

# **SUPER TANNERY LIMITED**



**TWENTY SIXTH ANNUAL REPORT  
2009-10**

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# SUPER TANNERY LIMITED

## BOARD OF DIRECTORS

### Executive Directors

Mr. Itikharul Amin, *Managing Director*  
Mr. Iqbal Ahsan, *Joint Managing Director*  
Mr. Veqarul Amin, *Joint Managing Director*  
Mr. Imran Siddiqui, *Whole-time Director*  
Mr. Arshad Khan, *Whole-time Director*  
Mr. Mohd. Imran, *Whole-time Director*

### Non-Executive Directors

Mr. Nafees Ahmad  
Mr. Mohsin Sharif  
Mr. Kumud Behari Seth  
Dr. Subhash Awasthi  
Dr. Mohd. Izhar  
Mr. P. K. Sinha

### Chief Financial Officer

R. S. Singh

### Company Secretary

R. K. AWASTHI

### Auditors

M/S. KAPOOR TANDON & CO.,  
*Chartered Accountants*  
KANPUR

### Plant Locations

- a. Chrome Tannery :
- b. Goat Tannery :
- c. Sole Tannery :
- d. Footwear Division :
- e. Fashion Shoe Division :
- f. Safety Shoe Division :

### REGISTERED OFFICE

187/170, JAJMAU ROAD, KANPUR-208 010  
Phones : (0512) 3935747, 3935748, 3935749  
FAX : 0512-2460792, 2462227  
E-Mail : [supertannery@satyam.net.in](mailto:supertannery@satyam.net.in)  
Website : [www.supertannery.com](http://www.supertannery.com)

## BOARD COMMITTEES

### Audit Committee

Mr. Kumud Behari Seth - Chairman  
(Non-Executive Independent Director)  
Mr. Mohsin Sharif - Member  
(Non-Executive Independent Director)  
Mr. Nafis Ahmad - Member  
(Non-Executive Independent Director)

### Remuneration Committee

Mr. Mohsin Sharif - Chairman  
(Non-Executive Independent Director)  
Mr. Kumud Behari Seth - Member  
(Non-Executive Independent Director)  
Mr. Nafees Ahmad  
(Non-Executive Independent Director)

### Shareholder's / Investors' Grievances Committee

Mr. Nafis Ahmad - Chairman  
(Non-Executive Independent Director)  
Mr. Itikharul Amin  
Mr. Iqbal Ahsan

### Bankers

State Bank of India  
Overseas Branch  
Kanpur

187/170, Jajmau Road, Kanpur-208 010  
Leather Technology Park, Banthar, Unnao, U.P.  
(i) Mona Nagar, Jajmau, Kanpur-208010  
(ii) 187/170, Jajmau Road, Kanpur-208010  
169, Jajmau, Kanpur-208010  
6, Akrapur, Unnao-209801  
Leather Technology Park, Banthar, Unnao, U.P.

### Registrar and Share Transfer Agent :

Karvy Computershare Pvt. Ltd.  
(Karvy Consultants Ltd.)  
46, Avenue - 4, Street No. 1, Banjara Hills,  
Hyderabad - 500034 Ph. 40-23312454, 23376715  
Fax : 40-23311968, 23323041  
E-mail : [ussingh@karvy.com](mailto:ussingh@karvy.com),  
[mailmanager@karvy.com](mailto:mailmanager@karvy.com)

26th Annual General Meeting to be held on **Thursday, the 30th September, 2010** at  
the **Registered Office** of the Company at **8.00 a.m.**

## SUPER TANNERY LIMITED

### NOTICE

NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of Super Tannery Limited will be held on Thursday, the 30th September, 2010 at 8.00 a.m. at 187/170, Jajmau Road, Kanpur - 208 010, the registered office of the Company to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2010, the Balance Sheet as on that date and the reports of Directors' and Auditors' thereon.
2. To declare dividend.
3. To appoint a Director in place of Dr. Subhash Awasthi, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Mohd. Izhar, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. P.K. Sinha, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and fix their remuneration.

