

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the period ended at that date alongwith the Director's and Auditor's report thereon.
2. To appoint a Director in place of Mr. Baldev Singh Kang (DIN No: 00363868) who retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mrs. Ravinder Kaur Kang (Din No: 00334090) who retires by rotation and being eligible offers herself for reappointment.
4. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:

**To appoint Auditors and fix their remuneration.**

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s.Vasudeva & Associates, Chartered Accountants (Registration No:022239N with the Institute of Chartered Accountants of India) having office at SCO: 32-35, 1st Floor, Madhya Marg, Sector 8C, Chandigarh, be and are hereby appointed as Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting to be held in the year 2019 (subject to ratification by the members at every Annual general Meeting to be held after this Annual General Meeting) on such remuneration as maybe mutually determined between the Auditors and the Board of Directors of the company.”

**SPECIAL BUSINESS**

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

**Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013.**

**“RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on 27th August, 2010, pursuant to Section 180 (1) (c) of the Companies Act, 2013 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 of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, but not exceeding Rs.400,00,00,000/- (Rupees Four Hundred Crores only) over and above the paid up share capital and free reserves for the time being of the Company.”

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

**Creation of charge / mortgage etc. on Company's movable or immovable properties in terms of Section 180 (1) (a) of the Companies Act, 2013.**

**“RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on 27th August, 2010, pursuant to Section 180 (1) (a) of the Companies Act, 2013 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 of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding Rs.400,00,00,000/- (Rupees Four Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors or such Committee or person(s) as may be authorized by the Board be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions and at such time(s)/tranch(es) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.”

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

**Appointment of Mr. Gurdev Bassi as Independent director for a period of five years not liable to retire by rotation.**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Gurdev Bassi [Din No: 01705993] who was appointed as Director liable to retire by rotation, pursuant to the provisions of Companies Act, 1956, be and is hereby appointed as an Independent director of the company with effect from 30th September, 2014 upto conclusion of Annual General Meeting of the Company in the Calender year 2019 and shall not be liable to retire by rotation”.

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

**Appointment of Mr. Gurkirpal Singh Bedi as Independent director for a period of five years not liable to retire by rotation.**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Gurkirpal Singh Bedi [Din No: 00837067] who was appointed as Director liable to retire by rotation, pursuant to the provisions of Companies Act, 1956, be and is hereby appointed as an Independent director of the company with effect from 30th September, 2014 upto conclusion of Annual General Meeting of the Company in the Calender year 2019 and shall not be liable to retire by rotation”.

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

**Appointment of Mr. Mahavir Singh as Independent director for a period of five years not liable to retire by rotation.**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mahavir Singh [Din No: 00292525] who was appointed as Director liable to retire by rotation, pursuant to the provisions of Companies Act, 1956, be and is hereby appointed as an Independent



director of the company with effect from 30th September, 2014 upto conclusion of Annual General Meeting of the Company in the Calendar year 2019 and shall not be liable to retire by rotation”.

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

**Appointment of Mr. Aman Handa as Independent director for a period of five years not liable to retire by rotation.**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Aman Handa [Din No: 00253802] who was appointed as Director liable to retire by rotation, pursuant to the provisions of Companies Act, 1956, be and is hereby appointed as an Independent director of the company with effect from 30th September, 2014 upto conclusion of Annual General Meeting of the Company in the Calendar year 2019 and shall not be liable to retire by rotation”.

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

**To ratify the appointment of Sh. Jitendra Anand (Din No: 00387657) as Executive Director of the company.**

**RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of Mr. Jitendra Anand as Executive Director of the company made by Board of Directors for a period of five years be and is hereby ratified with effect from 03.11.2013 at a monthly remuneration of Rs. 1,00,000 p.m. on the terms and conditions set out in the Statement annexed to the notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Jitendra Anand subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

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

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

**To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015.**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the cost auditors appointed by the Board of Directors of the company to conduct the audit of cost records of the company for the financial year ending 31st March, 2015, be paid the remuneration as set out in the Statement annexed to the notice convening this Meeting.

**RESOLVED FURTHER THAT** the board of Directors of the company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

13. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Special resolution.

