

19th ANNUAL REPORT 2007-2008

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NISSAN COPPER LIMITED



AN ISO 9001:2000 COMPANY

Poised for growth and sustainable earnings

This year's Annual Report outlines how Nissan has worked to promote sustainable growth which has contributed to an increase in profitability and achieve our goals in a short period of time. These reforms are not an end in themselves; rather they are a means to enhance the positive impacts of our expansion programmes which will bear fruit in the near future. Our positive approaches to developing innovative products was guided by the conviction that, if properly implemented, it will result in greater impact at the industrial level and contribute to clients that sustain national growth.

Being part of this growth story, we invite you to join us taking things forward and participating in the long term to build on a company which is less cyclical and depends on its goodwill of quality and commitment to foster growth with the support of all industries.

We will keep you informed of the latest developments in your company, from time to time.

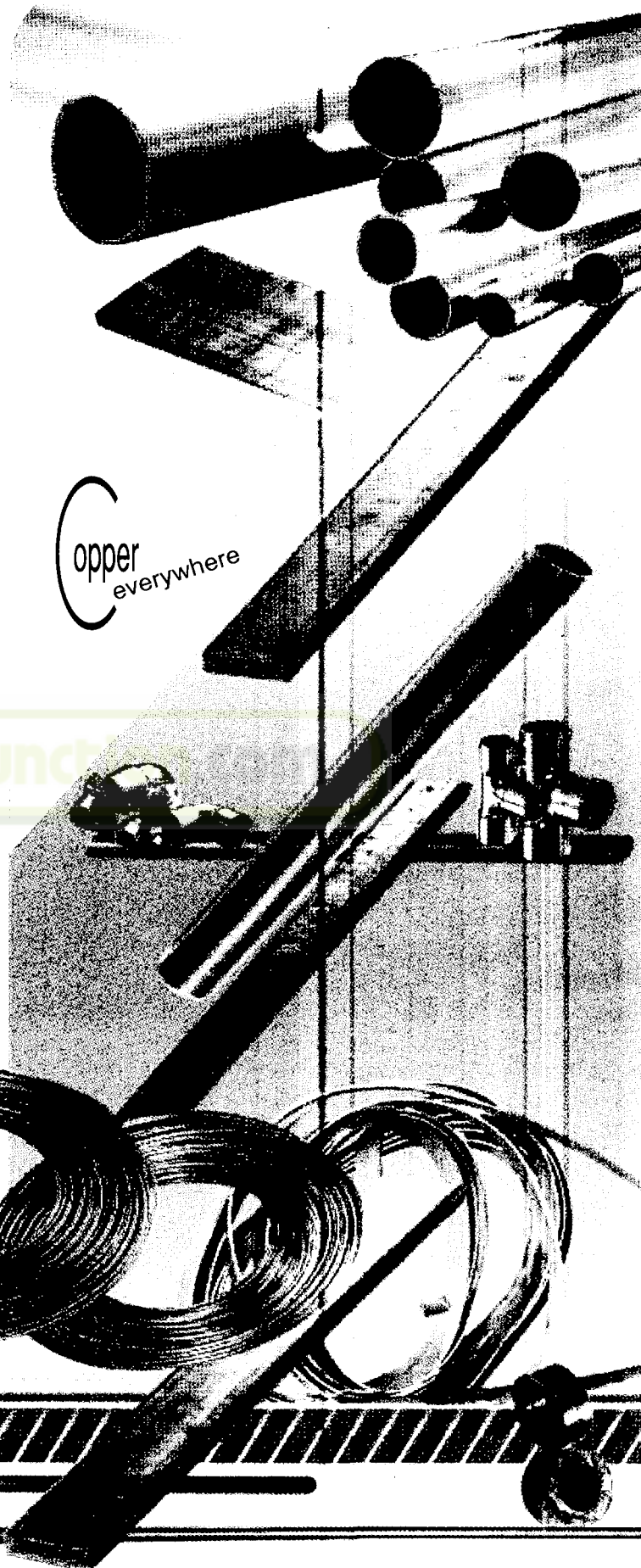
Copper - Brass - Cupronickel



NISSAN COPPER LIMITED

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**Board of Directors**

Mr. Sanjay S. Mardia – Chairman
 Mr. Ratanlal S. Mardia – Managing Director
 Mr. Atul S. Mardia – Non-Executive Director
 Mr. Sunil Ghorawat – Independent Director
 Mr. Praveen Kumar H. Shah – Independent Director
 Mr. Sailesh H. Shah – Independent Director