#### SPECIAL BUSINESS :

7. 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 Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, and subject to such other approvals, consents, sanctions, if any, required from any authority and subject to such conditions as may be prescribed while granting such approvals, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall also include any committee thereof), the consent of the Members be and is hereby accorded for sub-dividing the Equity shares of the Company, including the paid up shares, such that the Equity shares of the Company of the face value of Rs. 2/- (Rupees Two) each be sub-divided into two equity shares of the face value of Re.1/- (Rupee one) each, with effect from the 'Record Date' to be determined by the Board for this purpose.

"RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, the paid up equity shares of the Company of the face value of Rs. 2/- (Rupees Two), each, as existing on the Record Date, shall stand sub-divided into two equity shares of the face value of Re. 1/- (Rupee one) each fully paid up, and consequently the Authorized and Paid up Equity Shares Capital of the Company be changed accordingly with effect from the Record Date.

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 16 and 94 of the Companies Act 1956 and other applicable provisions, if any, of the Companies Act, the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V as under :

V. The Authorised Share Capital of the company is Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 11,00,00,000 (Eleven crores) Equity Shares of Re. 1/- (Rupee One), each.

RESOLVED FURTHER THAT the existing physical share certificates in relation to the issued equity shares of the company be cancelled and the Board be authorized to call back the same from the shareholders, if any, and to issue new share certificates in lieu thereof with regard to the sub-divided equity shares in accordance with the provisions of the Companies (Issue of the Share Certificates) Rules, 1960, and in case of members who hold the equity shares opt to receive the sub-divided equity shares, in dematerialized form, the sub-divided equity shares shall be credited to the respective beneficiary account of the members, with their respective Depository Participants and the Company shall take such corporate actions as may be necessary in relation to the existing equity shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the company, for giving effect to the aforesaid resolution including but not limited to signing and execution of necessary forms, papers, writings, agreements and

documents, including giving customary representations and warranties together with such indemnities as may be deemed necessary and expedient in its discretion and setting any question, difficulty or doubts that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding on all the members.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Articles of Association of the Company be and is hereby altered by substituting the existing Articles 3 with the following Article:

V. The Authorised Share Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 11,00,00,000 (Eleven Crores) Equity shares of Re. 1/- each (Rupee One).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the company, for giving effect to the aforesaid resolution.

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

"RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956, read with Schedule XIII to said Act and all other applicable provisions, if any, of the said Act, as may be required and pursuant to the recommendation of remuneration committee and Board of Directors vide their resolution passed at their meeting including any modification or re-enactment thereof, consent of the Company be and is hereby accorded for the Re-appointment of Mr. Iftikharul Amin as Managing Director of the Company for a period of three years w.e.f. 30.09.2010 to 29.09.2013 on the terms and conditions as under :

1. SALARY :

Rs. 1,50,000/- per month with such annual increment as may be decided by the Board subject to maximum of salary of Rs. 2,00,000/- p.m.

2. COMMISSION:

1% of the net profits of the Company for each Financial Year computed in a manner laid down in Section 309 (5) of the Companies Act, 1956 or 50% of annual salary or subject to maximum of Rs. 8,00,000/- whichever is lower.

3. PERQUISITES:

The Managing Director shall be entitled to the following perquisites:

1. Unfurnished accommodation, gas, electricity, water, furnishing, leave travel concession for self and family, medical reimbursement, club fee, medical and personal accidental insurance in accordance with the rules of the Company.

The aforesaid will be restricted to Rs. 5 lacs per annum. The perquisites shall be evaluated, for the purpose of above ceiling, as per Income Tax Rules, 1962.

2. Company's contribution to Provident Fund, Superannuation Fund or annuity fund will be restricted to the tax exemption limit and gratuity shall be payable as per the rules of the Company. These shall not be included in the computation of perquisites.

3. The Company will provide a car and telephone at his residence. The use of car for the purpose of Company's business and telephone at residence will not be considered as perquisites.