**To adopt a new set of Articles of Association of the company.**



**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of Companies Act 2013 read with Companies (incorporation) Rules 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD  
FOR NARAINGARH SUGAR MILLS LTD

Sd/-  
JASWANT KAUR  
COMPANY SECRETARY

Date: 31/07/2014

Place: Chandigarh

Notes;

1. A member entitled to attend and vote at the 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. The Proxies in order to be effective be deposited at the registered office of the company not less than 48 hrs before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten per cent of the total share capital of the company carrying voting rights. A member holding more than ten per cent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing agreement with the Stock exchanges are annexed herewith.
4. A statement pursuant to Section 102(1) of the Companies Act 2013, relating to the special business to be transacted at the meeting is annexed hereto.
5. A member or Proxy should bring the duly filled attendance slip along with their copy of Annual report to the meeting. The attendance slip shall be deposited at the entrance of the meeting hall.
6. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Pursuant to the provision of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the company is pleased to offer e-voting to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 21st Annual General Meeting to be held on Tuesday the 30th September 2014 at 11.30 a.m. at Registered Office of the company. The company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility. The e-voting facility is available at the link: <https://www.evoting.nsdl.com>

These details and instructions form an integral part of the notice convening the 21st AGM to be held on 30th September 2014.

Members are requested to follow the instructions below to cast their vote electronically:-

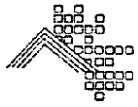


- (a) Open the internet browser and launch the URL: <https://www.evoting.nsdl.com>
- (b) Click on Shareholder login
- (c) If you are already registered with NSDL for e-voting, no password has been provided. Please enter your User Id and existing password and click login. (For assistance contact NSDL on (022) 24994600 or email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in))
- (d) If you are logging in for the first time, please enter your user id and Password provided to you. Click Login.
- (e) Password change menu will appear. Change with the new password of your choice with minimum 8 digits or characters or a combination of both. (changing initial password is mandatory). Please take utmost care to keep the Password confidential.
- (f) Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the website to reset the same.
- (g) Home page of e-Voting opens. Click on e-Voting to activate voting cycles.
- (h) Select EVEN - 101175 (E-Voting Event Number) of Naraingarh Sugar Mills Limited. Once you select the EVEN, the Cast Vote page will open. Now you are ready for e-voting
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained for that particular item.
- (j) Cast your vote by selecting your favoured option and click Submit. Also click Confirm when prompted. Upon confirmation, the message Vote cast successfully will be displayed. Please note that once your vote is cast on the selected resolution, it cannot be modified.
- (k) Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through email at : [ajaykcs@gmail.com](mailto:ajaykcs@gmail.com) , with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (l) In case of any queries, please refer to the Frequently Asked Questions (FAQs) for members and the e-voting user manual for members available in the Downloads section of <mailto:evoting@nsdl.co.in> <https://www.evoting.nsdl.com> You can also contact NSDL through e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or on telephone no. 022-2499 4600

**8. GENERAL INSTRUCTIONS FOR E-VOTING**

- (i) The e-voting period commences on Monday, September 22, 2014 at 9.00 a.m. and ends on Wednesday, September 24, 2014, at 6.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled for voting after the e-voting period ends.
- (ii) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of Friday, August 29, 2014.
- (iii) You are advised to cast your vote only through one mode (E-voting or at the AGM). In case you cast your votes through both the modes, votes cast through E-voting shall only be considered and votes cast at the AGM would be rejected.
- (iv) Mr. Ajay Arora, Practicing Company Secretary (Membership No. FCS 993) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.





- (v) The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- (vi) The results declared along with the Scrutinizer's Report shall be placed on the NSDL website <https://www.evoting.nsdl.com> within two working days of the passing of the resolutions at the 21st AGM of the Company on September 30, 2014 and also communicated to BSE Ltd. (BSE).
9. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the company on all working days, except Saturdays, during business hours upto the date of the meeting.
10. The company has notified closure of Register of members and Share transfer books from Thursday the 25th September 2014 to Tuesday the 30th September, 2014 (both days inclusive).
11. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom, they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Registrars and Share Transfer agents M/s Alankit Assignments Limited, 205-206, Anarkali Market, Jhandelwala Extension, New Delhi - 110055.
12. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the company to directly to Alankit Assignments Limited.
13. Members holding shares in Single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form is annexed herewith the notice and is available from the company/Alankit Assignments Limited.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Alankit Assignments Limited for consolidation into single folio.
15. **Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual report, Notices, circulars etc from the company electronically.**
16. The members desirous of obtaining any information concerning the accounts and the operations of the company are requested to send their queries to the company atleast seven days before the date of meeting so as to enable the company to make available the desired information at the meeting.

