



ANNUAL REPORT 2014-15

SEL Manufacturing Company Ltd.

BOARD OF DIRECTORS

Sh. Ram Saran Saluja
Sh. Neeraj Saluja
Sh. Dhiraj Saluja
Sh. Vinod K. Goyal
Sh. Navneet Gupta
Sh. Ashwani Kumar
Sh. Amit Narang
Sh. Kanwalnain Singh Kang
Sh. Ranjan Madaan
Sh. Prem Kumar
Smt. Paramjit Kaur

Chairman
Managing Director
Jt. Managing Director
Executive Director & CEO
Executive Director & CFO

AUDITORS

Dass Khanna & Co.
Chartered Accountants,
B-XX-2815, 1st Floor,
Gurdev Nagar, Pakhowal Road,
Ludhiana - 141 001 (Pb.)

REGISTERED OFFICE

274, Dhandari Khurd, G. T. Road,
Ludhiana (Pb.) 141 014 (India)
Ph.: 91-161-6611111
Fax : 91-161-6611112
Website: www.selindia.in

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
(Formerly Intime Spectrum Registry Ltd.)
44, Community Centre, 2nd Floor,
Naraina Ind. Area, Ph-I, PVR Naraina
New Delhi- 110 028
Phone No: 011- 41410592
Fax no: 011- 41410591
E-mail: delhi@linkintime.co.in

CIN : L51909PB2000PLC023679

COMPANY SECRETARY

Sh. Rahul Kapoor

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Chairman's Message

Dear Shareholders,

My heartiest greetings to you all on behalf of SEL. The Indian economy is poised to accelerate, even as the world economy is faced with subdued conditions and uncertainties. Growth is expected to rebound given the political certainty, numerous positive policy measures and improved business confidence. Our foundation is strong and we have followed strategies that will help us persevere and emerge as a company with strong focus on sustainable development.

SEL is a very people-focussed and a proficient enterprise. We have aligned competencies of our human capital in line with our business strategies, empowered them with relevant trainings and behavioural improvements. Your Company's single-minded aim behind this is to improve its organisational capability and vitality. As an organisation, your Company continues to be driven by a strong performance ethic and a strong set of values and behaviours. Our investments in our people, capabilities, technology and infrastructure continue to ensure that your Company remains relevant to our customers and close to their business.

In addition, we remain committed to sustainable development and preserving and protecting the ecological balance. We ensure that our operations have minimal impact on the environment and our host communities. We engage with and support communities towards creating a better quality of life and opportunities for advancement. To us, this is also a manifestation where our role as a corporate citizen goes beyond. We invest in attracting, training and retaining the best industry talent, and we continuously encourage our teams to push their intellectual boundaries further. We will need to nurture more people for leadership roles to take the business forward.

Meanwhile, we faced a difficult operating environment due to high interest costs, liquidity crunch, and increase in input costs, which affected the performance of the Company. There is need to improve our financial returns and operational effectiveness to which we are committed to. Driven by the relentless efforts of all our employees, the Company continues to lay emphasis on implementation that translates business plans to actions and deliverables on the ground.

On behalf of the Board and the entire SEL Team, I would like to thank all our stake holders including shareholders, customers, lenders and our loyal, hardworking and committed employees for their continued support and faith in the Company.

With best wishes,

Ram Saran Saluja

Chairman



NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Wednesday, the 30th day of September, 2015 at 9.30 A.M. at the Registered office of the Company situated at 274, Dhandari Khurd, G.T. Road, Ludhiana (Punjab) 141014 to transact the following business(es):

AS ORDINARY BUSINESS:-

1. To receive, consider and adopt:-
 - a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Board of Directors & Auditors thereon.
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2015 including the Statement of Profit & Loss Account for the financial year ended on that date together with the report of Auditors thereon.
2. To appoint a Director in place of Mr. Navneet Gupta, (DIN: 02122420) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.
The Auditors M/s Dass Khanna & Company, Chartered Accountants, Ludhiana, (Firm Registration No. 000402N), the Statutory Auditors of the Company whose term is ending at the conclusion of the forthcoming Annual General Meeting are eligible for re-appointment.

AS SPECIAL BUSINESS:-

4. **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 provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, and pursuant to the applicable provisions of the Listing Agreement, Ms. Paramjit Kaur (DIN: 07141638) who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 31, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 31st March, 2015."