RESOLVED further that the Board of Director be and is authorized to revise the remuneration of Mr. Iftikharul Amin, within the limits as specified in Schedule XIII of the Act in such manner as the Board may consider proper.

RESOLVED further that where in any financial year closing on or after 31st March 2010, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Iftikharul Amin, Managing Director remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit as specified under Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force."

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

"RESOLVED THAT pursuant to provisions or Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956, read with Schedule XIII to the said Act and all other applicable provisions, if any, of the said Act, as may be required, and pursuant to the recommendation of remuneration committee and Board of Directors vide their resolution passed at their meeting including any modification or re-enactment thereof, consent of the Company by and is hereby accorded for the Re-appointment of Mr. Iqbal Ahsan as Joint Managing Director of the Company for a period of three years w.e.f. 30.09.2010 to 29.09.2013 on the terms and conditions as under :

## SUPER TANNERY LIMITED

### 1. SALARY:

Rs. 1,50,000/- per month with such annual increment as may be decided by the Board subject to maximum of salary of Rs. 2,00,000/- p.m.

### 2. COMMISSION:

1% of the net profits of the Company for each Financial Year computed in a manner laid down in Section 309 (5) of the Companies Act, 1956 or 50% of annual salary or subject to maximum of Rs. 8,00,000/-, whichever is lower.

### 3. PERQUISITES:

The Jt. Managing Director shall be entitled to the following perquisites:

1. Unfurnished accommodation, gas, electricity, water, furnishing, leave travel concession for self and family, medical reimbursement, club fee, medical and personal accidental insurance in accordance with the rules of the Company.

The aforesaid will be restricted to Rs. 5 lacs per annum. The perquisites shall be evaluated, for the purpose of above ceiling, as per Income Tax Rules, 1962.

2. Company's contribution to Provident Fund, Superannuation Fund or annuity fund will be restricted to the tax exemption limit and gratuity shall be payable as per the rules of the Company. These shall not be included in the computation of perquisites.

3. The Company will provide a car and telephone at his residence. The use of car for the purpose of Company's business and telephone at residence will not be considered as perquisites.

RESOLVED further that the Board of Directors be and is hereby authorized to revise the remuneration of Mr. Iqbal Ahsan, within the limits as specified in Schedule XIII of the Act in such manner as the Board may consider proper.

RESOLVED further that where in any financial year closing on or after 31st March 2010, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Iqbal Ahsan, Jt. Managing Director remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit as specified under Part II or Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force."

11. 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 198, 269, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the said act and all other applicable provisions, if any, of the said Act, as may be required, and pursuant to the recommendation of remuneration committee and Board of Directors vide their resolution passed at their meeting including any modification or re-enactment thereof, consent of the Company be and is hereby accorded for the Re-appointment of Mr. Veqarul Amin as Joint Managing Director of the Company for a period of three years w.e.f. 30.09.2010 to 29.09. 2013 on the terms and conditions as under:

### 1. SALARY:

Rs. 1,50,000/- per month with such annual increment as may be decided by the Board subject to maximum of salary of Rs. 2,00,000/- p.m.

### 2. COMMISSION:

1% of the net profits of the Company for each Financial Year computed in a manner laid down in Section 309 (5) of the Companies Act, 1956 or 50% of annual salary or subject to maximum of Rs. 8,00,000/-, whichever is lower.

### 3. PERQUISITES:

The Jt. Managing Director shall be entitled to the following perquisites:

1. Unfurnished accommodation, gas, electricity, water, furnishing, leave travel concession for self and family, medical reimbursement, club fee, medical and personal accident insurance in accordance with the rules of the Company.

The aforesaid will be restricted to Rs. 5 lacs per annum. The perquisites shall be evaluated, for the purpose of above ceiling, as per Income Tax Rules, 1962.

2. Company's contribution to Provident Fund, Superannuation Fund or annuity fund will be restricted to the tax exemption limit and gratuity shall be payable as per the rules of the Company. These shall not be included in the computation of perquisites.