Auditors

Ramesh Bhatt & Co.
 Chartered Accountants
 Mumbai

Bankers

State Bank of India
 Citi Bank NA
 Mumbai

Registered Office

J/20 G.I.D.C. Umergaon (Gujrat) – 396 171

Corporate Office

1002 Raheja Centre, Nariman Point,
 Mumbai – 400 021

Manufacturing Facilities**Unit – 1**

J/20 G.I.D.C. Umergaon (Gujrat) – 396 171

Unit – II

Survey No. 168/2/1, Rudana Village, Khanvel,
 Silvassa, (D&NH) – 396230

Marketing Office

8, Badrika Ashram, 1st Khetwadi Lane,
 Metal Market, Mumbai – 400 004

Website

www.nissancopper.com

Registrar & Transfer Agent

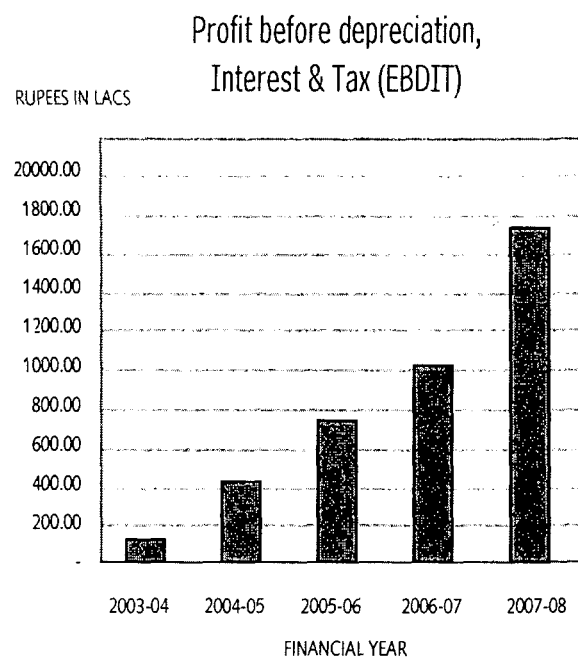
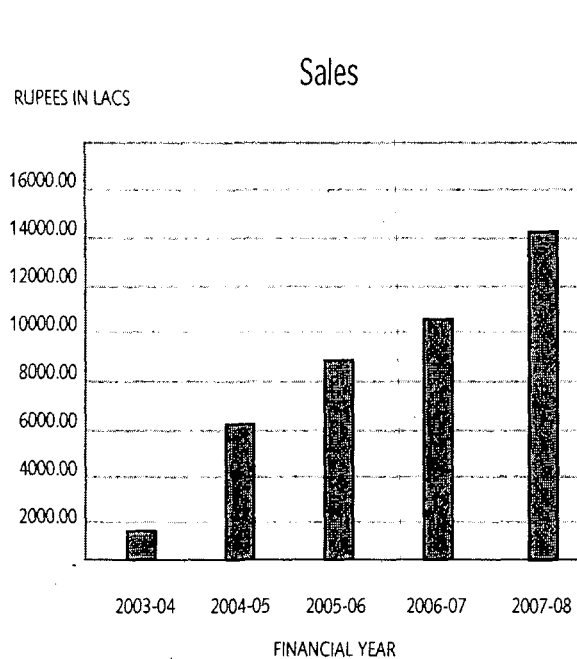
M/S Bigshare Services Pvt. Ltd.
 E-2, Ansa Industrial Estate, Sakivihar Road,
 Andheri (E),
 Mumbai – 400 072

