



**11<sup>th</sup> ANNUAL REPORT**  
**2014 – 15**

**Sicagen India Limited**

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## Board of Directors

**Mr. Ashwin C Muthiah**  
Chairman

**Mr. Sunil Deshmukh**  
Director

**Mr. B Narendran**  
Independent Director

**Brig (Retd) Harish Chandra Chawla**  
Independent Director

**Mr. Dhananjay N Mungale**  
Independent Director (up to 11.08.2014)

**Mrs. Sashikala Srikanth**  
Independent Director (w.e.f 11.08.2014)

**Mr. Devidas Mali**  
COO & Whole Time Director

## Chief Financial Officer (CFO)

**Mr. N Ramakrishnan** (up to 30.06.2015)

**Mr. D Balagopal** (w.e.f 31.07.2015)

## Head Legal & Company Secretary

**G Arunmozhi**

## Corporate Office

4<sup>th</sup> Floor, SPIC House  
88, Mount Road, Guindy  
Chennai – 600 032

## Registered Office

“Adyar House”  
Chennai – 600 085

## Bankers

Andhra Bank  
Axis Bank  
HDFC Bank  
State Bank of India

## Statutory Auditors

M/s. CNGSN & Associates LLP  
Chartered Accountants  
20, Raja Street, T.Nagar  
Chennai – 600 017

## Registrar & Share Transfer Agent

Cameo Corporate Services Limited  
Unit: Sicagen  
Subramanian Building, 5<sup>th</sup> Floor  
1, Club House Road, Chennai - 600 002  
Tel: 044 – 28460390 FAX: 044 - 28460129

## Company Information

|                        |                                                                               |
|------------------------|-------------------------------------------------------------------------------|
| <b>Name of Company</b> | Sicagen India Limited                                                         |
| <b>Incorporation</b>   | 2004                                                                          |
| <b>Total Revenue</b>   | ₹ 62571 Lakhs                                                                 |
| <b>Net Profit</b>      | ₹ 303 Lakhs                                                                   |
| <b>Shares Issued</b>   | ₹ 3957 Lakhs                                                                  |
| <b>Listing</b>         | Bombay Stock Exchange Ltd (BSE)<br>National Stock Exchange of India Ltd (NSE) |
| <b>Scrip Code</b>      | BSE 533014 NSE SICAGEN                                                        |
| <b>Demat ISIN</b>      | INE176J01011                                                                  |
| <b>CIN</b>             | L74900TN2004PLC053467                                                         |

## Line of Business

### Building Materials

The distribution of building materials such as MS/GI pipes, precision tubes, seamless tubes, rectangular/square hollow sections, construction steel including TMT steel rebars, PVC pipes, electrical cables, steel fittings, cement, sanitary wares & CP fittings.

For dealers, contractors, builders and corporate buyers our network of 30 branches across India serve as the single window to India's top building material manufactures that include TATA Steel, Jindal Pipes, Steel Authority of India, Finolex Cables, Supreme Industries, Maharashtra Seamless, ACC Cements, Dalmia Cements and Danube.

### Governor Services

Goodwill Governor Services is the business partner and India's only authorized service centre for WOODWARD, makers of the World's finest governors and is the Distributor for NORGREN power sector products.

### Drums Manufacturing

Manufacture of drums that are used for the transport of lubricant oil, hazardous and non-hazardous chemicals and pulp. These drums are capable of withstanding extreme temperatures.

### Speciality Chemicals

Provides water treatment and process improvement solutions for the petrochemical, fertilizer, refinery, power, pharmaceuticals, agro and pesticide industries.

### Boat Building

Goodwill Engineering Works builds boats, tugs & barges.

### Cable Manufacturing – Wilson Cables Private Ltd, Singapore (Subsidiary)

Manufacture of premium cables for industrial and other critical applications.

\* During the year 2014-15, the Company has discontinued the operation of commercial vehicle division.

## Sicagen India Limited

Registered Office: "Adyar House", Chennai – 600 085

Corporate Office: 4<sup>th</sup> Floor, SPIC House, No.88, Mount Road, Guindy, Chennai - 600032

(CIN: L74900TN2004PLC053467)

## Notice to Shareholders

NOTICE is hereby given that the 11<sup>th</sup> Annual General Meeting of the shareholders of **Sicagen India Limited**, will be held on Wednesday, the 23<sup>rd</sup> September 2015 at 3.30 p.m. at "Rajah Annamalai Hall", Esplanade, Chennai - 600 108 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare equity dividend for the year 2014-15.
3. To appoint a Director in the place of Mr.Sunil Deshmukh, who retires by rotation and being eligible, offers himself for re-election.
4. To ratify the appointment of statutory auditors and to fix their remuneration for the current financial year and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

#### Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or re-enactment thereof, the appointment of M/s. CNGSN & Associates (FR No.0049155), Chartered Accountants, Chennai who was appointed as the Statutory Auditors of the Company for 3 years and who will hold office as auditors until the conclusion of 13<sup>th</sup> Annual General Meeting and whose appointment is required to be placed for ratification at this Annual General Meeting, be and is hereby ratified and confirmed.