5. **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 provisions of

Sections 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory amendments and modifications thereof, for the time being in force, the remuneration payable to M/s Jatin Sharma & Co., Cost Accountants, Firm Registration Number: 101845, appointed by the Board of Directors to conduct the Audit of the cost accounting records of the Company for the Financial year 2015-16 amounting to Rs.77,000 excluding of service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

6. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 and subject to the requisite approval of the Central Government, if any required, the consent of the Company be and is hereby accorded for payment of remuneration to Mr. Neeraj Saluja, as Managing Director of the Company with effect from April 1, 2014 for remainder of duration of his appointment as the Managing Director of the Company, upto consolidated amount of Salary of Rs. 14,00,000/- per month also in case of any Financial year, where the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

7. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial



Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 and subject to the requisite approval of the Central Government, if any required, the consent of the Company be and is hereby accorded for payment of remuneration to Mr. Dhiraj Saluja, as Jt. Managing director of the Company with effect from April 1, 2014 for remainder of duration of his appointment as the Jt. Managing Director of the Company, upto consolidated amount of Salary of Rs. 6,00,000/- per month also in case of any Financial year, where the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Jt. Managing Director subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

8. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 and subject to the requisite approval of the Central Government, if any required, the consent of the Company be and is hereby accorded for payment of remuneration to Mr. Navneet Gupta, as Executive Director & CFO of the Company with effect from April 1, 2014 for remainder of duration of his appointment as the Executive Director & CFO of the Company, upto consolidated amount of Salary of Rs. 3,00,000/- per month also in case of any Financial year, where the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Executive Director & CFO subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all

such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

9. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 and subject to the requisite approval of the Central Government, if any required, the consent of the Company be and is hereby accorded for payment of remuneration to Mr. Vinod Kumar Goyal, as Executive Director & CEO of the Company with effect from April 1, 2014 for remainder of duration of his appointment as the Executive Director & CEO of the Company, upto consolidated amount of Salary of Rs. 6,50,000/- per month also in case of any Financial year, where the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Executive Director & CEO subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

10. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and subject to the requisite approval of the Central Government, if any required, the consent of the Company be and is hereby accorded for the re-appointment of Sh. Neeraj Saluja, as the Managing Director of the Company for a further period of three years w.e.f. 26.05.2015 on a consolidated amount of Salary of Rs. 14,00,000/- per month.



SEL Manufacturing Company Ltd.

RESOLVED FURTHER THAT he will be entitled to free use of Company's car for business purpose and of free use of telephone, at office and at residence, for business purposes of the Company.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to further increase the above said remuneration within the limits prescribed under the Companies Act, 2013 and the guidelines issued in this behalf by the Central Government from time to time, without referring the matter again for the approval of the members of the Company.

RESOLVED FURTHER THAT in case in any Financial year, the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

**By Order of the Board,
For SEL MANUFACTURING COMPANY LTD.**

LUDHIANA- 13.08.2015

Regd. Off.:

274, Dhandari Khurd,

G.T. Road, Ludhiana-141014 (Pb.)

CIN : L51909PB2000PLC023679

(RAHUL KAPOOR)

COMPANY SECRETARY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other member.

THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY EXECUTED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING. Proxies submitted on behalf of limited Companies, societies, etc., must be supported by

appropriate resolutions/authority, as applicable.

2. Members are requested to send their queries on the accounts, if any, so as to reach the Registered Office of the Company at least seven days before the meeting to enable the company to have relevant information ready at the meeting.
3. Members are requested to bring their copy of Annual Report along with them to the Annual General Meeting.
4. The relative Statement pursuant to Section 102 of the Companies Act, 2013 in Respect of Item(s) of Special Business is annexed hereto and forms part of the Notice.
5. The Register of Members and Share Transfer books shall remain closed from September 24, 2015 to September 30, 2015 (both days inclusive).
6. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Director who is proposed to be appointed/re-appointed is given in the annexure to the Notice.
7. Voting through electronic means:

In compliance of the provisions of section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 15th Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited. For conducting this e-voting activity in a fair and transparent manner, the Board of directors have appointed Mr. Dinesh Kumar Mehtani, Practising Chartered Accountant as Scrutinizer. Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot/polling paper, at the AGM. Kindly note that members can opt for only one mode of voting i.e. either by remote e-voting or by ballot/polling paper at the AGM. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Votes cast by members who hold shares on the cutoff date viz. 23.09.2015 alone will be counted. The instructions for members for remote e-voting are as under:-

The instructions for members for voting electronically are as under:-

- (i) The remote e-voting period begins at 09.00 am on 27.09.2015 and ends at 05.00 pm on 29.09.2015. 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 23.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue. The voting rights of the Members shall be in proportion to their shares of the paid-up



equity share capital of the Company as on the cut-off date i.e. 23.09.2015, and that a person who is not a member as on the cut-off date should treat this Notice for information purpose only. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Sequence number in the PAN field. In case the Sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 100 then enter RA00000100 in the PAN field. Sequence number is separately communicated to applicable members in the Notice as an attachment.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or the Company please enter the member ID/folio number in the dividend bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for SEL Manufacturing Company Limited, on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-individual Shareholders & Custodians:
 - a) Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates and custodians respectively.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdsl-india.com.
 - c) After receiving the login details, a Compliance



User should be created using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on.

- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding evoting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. Mr. Dinesh Kumar Mehtani, Practising Chartered Accountant, (Membership no. 091676) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot cast by the Members at the Annual General Meeting) in a fair and transparent manner.
- (xxi) The result, along with the Scrutinizer's Report, will be placed on the Company's website i.e. www.selindia.in and of the agency, immediately after the result is declared by the chairman within the prescribed time as per the Rules, and the same shall be communicated to the BSE Ltd., and National Stock Exchange of India Limited.
8. All the documents referred to in the Accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013 will be available for inspection at the Registered office of the Company during the business hours on all working days upto the date of declaration of the results of the 15th Annual General Meeting of the Company.
- Important Communication to Members**
- The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and with Registrar & Share Transfer Agent-M/s Link Intime India Private Limited in case of shares held in physical form. E-mail is a better method to receive the communications quickly, with least cost implications. We request you to whole-heartedly support this initiative and co-operate with the Company in

implementing the same. Please act and contribute to the cause of Environment.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS:

FOR ITEM NO.4

Ms. Paramjit Kaur was appointed as an Additional Director on the Board w.e.f. 31.03.2015. As per the provisions of Section 149 of the Act, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Ms. Paramjit Kaur has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act. Requisite Notice have been received from member proposing her candidature for the office of Independent Director of the Company. A brief Profile of proposed Independent Director, is also included in Annexure to the Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Paramjit Kaur as an Independent Director is now being placed before the members in General Meeting for their approval.

In the opinion of the Board, Ms. Paramjit Kaur fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent director and she is independent of the management. The terms and conditions of appointment of Independent Director shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Ms. Paramjit Kaur is interested and concerned in this Resolution. Other than Ms. Paramjit Kaur no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in this resolution. This Statement may also be regarded as disclosure under the applicable clauses of the Listing Agreement with the Stock Exchange.

FOR ITEM NO.5:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of and Remuneration payable to M/s Jatin Sharma & Co., Cost Accountants for the audit of cost accounting records of the Company pursuant to the Companies (Cost Records and Audit) Rules 2014, for the Financial Year 2015-16 at a remuneration of Rs. 77,000/- excluding the applicable service tax and reimbursement of out of pocket expenses incurred by him in connection with the audit.

As per Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as determined by the Board is required to be ratified by the members of the Company. Board recommends this resolution for the approval of the members. None of the Directors, Key Managerial Personnel of the Company or their respective relatives are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

FOR ITEM NO.6:

The Nomination and Remuneration committee has



recommended the remuneration to Mr. Neeraj Saluja, Managing Director of the Company for the remainder duration of his appointment as managing Director of the Company w.e.f. April 1, 2014, subject to the approval of the shareholders in the General Meeting and of the Central Government required, if any. Mr. Neeraj Saluja is the Managing Director of the company. He is responsible for the overall management of our Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures. The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Managing Director of the Company. However due to inadequacy of profits/loss, the managerial remuneration paid/payable needs to be approved for the financial period 2014-15 onwards. Other details required in pursuance of Schedule V of the Companies Act, 2013, are mentioned in the Annexure. Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment, commencing from April 1, 2014 to Mr. Neeraj Saluja as Managing Director of the Company.

With his vast experience in textile sector, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration paid/payable to him for his tenure of appointment as Managing Director of the company. The Board of Directors recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directos, Key Managerial Personnel of the Company or their respective relatives except Mr. Ram Saran Saluja, Mr. Dhiraj Saluja being relatives and Mr. Neeraj Saluja, being the relevant person, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

FOR ITEM NO.7:

The Nomination and Remuneration committee has recommended the remuneration to Mr. Dhiraj Saluja, Jt. Managing Director of the Company for the remainder duration of his appointment as Jt. Managing Director of the Company w.e.f. April 1, 2014, subject to the approval of the shareholders in the General Meeting and of the Central Government required, if any. Mr. Dhiraj Saluja is the Jt. Managing Director of the company. He is responsible for the overall management of the Company along with Mr. Neeraj Saluja, and is also incharge of overseeing marketing of yarn, garments, terry towels etc. and looks after the complete function of marketing and delivery of our Company's products to the end customer. The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Jt. Managing Director of the Company. However due to inadequacy of profits/loss, the managerial remuneration paid/payable needs to be approved for the financial period 2014-15 onwards. Other details required in pursuance of Schedule V of the Companies Act, 2013, are mentioned in the Annexure. Approval of the

shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment, commencing from April 1, 2014 to Mr. Dhiraj Saluja as Jt. Managing Director of the Company.