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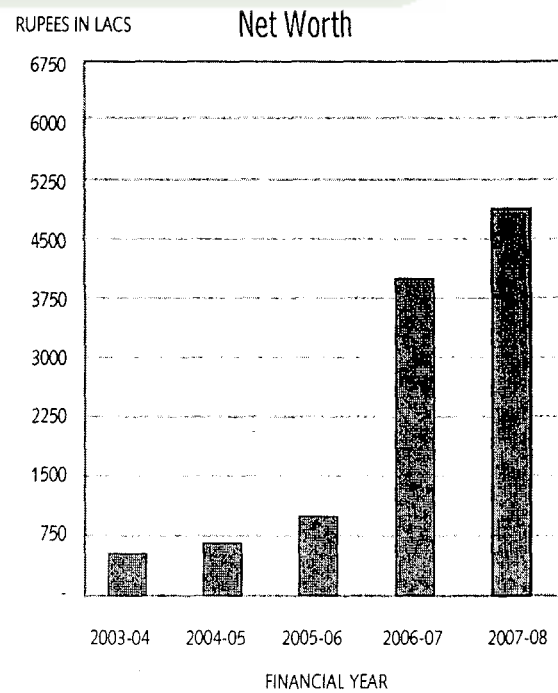
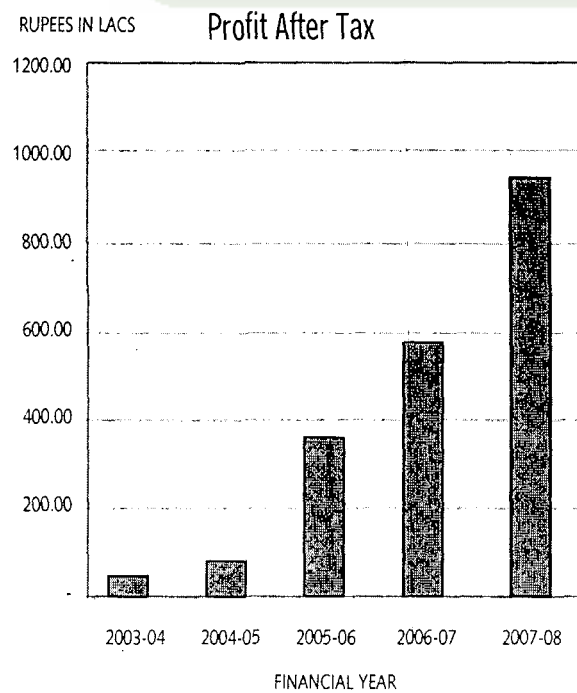
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FINANCIAL HIGHLIGHTS



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NISSAN COPPER LIMITED

Financial Highlights for last five years

(Rs. in Lacs)

| Financial Year Ended | 2007-08 | 2006-07 | 2005-06 | 2004-05 | 2003-04 |
|--|-----------|-----------|----------|----------|----------|
| Sales | 14,138.12 | 10,550.14 | 8,867.40 | 6,173.78 | 1,681.44 |
| Growth in sale | 34% | 19% | 44% | 267% | 62% |
| Profit before depreciation, Interest & Tax (EBDIT) | 1,745.08 | 1,014.57 | 763.04 | 434.61 | 143.63 |
| Depreciation | 272.71 | 129.20 | 140.25 | 161.23 | 36.50 |
| Interest & Financial charges | 411.29 | 283.17 | 226.10 | 137.62 | 53.71 |
| Profit before Tax | 1,061.08 | 602.20 | 396.70 | 135.76 | 53.42 |
| Income Tax | 119.38 | 13.26 | 22.79 | 46.76 | 1.25 |
| Profit After Tax | 941.70 | 588.94 | 373.91 | 89.00 | 52.17 |
| Equity Share Capital | 1,455.59 | 1,455.59 | 176.13 | 176.13 | 158.00 |
| Reserves & Surplus | 3,613.10 | 2,756.55 | 921.97 | 548.06 | 347.72 |
| Net Worth | 4,899.03 | 4,021.20 | 1,096.14 | 721.99 | 503.28 |
| Earning per Share (EPS) | 6.47 | 5.02 | 21.23 | 50.53 | 33.02 |
| Cash Earning per Share (CEPS) | 8.34 | 6.12 | 29.19 | 142.07 | 56.12 |
| Sales per Share (Rs.) | 97.13 | 72.48 | 503.46 | 3,505.24 | 1,064.20 |
| Book Value per Share (Rs.) | 33.66 | 27.63 | 62.24 | 409.92 | 318.53 |

Note: Face value of equity shares was Rs. 100/- per share till 2004-2005 then sub divided to Rs. 10/- per equity share during the FY 2005-06. Hence EPS, CEPS, Sale per share and Book value per share for the FY 2005-06 onwards is calculated on Rs. 10/- paid up share.