FURTHER RESOLVED THAT the remuneration payable to M/s.CNGSN & Associates, Chartered accountant including reimbursement of out of pocket expenses incurred by them in connection to the Company's audit for the financial year

2015 -16 as agreed between the Board of Directors and the said auditors be and is hereby approved.

### SPECIAL BUSINESS

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

#### Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Act for the time being in force, Mrs.Sashikala Srikanth (DIN 01678374), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years with effect from 11.08.2014 AND THAT she shall not be liable to retire by rotation.

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

#### Special Resolution

RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 (Act) read with Schedule V to the Act and other applicable provisions if any of the Act (including any statutory modifications and/or re-enactments of the Act and/or any notification which the

# Sicagen India Limited

Central Government may issue from time to time) and subject to the provisions of Articles of Association of the Company and also subject to such other statutory approvals as may be required, Mr.Devidas Mali (DIN 01405268) be and is hereby re-appointed as "COO & Whole Time Director" of the Company on the following terms as recommended by the members of Nomination & Remuneration Committee of the Board of Directors of the Company.

|                                       |                                                                                                                                                                                                                    |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Term                              | : 3 years with effect from 11.12.2015                                                                                                                                                                              |
| (2) Remuneration                      |                                                                                                                                                                                                                    |
| a) Salary p.a.                        | : ₹ 24,00,000/-<br>(Rupees twenty four lakhs only)                                                                                                                                                                 |
| b) Special Allowance p.a.             | : ₹ 15,00,000/-<br>(Rupees fifteen lakhs only)                                                                                                                                                                     |
| c) Performance Linked Pay p.a.        | : ₹ 17,00,000/-<br>(Rupees seventeen lakhs only)                                                                                                                                                                   |
| d) Perquisites & Other Allowance p.a. | : In addition to salary, special allowance and performance linked pay, the perquisites & other allowances shall be allowed for an amount not exceeding ₹ 17,97,028/- as per Company's as well as Income Tax rules. |

*(Perquisites & Other allowance are classified as leave travel allowance, Company furnished accommodation, Company owned car with driver, medical reimbursement, membership fee for one corporate club, contribution to provident fund, gratuity fund, personal accident insurance, medical reimbursement etc)*

FURTHER RESOLVED THAT the total managerial remuneration paid/payable to the above appointee for an overall limit of ₹ 62.97 Lakhs for the financial year 2014-15 be and is hereby approved.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or revise the terms of the above remuneration, from time to time, in such manner so as to not to exceed the limits specified under Schedule V of Act or any amendments thereto and the minimum remuneration payable in case of no profit or inadequate profits shall be restricted to the limits which can be doubled as prescribed in Part II of Schedule V of the Act.

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

## Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Mr.J.Karthikeyan, Cost Accountant appointed as the Cost Auditor of the Company by the Board of Directors, for the conduct of the audit of the cost records of the Company for the financial year 2015-16 at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding service tax, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed.

By order of the Board  
For **Sicagen India Limited**  
**G.Arunmozhi**

*Head Legal & Company Secretary*

Date: 31.07.2015

Regd. Office: Adyar House, Chennai-600085

## NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy shall be deposited at the Registered/Corporate office of the Company not later than 48 (forty eight hours) before the time fixed for holding the meeting; in default, the instrument of proxy shall be treated as invalid.
2. An explanatory statement pursuant to Section 102 of the Companies Act 2013, in respect of Item Nos. 4 to 7 of the notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **14<sup>th</sup> September 2015 to 23<sup>rd</sup> September 2015** (both days inclusive) for the purpose of payment of dividend to the eligible shareholders as on the record date ie **11<sup>th</sup> September 2015**.