3. The Company will provide a car and telephone at his residence. The use of car for the purpose of Company's business and telephone at residence will not be considered as perquisites.

RESOLVED further that the Board of Directors be and is hereby authorized to revise the remuneration of Mr. Veqarul Amin, within the limits as specified in Schedule XIII of the Act in such manner as the Board may consider proper.

"RESOLVED further that where in any financial year closing on or after 31st March 2010, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Veqarul Amin, Jt. Managing Director remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit as specified under Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force."

12. 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 198, 269, 309, 310 and 311 of the Companies Act, 1956, read with Schedule XIII to the said Act and all other applicable provisions, if any, of the said Act, as may be required and pursuant to the recommendation of remuneration committee and Board of Directors vide their resolution passed at their meeting including any modification or re-enactment thereof, consent of the Company be and is hereby accorded for the appointment of Mr. Arshad Khan as a Whole time Director of the Company for a period of three years w.e.f. 30.09.2010 to 29.09.2013 on the terms and conditions mentioned in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to revise the remuneration of Mr. Arshad Khan, within the limits as specified in Schedule XIII of the Act in such manner as the Board may consider proper.

RESOLVED FURTHER THAT where in any financial year closing on or 31st March, 2010, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Arshad Khan, Whole time director, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit as specified under Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force."

13. 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 198, 269, 309, 310 and 311 of the Companies Act, 1956, read with Schedule XIII to the said Act and all other applicable provisions, if any, of the said Act, as may be required, and pursuant to the recommendation of remuneration committee and Board of Directors vide their resolution passed at their meeting including any modification or re-enactment thereof, consent of the Company be and is hereby accorded for the appointment of Mr. Mohd. Imran as a Whole time Director of the Company for a period of three years w.e.f. 30.09.2010 to 29.09.2013 on the terms and conditions mentioned in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors be and hereby authorized to revise the remuneration of Mr. Mohd. Imran, within the limits as specified in Schedule XIII of the Act in such manner as the Board may consider proper.

RESOLVED FURTHER THAT where in any financial year closing on or 31st March, 2010, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Mohd. Imran, Whole time director, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit as specified under Part II of Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force."

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

"RESOLVED THAT pursuant to Section 293(1) (e) of the Companies Act, 1956, consent of the members be and is hereby accorded to the Board of Directors of the Company to donate to charitable and other funds not directly related to the business of the Company or the welfare of its employees up to the extent of Rs. 30.00 lacs (Rupees thirty lacs only) during the financial year ending 31st March, 2011."

Place : Kanpur  
Date : 21.07.2010

By order of the Board of Directors  
for Super Tannery Limited  
**R. K. Awasthi**  
Company Secretary

## SUPER TANNERY LIMITED

### 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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Businesses is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 20th September to 30th September 2010 (both days inclusive).
5. Members holding shares in identical order of names in more than one folio are requested to write to the Company, enclosing the Shares Certificate for consolidation of their holding into one folio.
6. Members holding Shares in physical form are requested to notify the following to the Registrar and Share Transfer Agent to facilitate better services.
  1. Any change in their address under their signature clearly quoting, their folio numbers, old address along with the changed address with Pin code.
  2. Share certificate(s) held in multiple accounts in identical names or Joint accounts in the same order of the names for consideration of Such shareholding into one account.
  3. Members holding shares in electronic form may inform any change in address to their Depository Participant.
7. Members holding Shares in electronic form are requested to provide their Client-ID and DP-ID numbers at the meeting for easy identification.
8. Members desirous of obtaining any information/clarification concerning the Accounts and Operation of the Company are requested to address their queries in writing to the Company Secretary at least seven days before the annual General Meeting, so that the desired information may be made available at the Annual General Meeting, if the Chairman permits to do so.
9. The Shares of the Company are compulsorily tradable in demat form. The equity Shares of the Company have been assigned ISIN INE460D01020. Members are requested to get their Shares dematerialized at the earliest to make them tradable.
10. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends up to the financial year ended 31st March 1995 have transferred to the General Revenue Account of the Central Government. Those members who have so far not claimed their dividends up to the said periods may claim the same by submitting an application in prescribed Form to the Registrar of Companies, Kanpur.

Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C by the companies (Amendment) Act, 1999, the amount of dividend/debenture/fixed deposit remaining unclaimed for a period of seven years is required to be transferred to investor Education and Protection Fund set up by the Central Government.

Accordingly all unclaimed/unpaid dividend upto the financial year 2001-2002 have been transferred to the "Investor Education and Protection Fund".

Dividend unpaid or unclaimed for the Financial Year 2002-03 may be claimed by the shareholders on or before 5th November 2010. Thereafter, such amount shall be transferred to the "Investor Education and Protection Fund". Kindly note that once the unclaimed or unpaid Dividend is transferred to "Investor Education and Protection Fund", no claim shall lie with the company in respect thereof.

11. Pursuant to Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of share held by them in physical form. Shareholders desirous of making nomination are requested to send their request Form No. 2B to the Registrar and Transfer Agents, M/s. Karvy Computer Share Pvt. Ltd. Hyderabad. Members holding shares in electronic mode are requested to consult/contact with their respective Depository Participant (DP) for availing nomination facility.
12. Members are requested to notify immediately change in their address, PIN code, if any, to company at its registered office by quoting their folio number.
13. Members' proxies are requested to bring attendance slip duly completed for attending the meeting.
14. Brief Resume of the Directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and Memberships / Chairmanships and Relationships between Directors inter-se as stipulated under Clause 49 of the listing agreement with the Stock Exchanges in India, are provided in the report on Corporate Governance forming part of the Annual Report.

#### EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

##### ITEM No. 7 & 8 :

The present Authorised Share Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 5,50,00,000/- (Five Crores Fifty Lacs) Equity Shares of Rs. 2/- each. The present issued, subscribed and paid-up Share Capital of the Company is Rs. 107973360/- divided into 53986680 Equity Shares of the face value of Rs. 2/- each, fully paid-up.

The market price of the shares of the Company has witnessed significant rise in the recent past. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company at their meeting held on 21st July 2010, considered it desirable to sub-divide the Equity Shares of the Company. Accordingly, 5,50,00,000 Equity Shares of Rs. 2/- each of the Company comprised in its Authorized Share Capital is proposed to be sub-divided into 11,00,00,000 Equity Shares of Re. 1/- each. The issued, subscribed and Paid-up Capital of the Company as existing on the Record Date for the purpose of sub-division of Equity Shares, will also be sub-divided into Equity Shares of the face value of Re. 1/- each fully paid-up with effect from the Record Date. The Record Date, on which this sub-division would become effective, will be decided by The Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges. The consent of the members is being sought in accordance with the provisions of Section 94 and 31 of the Companies Act, 1956.

The Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of the shares held by them in the Company.

The Board of Directors of the Company accordingly, recommends the Ordinary Resolution/ Special Resolution at Item No. 7 and 8 of the notice, for approval by the members.

##### ITEM No. 9, 10, 11 :

Mr. Iftikharul Amin was appointed as Managing Director in terms of resolution passed by the Board of Directors at its meeting and approved by the shareholders of the company at the Annual General Meeting on 22nd December 2007 for a period of 3 years.

Mr. Iqbal Ahsan and Veqarul Amin were appointed as Joint Managing Directors in terms of resolution passed by the shareholders of the company on 22nd December 2007 for a period of 3 years.

The main terms and conditions of re-appointment of Mr. Iftikharul Amin, Managing Director, Mr. Iqbal Ahsan and Mr. Veqarul Amin both the Joint Managing Directors of the Company are given in the notice.

The Board of Directors recommends the Special resolutions set out in Item no. 9, 10, 11 of the Notice for approval of the shareholders.