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the members of **Nissan Copper Limited** will be held on Monday, the 8th September 2008 at 11.00 a.m. at The Umbergaon Club and Resort, Madhuvan Complex, Umbergaon Sanjan Road, Umbergaon 396171, Gujarat to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2008, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Sunil Ghorawat, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Praveen Kumar H. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. **To consider, and if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution.**
"RESOLVED THAT Mr. Atul Mardia, who was appointed as an Additional Director by the Board of Directors of the Company with effect from 31st October 2007 under Section 260 of the Companies Act, 1956 (the Act) and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."
7. **To consider, and if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution.**
"RESOLVED THAT Mr. Shailesh Shah, who was appointed as an Additional Director by the Board of Directors of the Company with effect from 31st October 2007 under Section 260 of the Companies Act, 1956 (the Act) and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."
8. **To consider, and if thought fit, to pass, with or without modification, the following resolution as Special Resolution.**
"RESOLVED THAT subject to the provisions of the Companies Act, 1956, Schedule XIII and approval of the shareholders, the remuneration payable to Mr. Ratanlal Mardia, Managing Director of the Company will stand modified and payable as follows with effect from 30th January 2008:

A. REMUNERATION AND PERQUISITES

- a) Salary of Rs.1,50,000/- per month effective from 30th January 2008.
- b) Commission @ 5% of the net profit as calculated u/s 349 for the relevant financial year less salary paid during the year effective from F.Y. 2007-2008.
- c) The aggregate of the salary and commission shall be either 5% of Net Profits as calculated under section 349 for the relevant financial year or Rs.36,00,000/- p.a., whichever is lower.
- d) Paid leave of thirty days for every eleven months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.
- e) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.

B. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by Board of Directors. In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration;

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,



- b. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- c. Encashment of leave at the end of the tenure.

C. POWERS OF THE BOARD TO DECIDE THE REMUNERATION

Notwithstanding anything stated herein above, where in any financial year, there are no profits or inadequate profits, the Board is empowered to decide not to pay any remuneration or to reduce the remuneration mentioned above to any amount they consider reasonable in the circumstances of case. The Board's power in this behalf are absolute and if so exercised by the Board before the end of the financial year or before the accounts are passed by the Annual General Meeting will override the provisions for remuneration set out above, and no remuneration or reduced remuneration as the case may be, will accrue and become payable to the said Managing Director.

RE SOLVED FURTHER THAT all other terms and conditions of the original appointment will remain unchanged."

9. **To consider, and if thought fit, to pass, with or without modification, the following resolution as Special Resolution.**
 "RESOLVED THAT subject to the provisions of the Companies Act, 1956, Schedule XIII, the remuneration payable to Mr. Sanjay Mardia, Executive Chairman of the Company will stand modified and payable as follows with effect from 30th January 2008:

A. REMUNERATION AND PERQUISITES

- a) Salary of Rs.1,50,000/- per month effective from 30th January 2008.
- b) Commission @ 5% of the net profit as calculated u/s 349 for the relevant financial year less salary paid during the year effective from F.Y. 2007-2008.
- c) The aggregate of the salary and commission shall be either 5% of Net Profits as calculated under section 349 for the relevant financial year or Rs.36,00,000/- p.a., which ever is lower.
- d) Paid leave of thirty days for every eleven months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.
- e) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.

B. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by Board of Directors. In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration;

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- (b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- (c) Encashment of leave at the end of the tenure.