4. The members/proxies should bring their attendance slip duly filled in and signed, clearly indicating their Folio No (or) DP ID/Client ID as the case may be, along with the Annual Report and they are requested to hand over the attendance slip at the entrance of the hall for attending the meeting.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
6. Members are hereby informed that the Company has appointed M/s. Cameo Corporate Services Ltd, Unit: Sicagen India Limited, "Subramanian Building 5<sup>th</sup> Floor, No.1, Club House Road, Chennai-600002, Tel:044-28460390 / Fax:044-28460129/ e-mail address: cameo@cameoindia.com as its Registrar and Share Transfer Agent (RTA) for both electronic and physical transactions of the shares. The shareholders are therefore requested to take note of the same and send all documents, correspondences, queries on any matter to RTA to the above mentioned address.
7. As per SEBI directive, submission of self attested PAN copy of transferee/legal heir including joint holders if any is mandatory for registration of transfer/transmission/transposition of shares. Hence the respective transferee(s)/ legal heir(s) are requested to attach their self attested PAN copy to the Company/RTA while lodging the documents for registration.
8. Members those who hold share(s) in physical form are requested to notify immediately any change in their address to the Company / RTA and those who hold share(s) in demat form to the concerned Depository Participants.
9. The Registered Office of the Company is situated at "Adyar House", Chennai – 600 085 and Corporate Office is now located at 4<sup>th</sup> Floor, SPIC House, No.88, Mount Road, Guindy, Chennai-600032.
10. The Company's equity shares are listed with the Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd and the listing fees for the year 2015-16 have been paid to above stock exchanges.
11. Shareholders are aware that the Ministry of Corporate Affairs has allowed paperless compliances by the Companies thro' electronic form with an intention to reduce paper consumption and contribute towards a greener environment. The Company is also in the process of sending annual reports, notices and other documents in electronic form in order to help in prompt receiving of communications by shareholders and reduce paper consumption. Hence the shareholders are hereby requested to register your email ID with the Company/ RTA by submitting EARF (Email Address Registration Form), a copy of which is available with the Company and also can be downloaded from the Company's website [www.sicagen.com](http://www.sicagen.com).
12. Shareholders are requested to furnish/update their bank account details (ie Bank account No., Name and address of the Bank, 9 digit MICR code, RTGS/IFSC code) to remit the dividend amount directly thro' ECS (Electronic Clearing Services) to their accounts so as to avoid fraudulent encashment / loss of dividend warrant in postal transit. Shareholders who hold shares in demat form may provide their bank account details to their concerned Depository Participant (DP) and those who hold shares in physical form may provide their bank account details to the Company/RTA.
13. Information required to be given under Clause 49 of the Listing Agreement about the particulars of Director(s) to be re-appointed at the ensuing Annual General Meeting and their Directorship/Committee Membership/ Chairmanship in other Companies is given hereunder. Directorship held in private Companies, foreign companies and companies registered u/Sec.25 of the Companies Act, 1956 or u/Sec. 8 of the Companies Act, 2013 are excluded and Memberships/ Chairmanships held in Audit Committee and Stakeholders Relationship Committee have only been included.

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a). Mr.Sunil Deshmukh, aged about 52 years, a resident of Singapore, holds a Master's degree in Commerce and LLB from Pune University. He is a fellow member of Institute of Cost Accountants of India, Institute of Company Secretaries of India and also a Certified Management Accountant, USA. He has completed the Oxford Advanced Management & Leadership Program conducted by Said Business School, University of Oxford, UK. He has over 25 years of rich experience in the field of general management, new business development strategies, manufacturing facility management, financial management and human resources.

## Other Directorships held:

|                                         |            |
|-----------------------------------------|------------|
| Sical Logistics Ltd                     | - Director |
| Sical Infra Assets Ltd                  | - Director |
| Sical Iron Ore Terminals Ltd            | - Director |
| Sical Multimodal And Rail Transport Ltd | - Director |
| Sical Iron Ore Terminal (Mangalore) Ltd | - Director |
| Norsea Offshore India Limited           | - Director |
| PSA Sical Terminals Limited             | - Director |

## Other Committee Memberships/Chairmanships held: - Nil

b). Ms.Sashikala Srikanth, aged 58 years, is a graduate in Economics and a Chartered Accountant. At present she is providing consultancy services to various corporate including in the area of CSR. Prior to this she was Senior General Manager – Resources of IAL Group and Group Financial Controller of Shattaff Group, in Dubai from 2003 to 2005 and held various Senior Management level positions in leading Companies from 1996 to 2003. She was associated with M/s.A.F.Ferguson & Co., Chartered Accountants, Chennai from 1987 to 1995 where she had also done her articles during 1984-87.

## Other Directorships held:

|                                              |            |
|----------------------------------------------|------------|
| Southern Petrochemical Industries Corpn. Ltd | - Director |
| Manali Petrochemicals Ltd                    | - Director |
| Tamilnadu Petroproducts Ltd                  | - Director |
| Mercantile Ventures Ltd                      | - Director |
| Greenstar Fertilizers Ltd                    | - Director |
| Edac Engineering Ltd                         | - Director |

## Other Committee Chairmanships held: - Nil

## Other Committee Memberships held

|                                              |                             |
|----------------------------------------------|-----------------------------|
| Southern Petrochemical Industries Corpn. Ltd | - Member of Audit Committee |
| Greenstar Fertilizers Ltd                    | - Member of Audit Committee |

## Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing agreement, the Company is providing to its Members facility to exercise their right to vote at the 11<sup>th</sup> Annual General Meeting (AGM) through e-Voting Services provided by CDSL, on all the resolutions set forth in this notice. Resolutions passed by the members through e-Voting are deemed to have been passed as if they have been passed at the AGM.

Mr. R Kannan, Practicing Company Secretary (Membership No.FCS 6718), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the ballot form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

The facility for voting, through ballot paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-Voting shall be able to exercise their right 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.

CUT OFF DATE for determining the eligibility for voting either through electronic voting system or ballot at the 11<sup>th</sup> Annual General Meeting venue is fixed as 16<sup>th</sup> September 2015.

## Instructions for members for voting electronically are as under:-

- (i) The voting period begins on **Saturday, the 19<sup>th</sup> September 2015 at 9.00 a.m. and ends on Tuesday, the 22<sup>nd</sup> September 2015 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) i.e., **16<sup>th</sup> September 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.
- (iii) The shareholders should Log on to the e-voting website [www.evotingindia.com](http://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](http://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.

|                                                        | <b>For Members holding shares in Demat Form and Physical Form</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first 2 characters of the name in CAPITAL letters. Eg. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> 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 in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>                                                                                                                                                                                                                                                                           |

- (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 EVSN for the relevant <Company Name> 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 a demat account holder has forgotten the login password then Enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non - Individual Shareholders and Custodians**

- Non - Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdsIndia.com](mailto:helpdesk.evoting@cdsIndia.com)

# Sicagen India Limited

- 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.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- 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 e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

The following explanatory statement sets out the material facts referring to item no. 4 to 7 of the notice dated 31.07.2015:-

### **Item No. 4**

At the 10<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> August 2014 M/s.CNGSN & Associates, Chartered Accountants, Chennai (FR.No.0049155) were appointed as statutory auditors of the Company for a period of 3 years from the date of conclusion of 10<sup>th</sup> AGM until the conclusion of 13<sup>th</sup> AGM. Provided such appointment is subject to the ratification by the Members at every Annual General Meeting, till the expiry of their term. Accordingly, the Company proposes the appointment of M/s.CNGSN & Associates as the auditors of the Company for ratification of shareholders at this AGM. The said auditors have consented for appointment and issued a certificate to the effect that the appointment, if made, shall be in accordance with the conditions as prescribed in Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. Therefore the Board recommends the appointment of M/s.CNGSN & Associates as the auditors of the Company as set out at Item No.4 for shareholders' approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is deemed to be interested or concerned in the resolution.

### **Item No. 5**

As per the provisions of Section 149 of the Companies Act, 2013 (Act), the Company needs to appoint a woman director on the Board. The aforesaid section also requires all listed Companies to appoint requisite number of independent Directors on its Board. In order to comply with the provisions of aforesaid Section, the Board of Directors at their meeting held on 11.08.2014 appointed Mrs.Sashikala Srikanth as an Independent Director (Non-executive) who gave declaration that she meets the criteria of independence as provided in the aforesaid Section. The aforesaid Independent Director appointed by the Board shall hold office for a period of 5 years w.e.f 11.08.2014 and shall not be liable to retire by rotation subject to the approval of shareholders of the Company as per Section 150 of the Act.

Therefore, the Board of Directors, on recommendation of Nomination & Remuneration Committee, proposes the aforesaid appointment of Independent Director and recommends the resolutions at Item no. 5 of the notice for approval by the shareholders. Brief profile of the said Independent Director, in terms of Clause 49 of the Listing Agreements is given under note no.13(b) of this Notice.

None of the other Directors except Mrs.Sashikala Srikanth is deemed to be interested or concerned in the Resolution at Item No.5 of th Notice.

### **Item No. 6**

Mr.Devidas Mali was appointed as COO & Whole Time Director for a period of 3 years with effect from 11.12.2012 and the said appointment was approved by the shareholders at their AGM held on 01.08.2013. As per provisions of Section 197 of the Companies Act, 2013 (Act), the overall managerial remuneration payable to Whole Time Director restricts a maximum of 5% of the net profits of the Company. In case of any inadequate profits; it shall be subject to the provisions of Schedule V of the Act.