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

The following statements set out all material facts relating to Special Business mentioned in the accompanying notice:

**Item No. -5**

In terms of the resolution passed by the Shareholders at the Annual General Meeting held on 27th August, 2010 pursuant to Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company is authorised to borrow upto a sum of Rs.250 Crores over and above the paid-up share capital and free reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business). The modernization of sugar plant and installation of cogen plant which is being carried out by the Company requires additional funds. Hence, the mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers from the existing limit of Rs.250 Crores to Rs.400 Crores over and above the paid-up share capital and





free reserves of the Company. Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

Your Directors recommend passing the above resolution as special resolution. None of the Directors is concerned or interested in the said resolution.

**Item No. 6**

In terms of the resolution passed by the Shareholders at the Annual General Meeting held on 27th August, 2010, pursuant to Section 293 (1) (a) of the Companies Act, 1956, consent of the Members was secured for authorizing the Board of Directors to create mortgage and / or charge on the immovable and movable properties of the Company upto Rs.250 crores. The Company would be borrowing monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees upto an extent of Rs.150 Crores over and above the existing limit of Rs.250 Crores taking the total limit to Rs.400 Crores. To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval. Your Directors recommend passing the above resolution as special resolution.

None of the Directors is concerned or interested in the said resolution.

**Item No. 7, 8, 9 & 10**

Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa are independent directors and have held the positions for many years. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent directors by a listed company.

It is proposed to appoint Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa as Independent directors under section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term upto the conclusion of Annual General Meeting of the company in the calendar year 2019.

Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa 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 received notices in writing from members alongwith deposit of requisite amount under section 160 of the act proposing the candidatures of each of Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa for the office of Directors of the company.

The company has also received declarations from Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa fulfill the conditions for appointment as Independent directors as specified in the act and the listing agreement. Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa are independent of the management.

Brief resume of Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement are annexed herewith the notice.

Copy of the draft letters for respective appointments of Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa as Independent directors setting out the terms and conditions are available for inspection by members at the Registered office of the company.



The statement may also be regarded as a disclosure under clause 49 of the Listing agreement with Stock exchanges.

Mr. Gurdev Bassi, Mr. Gurkirpal Singh Bedi, Mr. Mahavir Singh and Mr. Aman Handa are interested in the resolutions set out respectively at items no. 7, 8, 9 and 10 of the notice with regard to their respective appointments.

Save and except the above, none of the other directors/key managerial personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise in these resolutions.

The Board recommends the Ordinary resolutions set out at Items no.s 7, 8, 9 and 10 of the notice for approval by the shareholders.

**Item No. 11**

The Board of Directors of the company (the Board), at its meeting held on 12th October 2013 has, subject to approval of members, re-appointed Mr. Jitendra Anand as Executive Director for a period of 5 (five) years from the expiry of his present term, which expired on 03rd November 2013 at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Shri. Jitendra Anand as Whole Time Director, designated as Executive director of the company, in terms of applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Sh. Jitendra Anand are as under:

**(a) Salary, perquisites and Allowances per annum:**

Name	Salary
Mr. Jitendra Anand	Rs. 12.00 Lacs

The company's contribution to provident fund, superannuation or annuity fund to the extent these singly or together are not taxable under the income tax law, gratuity payable and encashment of leave, as per the rules of the company and to the extent not taxable under the Income Tax Law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Any increment in salary and perquisites and remuneration by way of incentive/bonus payable to Shri. Jitendra Anand as may be determined by the Board and/or the Nomination and Remuneration Committee shall not be included for the purpose of computation of the aforesaid ceiling of remuneration provided that such payment shall be within the overall ceiling of remuneration referred to in resolution at item no. 11 of the notice.

**(b) Remuneration based on net profits:**

In addition to the salary, perquisites and allowances as set out above, Shri Jitendra Anand shall be entitled to receive remuneration based on net profits. Such remuneration based on net profits payable to him will be determined by the Board/Nomination and Remuneration Committee of the Board for each financial year.

The overall remuneration payable every year to the Executive Director by way of salary, perquisites and allowances, incentive/bonus, remuneration based on net profits etc. shall not exceed in aggregate one percent of the net profits of the company as computed in the manner laid down in Section 198 of the Act or any other statutory modification(s) or re-enactment thereof, as referred to in the resolution at Item, no. 11 of the Notice.

**(c) Reimbursement of Expenses:**

Expenses incurred for travelling, board and lodging including for his spouse and attendant(s) during business trips, any medical assistance provided including for family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actual and not considered as perquisites.