C. POWERS OF THE BOARD TO DECIDE THE REMUNERATION

Notwithstanding anything stated herein above, where in any financial year, there are no profits or inadequate profits, the Board is empowered to decide not to pay any remuneration or to reduce the remuneration mentioned above to any amount they consider reasonable in the circumstances of case. The Board's power in this behalf are absolute and if so exercised by the Board before the end of the financial year or before the accounts are passed by the Annual General Meeting will override the provisions for remuneration set out above, and no remuneration or reduced remuneration as the case may be, will accrue and become payable to the said Executive Chairman.

RESOLVED FURTHER THAT all other terms and conditions of the original appointment will remain unchanged except designation wherein now appointed as the Chairman of the Company."

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

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule XIII, the consent of the members be and is hereby accorded to the reappointment of Mr. Ratanlal Mardia as Managing Director of the Company for a further period of 5 years, subject not to retire by rotation, with effect from 28th October 2008 on a remuneration not exceeding the limits specified in Section I of Part II of Schedule XIII or Section II of Part II of

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Schedule XIII whichever is higher and on such terms and conditions including remuneration as set out in the Agreement entered into between the Company and Mr. Ratanlal Mardia, as submitted to this meeting and initialed by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement subject to the same not exceeding the limits specified in schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Ratanlal Mardia.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956.

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

11. To consider, and if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution.

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule XIII, the consent of the members be and is hereby accorded to the reappointment of Mr. Sanjay Mardia as Executive Chairman of the Company for a further period of 5 years, subject not to retire by rotation, with effect from 28th October 2008 on a remuneration not exceeding the limits specified in Section I of Part II of Schedule XIII or Section II of Part II of Schedule XIII whichever is higher and on such terms and conditions including remuneration as set out in the Agreement entered into between the Company and Mr. Sanjay Mardia, as submitted to this meeting and initialed by the Chairman for the purpose of identification, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement subject to the same not exceeding the limits specified in schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Sanjay Mardia.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorized to 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, the following resolution as Ordinary Resolution.

"RESOLVED THAT pursuant to section 269, 309, 198 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any, as may be required, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. Atul Mardia as Executive Director of the Company for a period of 5 years w.e.f. 8th September 2008, on the remuneration and terms & conditions mentioned in the Agreement to be entered into between the Company and Mr. Atul Mardia, a draft of which is submitted to this meeting and initialed by the Chairman for the purpose of identification, which draft Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement subject to the same not exceeding the limits specified in schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. Atul Mardia.

RESOLVED FURTHER that if in any financial year of the Company during his tenure as Whole-time Director, the Company has made no profit or profits are inadequate, Mr. Atul Mardia shall be paid remuneration including perquisites as permitted in terms of Section II of Part II of Schedule XIII of the Act.



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

By order of the Board

Ratanlal S. Mardia
Managing Director

Place: Mumbai

Date: 30th July 2008

Registered Office:

Nissan Copper Ltd.

J/20 G.I.D.C. Umbergaon,

Gujarat – 396171

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE THE MEMBER OF THE COMPANY AND THE PROXY IN ORDER TO BE VALID, MUST BE DULY COMPLETED, STAMPED AND SIGNED, SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members who hold Shares in dematerialized form are requested to write their Client ID and DP ID Nos. and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip while attending the Meeting for easy identification of attendance at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 2nd September 2008 to Monday, the 8th September 2008 (Both days inclusive).
4. Dividend on equity shares as recommended by the directors, if declared at the ensuing Annual General Meeting, the payment of the dividend will be made to those shareholders whose name appears in the Register of Members of the Company as on Monday, the 1st September 2008. In respect of the shares held in electronic form (dematerialized mode), the dividend will be payable on the basis of the details of beneficial ownership, furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose at the end of business hours on Monday, the 1st September 2008.
5. Members are requested to:
 - i) Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March 2008, so as to enable the Company to keep the information ready.
 - ii) Bring their copy of the Annual Report and the Attendance Slip at the Annual General Meeting.
 - iii) Intimate to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their addresses. Where the shares are held in electronic form such change is to be informed to the Depository Participant (DP) and not to the Company / R & TA.
 - iv) Quote Registered Folio Number or DP ID/ Client ID in all the correspondence,
 - v) Approach the R&TA of the Company for consolidation of folios.
 - vi) Furnish bank account details to the R&TA / Depository Participant to prevent fraudulent encashment of dividend warrants.
 - vii) Avail of Nomination facility by filling in and forwarding the nomination form to the R&TA, if not already done.
 - viii) Send all share transfer lodgments (physical mode) / correspondence to the **R&TA** of the Company M/S Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Andheri (E), Mumbai – 400 072 up to the date of book closure.
6. Members holding shares in electronic form may kindly note that their Bank details as furnished by the respective Depositories to the R & TA will be printed on their Dividend Warrants as per the applicable Regulations of the Depositories, and that the Company / R & TA will not entertain any direct request from such Members for deletion of / change in such Bank details. Further, instructions, if any, already given by the Members in respect of Shares held in physical form will not be automatically applicable to Dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding Bank Accounts in which they wish to receive Dividend, directly to their Depository Participant/(s). However, shareholders holding