This may also be treated as an abstract or terms of re-appointment of Mr. Iftikharul Amin, Mr. Iqbal Ahsan, Mr. Veqarul Amin under the provisions of section 302 of the Companies Act, 1956.

Mr. Iftikharul Amin, Mr. Iqbal Ahsan, Mr. Veqarul Amin, the Directors seeking re-appointment and being relatives are interested in the resolutions.

## SUPER TANNERY LIMITED

Brief particulars of The Managing Director and Joint Managing Directors are being given in the report on Corporate Government attached to Directors Report.

### ITEM No.12 :

Mr. Arshad Khan, Whole Time Director of the Company, was appointed in terms of resolution passed by the Shareholders at the Annual General Meeting held at on 30.12.2005 for a period of 5 years. Since the tenure of Mr. Arshad Khan Whole Time Director is being expired on 29.12.2010 hence the Board of Directors at its meeting held on 21.07.2010, subject to the approval of the Shareholders of the company, re-appointed the said Whole time Director for a further period of 3 years w.e.f. 30.09.2010. The main terms and conditions of re-appointment of Mr. Arshad Khan, Whole Time Director of the Company are as under.

#### SALARY :

Rs. 18,000/- per month with such annual increment as may be decided by the Board subject to maximum salary of Rs. 25,000/- per month.

#### PERQUISITES :

The Whole time director shall be entitled to the following perquisites:

1. He shall be entitled to earned leave/Privilege leave on full pay and allowance as per rules of the company, but not more than forty five days leaves for each completed year of services. Bonus as per the rules of the company will also be available to him.
2. Company's contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent, these either singly or put together, are not taxable under the Income Tax Act, 1961, Gratuity payable shall not exceed half a month's salary for each completed year of service.
3. The Company will provide a car and telephone at his residence. However, provisions of car for the purpose of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company.

Perquisites will be restricted to an amount equal to annual salary or maximum of Rs. 1,50,000/- per annum which ever is less. The perquisites shall be evaluated, for the purpose of above ceiling, as per Income Tax Rules, 1962.

The terms and conditions of appointment of aforesaid Whole Time Directors may be varied, altered or modified by the Board from time to time within the maximum limit laid down in Schedule XIII read with other applicable provisions of the Companies Act, 1956 or any amendments made hereinafter in this regard.

Where in any financial year during currency of the tenure of the Whole Time Directors the Company has no profits or its profits or its profits are inadequate, the Company will pay remuneration to Whole Time Directors by way of salary and perquisites as specified above as minimum remuneration, subject to compliance of the provisions of the Companies Act, 1956 read with Schedule XIII thereto including any statutory modification or re-enactment thereof for the time being in force.

The Board of Directors recommends the resolutions set out in item no. 12 of the Notice, for approval of the Shareholders.

This may also be treated as an abstract of terms of re-appointment of Mr. Arshad Khan under the provisions of Section 302 of the Companies Act, 1956.

Except Mr. Arshad Khan, none of Directors of the Company is in any way either directly or indirectly concerned or interested in the resolution except as a shareholder in general.

Brief particulars of Mr. Arshad Khan are being given in the Report on Corporate Governance attached with Directors Report.

### ITEM No.13 :

Mr. Mohd. Imran, Whole Time Director of the Company, was appointed in terms of resolution passed by the Shareholders at the Annual General Meeting held on 30.12.2005 for a period of 5 years w.e.f. 20.11.2005. Since the tenure of Mr. Mohd. Imran whole time Director is being expired on 19.11.2010 hence the Board of Directors at its meeting held on 21.07.2010 subject to the approval of the Shareholders of the company, re-appointed the said Whole time director for a further period of 3 years w.e.f. 30.09.2010. The main terms and conditions of re-appointment of Mr. Mohd. Imran, whole time Director of the Company are as under.

#### SALARY:

Rs. 20,000/- per month with such annual increment as may be decided by the Board subject to maximum salary of Rs. 25,000/- per month.