With his vast experience in textile sector, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration paid/payable to him for his tenure of appointment as Jt. Managing Director of the company.

The Board of Directors recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directos, Key Managerial Personnel of the Company or their respective relatives except Mr. Ram Saran Saluja, Mr. Neeraj Saluja being relatives and Mr. Dhiraj Saluja, being the relevant person, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

FOR ITEM NO.8:

The Nomination and Remuneration committee has recommended the remuneration to Mr. Navneet Gupta, Executive Director & CFO, of the Company for the remainder duration of his appointment as Executive Director & CFO of the Company w.e.f. April 1, 2014, subject to the approval of the shareholders in the General Meeting and of the Central Government required, if any. Mr. Navneet Gupta, is the Executive Director & CFO of the company. He looks after all the finance and banking related activities of the Company.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Executive director & CFO of the Company. However due to inadequacy of profits/loss, the managerial remuneration paid/payable needs to be approved for the financial period 2014-15 onwards. Other details required in pursuance of Schedule V of the Companies Act, 2013, are mentioned in the Annexure. Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment, commencing from April 1, 2014 to Mr. Navneet Gupta, as Executive Director & CFO of the Company.

The Board of Directors considered it to be desirable to approve ratification and approval of remuneration paid/payable to him for his tenure of appointment as Executive Director & CFO of the company.

The Board of Directors recommends the relevant resolution for your consideration and approval as a Special Resolution. None of the Directos, Key Managerial Personnel of the Company or their respective relatives except Mr. Navneet Gupta, being the relevant person, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

FOR ITEM NO.9:

The Nomination and Remuneration committee has recommended the remuneration to Mr. Vinod Kumar Goyal, Executive Director & CEO, of the Company for the remainder duration of his appointment as Executive Director & CEO of the Company w.e.f. April 1, 2014, subject to the approval of



the shareholders in the General Meeting and of the Central Government required, if any. Mr. Vinod Kumar Goyal, is the Executive Director & CEO of the company. He besides being responsible for the overall management of the Company along with Mr. Neeraj Saluja and Mr. Dhiraj Saluja, also looks after complete operations of the Company.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Executive director & CEO of the Company. However due to inadequacy of profits/loss, the managerial remuneration paid/payable needs to be approved for the financial period 2014-15 onwards. Other details required in pursuance of Schedule V of the Companies Act, 2013, are mentioned in the Annexure. Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of existing appointment, commencing from April 1, 2014 to Mr. Vinod Kumar goyal, as Executive Director & CEO of the Company.

The Board of Directors considered it to be desirable to approve ratification and approval of remuneration paid/payable to him for his tenure of appointment as Executive Director & CEO of the company.

The Board of Directors recommends the relevant resolution for your consideration and approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives except Mr. Vinod Kumar Goyal, being the relevant person, are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

FOR ITEM NO.10 :

The Board of Directors of your Company have re-appointed Mr. Neeraj Saluja, as the Managing Director of the Company

for a further period of three years w.e.f. 26.05.2015 subject to the confirmation of his re-appointment and remuneration by the members of the Company. The remuneration proposed to be paid to Managing Director has been approved by the Nomination and Remuneration Committee of the Board and the resolution is put for your approval in this meeting. Mr. Neeraj Saluja, Managing Director of the Company is responsible for the overall management of our Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures. Other details required in pursuance of Schedule V of the Companies Act, 2013 are mentioned in the Annexure to the Notice.

As per the provisions of the Companies Act, 2013 and under Schedule V and Rules framed there under, confirmation of the members of the Company is required for the appointment/reappointment as such of a managerial person. Hence the proposed resolution is recommended for your consideration and approval.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives except Mr. Ram Saran Saluja, Mr. Dhiraj Saluja being relatives and Mr. Neeraj Saluja being the appointee are in any way, financially or otherwise, concerned or interested in the above Resolution(s).

**By Order of the Board,
For SEL MANUFACTURING COMPANY LTD.**

LUDHIANA- 13.08.2015

Regd. Off.:

274, Dhandari Khurd,

G.T. Road, Ludhiana-141014 (Pb.)

CIN : L51909PB2000PLC023679

**(RAHUL KAPOOR)
COMPANY SECRETARY**