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- shares in physical form are requested to complete and submit the Mandate form that is separately enclosed with this Annual Report, to the Company's Registrar and Transfer Agent latest by Monday, the 1st September 2008.
7. Members/ Proxies are requested to bring the Attendance Slip duly filled up for attending the Meeting.
 8. Non-Resident Indian Members are requested to inform the Company/R&TA the following immediately:
 - i) Change in the residential status on return to India for permanent settlement.
 - ii) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
 9. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
 10. The Company has listed its shares at BSE & NSE. All the listing fees, till date, have been paid.
 11. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**Item No: 6**

Mr. Atul Mardia was appointed by the Board of Directors in their meeting held on 31st October 2007 as an Additional Director of the Company under section 260 of the Companies Act, 1956. He holds office as Director only upto the date of ensuing Annual General Meeting. As required by the provisions of section 257 of the Companies Act, 1956, a notice has been received from a member proposing his appointment as Director along with a deposit of Rs.500/- (Rupees Five Hundred Only). The Board of Directors considers it desirable that the Company should continue to avail the services of Mr. Atul Mardia.

The Board commends the resolution for passing by the members.

None of the Directors except Mr. Sanjay Mardia and Mr. Ratanlal Mardia being brothers of Mr. Atul Mardia and Mr. Atul Mardia himself are interested or concerned in this resolution.

Item No: 7

Mr. Shailesh Shah was appointed as an Additional Director of the Company on 16th November 2006. However he ceased to be Director of the Company w.e.f. 20th September 2007 i.e the date of the 18th Annual General Meeting, since no resolution for his appointment was included in the Notice of Annual General Meeting.

Mr. Shailesh Shah was thereafter appointed by the Board of Directors in their meeting held on 31st October 2007 as an Additional Director of the Company under section 260 of the Companies Act, 1956. He holds office as Director only upto the date of ensuing Annual General Meeting. As required by the provisions of section 257 of the Companies Act, 1956, a notice has been received from a member proposing his appointment as Director along with a deposit of Rs.500/- (Rupees Five Hundred Only). The Board of Directors considers it desirable that the Company should continue to avail the services of Mr. Shailesh Shah.

The Board commends the resolution for passing by the members.

None of the Directors of the Company except Mr. Praveen Shah are in any way, concerned or interested in passing of the resolution.

Item No: 8

The Board of Directors of the Company at its meeting held on 30th January 2008, based on the recommendation of the Remuneration Committee, approved the revision in terms of remuneration of Mr. Ratanlal Mardia as Managing Director of the Company on such terms and conditions as mentioned in the Agreement, entered in to between Mr. Ratanlal Mardia and the Company, placed before the meeting. The details of appointment and payment of remuneration are as follows:-

A. REMUNERATION AND PERQUISITES

- a) Salary of Rs.1,50,000/- per month effective from 30th January 2008.
- b) Commission @ 5% of the net profit as calculated u/s 349 for the relevant financial year less salary paid during the year effective from F.Y. 2007-2008.
- c) The aggregate of the salary and commission shall be either 5% of Net Profits as calculated under section 349 for the relevant financial year or Rs.36,00,000/- p.a., which ever is lower.
- d) Paid leave of thirty days for every eleven months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.
- e) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.

B. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Schedule XIII of the Companies Act, 1956, whichever is lower, unless otherwise determined by Board of Directors.

In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration;

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable