



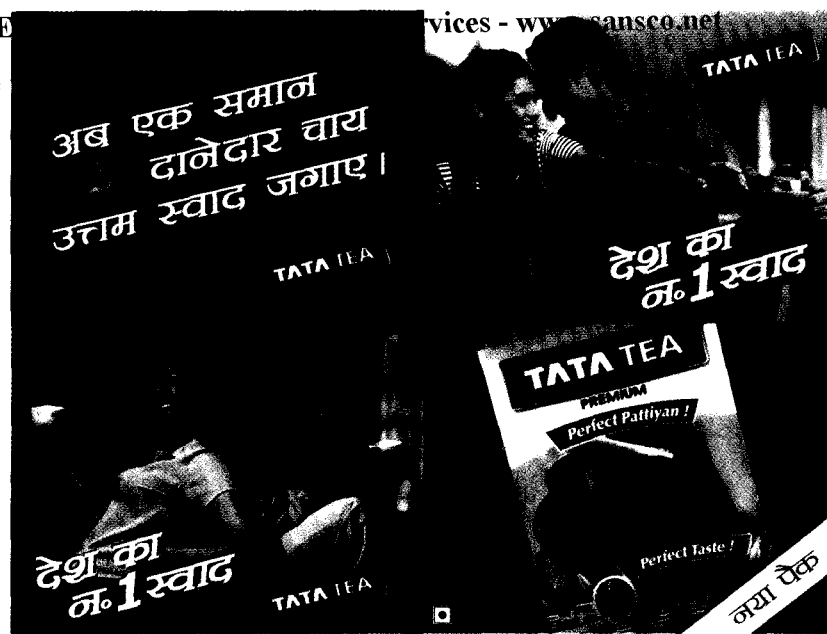
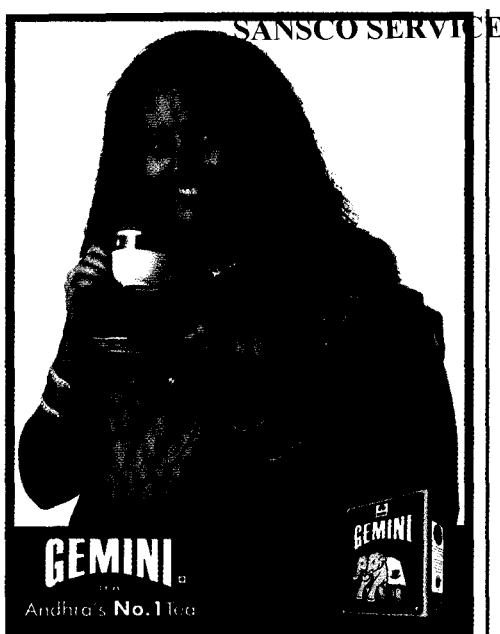
# TATA TEA

*Challenging for leadership in tea  
around the world*



40th Annual Report  
2002-2003





Tata Tea Limited

**Annual General Meeting on  
Monday, 8th September, 2003 at  
10.30 a.m. at The Oberoi Grand,  
15, Jawaharlal Nehru Road,  
Kolkata 700 013**

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Tata Tea Limited

### Odd Lot Holdings

Having regard to the difficulties experienced by the shareholders in selling their holding of odd lot shares in the stock market, a scheme for the purchase of odd lot equity share of Tata Tea Limited has been framed by Tata Share Registry Limited.

Any shareholder wishing to know the details of the scheme may kindly write to Tata Share Registry Ltd., Army & Navy Building, 148, Mahatma Gandhi Road, Mumbai 400 001 superscribing the envelope with the words "Odd Lot Scheme".

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**Board of Directors**

**R.N. Tata** (Chairman)  
**R.K. Krishna Kumar** (Vice Chairman)  
**N.A. Soonawala**  
**A.S. Bam**  
**Y.H. Malegam**  
**D.N. Ghosh**  
**D.B. Engineer**  
**F.K. Kavarana**  
**K. Pringle**  
**U.M. Rao** (Nominee Director of GIC)  
**H.R. Khusrokhhan** (Managing Director)  
**P.T. Siganporia** (Deputy Managing Director)  
**A. Mazumdar** (Whole-time Director)  
**V. Venkiteswaran** (Whole-time Director)  
**P.D. Unsworth** (Alternate director to Mr. K. Pringle)

**D. K. Sen** (Vice President & Secretary)

**Registered Office**

1, Bishop Lefroy Road, Kolkata 700 020.  
 Telephone : 22811807/3709/3779/3891/4422  
 Fax : 22811199  
 Website : www.tatatea.com

**Registrars**

- i) **Equity Shares**  
 Tata Share Registry Limited,  
 (Unit : Tata Tea Ltd.),  
 Army & Navy Building,  
 148, Mahatma Gandhi Road, Mumbai 400 001.  
 Telephone : 022-56568484 Fax : 022-56568494  
 Website : www.tatashare.com  
 Kolkata Office : 1st Floor, Tata Centre,  
 43, Chowringhee Road,  
 Kolkata 700 016  
 Telephone : 033-22883087  
 Fax : 033-22883062
- ii) **Fixed Deposit**  
 Tata Consultancy Services,  
 5th Floor, Room No. 506,  
 Narayani Building, 27, Brabourne Road,  
 Kolkata 700 001.  
 Telephone : 033-22437655

**Solicitors and Legal Advisors**

Khaitan & Co.  
 Orr, Dignam & Co.

**Auditors**

N.M. Rajji & Co.  
 Lovelock & Lewes

**Bankers**

ABN Amro Bank N.V.  
 Bank of America  
 Citibank N.A.  
 Deutsche Bank  
 HDFC Bank Limited  
 ICICI Banking Corporation Limited  
 Standard Chartered Bank  
 State Bank of India  
 State Bank of Travancore  
 The Hongkong and Shanghai Banking Corporation Limited

**Board Committees****Remuneration Committee**

1. Mr. D. N. Ghosh – Chairman
2. Mr. N. A. Soonawala
3. Mr. D. B. Engineer
4. Mr. R. K. Krishna Kumar

**Audit Committee**

1. Mr. Y. H. Malegam – Chairman
2. Mr. R. K. Krishna Kumar
3. Mr. U. M. Rao

**Shareholders' / Investors' Grievance Committee**

1. Mr. D. B. Engineer – Chairman
2. Mr. U. M. Rao

**Ethics & Compliance Committee**

1. Mr. D. N. Ghosh – Chairman
2. Mr. H. R. Khusrokhhan

## NOTICE

Notice is hereby given that the fortieth Annual General Meeting of the Members of Tata Tea Limited will be held at The Oberoi Grand, 15, Jawaharlal Nehru Road, Kolkata 700013 on Monday, 8th September, 2003 at 10.30 a.m. to transact the following business :-

1. To receive and adopt the Profit and Loss Account for the year ended 31st March, 2003, and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. N. A. Soonawala who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. A. S. Bam who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Mr. D. B. Engineer who retires by rotation and is eligible for reappointment.
6. To appoint a Director in place of Mr. R. K. Krishna Kumar who retires by rotation and is eligible for reappointment.
- 7. Reappointment of a Wholetime Director**

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

"RESOLVED that in accordance with the provisions of Sections 269, 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the reappointment and terms of remuneration of Mr. P. T. Siganporia as a Wholetime Director of the Company to be designated as Deputy Managing Director for a period of three years with effect from 16th June, 2003, upon the terms and conditions set out in the draft agreement submitted to this meeting and for the purpose of identification, initialled by a Director, which agreement is hereby specifically approved with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the said reappointment and/or agreement in such manner and to such extent as may be agreed between the Board of Directors and Mr. Siganporia so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments thereto."

### **8. Reappointment of a Wholetime Director**

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

"RESOLVED that in accordance with the provisions of Sections 269, 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the reappointment and terms of remuneration of Mr. A. Mazumdar as a Wholetime Director of the Company to be designated as Executive Director for a period of three years with effect from 16th June, 2003, upon the terms and conditions set out in the draft agreement submitted to this meeting and for the purpose of identification, initialled by a Director, which agreement is hereby specifically approved with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the said reappointment and/or agreement in such manner and to such extent as may be agreed between the Board of Directors and Mr. Mazumdar so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments thereto."

### **9. Appointment of Auditors**

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

" RESOLVED that pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, Messrs. N. M. Raiji & Co. and Messrs. Lovelock & Lewes, the retiring Auditors of the Company, be and they are hereby re-appointed Auditors of the Company to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting of the Company on such remuneration plus reimbursement of service tax, out-of-pocket, travelling expenses and other expenses in connection with the audit as may be agreed between the Board of Directors of the Company and the Auditors."



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**Tata Tea Limited****10. Payment of Commission to Non-Executive Directors**

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

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, a sum not exceeding 1% of the net profits of the Company per annum computed in the manner prescribed in Section 309(5) of the Companies Act, 1956, in respect of the profits of the Company for each of the five financial years from 1.4.2004 be determined and distributed as commission amongst the Directors of the Company or some or any of them (other than the Managing Director and the Wholtime Directors) in such amounts or proportion and in such manner as may be directed by the Board of Directors of the Company."

**11. Amendment to the Articles of Association**

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

"RESOLVED that pursuant to Section 31 and all applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered as follows :-

- a. In Article 7 (c) and Article 193 (a) for the words 'Share Premium Account', the words 'Securities Premium Account' shall be substituted wherever they appear.
- b. In Article 8, line 3 - for the words 'Premium Account', the words 'Securities Premium Account' shall be substituted."

**12. Adjustment of Miscellaneous Expenditure against Share Premium Account**

To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions :-

"RESOLVED that pursuant to the provisions of Section 78 read with Section 100 and other applicable provisions, if any, of the Companies Act, 1956, Article 8 of the Articles of Association of the Company and subject to the confirmation of the Hon'ble High Court at Calcutta or by the National Company Law Tribunal (NCLT) and/or any other regulatory authority, as applicable, an amount not exceeding Rs. 41 crores, out of the balance standing in the Securities Premium Account (known as Share Premium Account in the books of accounts) of the Company as at 31<sup>st</sup> March, 2003 be utilized for adjustments of the balance of the Miscellaneous Expenditure to the extent not written off or adjusted as at 31<sup>st</sup> March, 2003 and any accretions/variations thereto during the financial year 2003-04."

"RESOLVED FURTHER that for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee or any person which the Board may nominate/constitute to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to utilisation/adjustment of the Securities Premium Account (known as Share Premium Account in the books of accounts) including passing such accounting entries and/or making such other adjustments in the books of accounts as are considered necessary to give effect to this resolution or to carry out such modifications/directions as may be ordered by the Hon'ble High Court at Calcutta and/or NCLT and/or any other regulatory authority as may be applicable, to implement this resolution."

The Register of Members of the Company will remain closed from 19th August, 2003 to 8th September, 2003, both days inclusive.

By Order of the Board



(D. K. SEN)

Vice President &amp; Secretary

Registered Office :  
1, Bishop Lefroy Road  
Kolkata - 700 020  
Date : 31st July, 2003

**Notes :**

1. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956, in respect of the items of business specified in the Notice under Item nos. 7 to 12 and the relevant details in respect of Item Nos. 3, 4, 5 & 6 pursuant to clause 49 of the Listing Agreement with the Stock Exchanges are annexed hereto.
2. The dividend that may be declared by the Company will be paid on or after 10th September, 2003, to those members of the Company whose names appear on the Register of Members as on 8th September, 2003. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on 8th September, 2003 as per details provided by the Depositories for this purpose.
3. **A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a Member of the Company. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be backed by appropriate resolution/authority as applicable, issued on behalf of the organisation.**
4. **Shareholders are requested to immediately notify their bank particulars giving the name of the bank and the branch and the nature of account to the Company's Registrar and Share Transfer Agent, Tata Share Registry Limited. Shareholders are hereby informed that instances of fraudulent encashment of dividend warrants issued to shareholders who did not furnish their bank particulars has come to the notice of the Company and it is extremely important and in the interest of the shareholders to furnish to the Company immediately their bank particulars. The shareholders may please note that under instructions from the Securities And Exchange Board of India, furnishing of bank particulars by the shareholders has become mandatory. The Company has also separately written to the shareholders against whom bank particulars are not recorded, to immediately furnish the bank particulars.**
5. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividend, debenture interest and interest on deposits as well as principal amount of debentures and deposits etc. upto 31.3.2003 remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government. Shareholders/debentureholders/depositors are hereby informed that the Company is statutorily required to transfer all unclaimed/unpaid dividend, debenture interest and principal and interest on deposits remaining unpaid/unclaimed for a period of seven years from the date they became due for payment to IEPF and **once such amounts are transferred to IEPF, no claim of the shareholder/debentureholder/depositor shall lie against the Company or the IEPF.** For the information of the shareholders it is hereby notified that the following amounts will be due for transfer to IEPF upto 31.3.2004 :-
  - a. Dividend paid on 28.8.1996 in respect of the financial year 1995-96.
  - b. Interest on 17.5% debentures paid on 30.9.1996 and 1.4.1997.
  - c. Interest on deposits paid on 1.4.1996, 1.7.1996, 1.10.1996 and on maturity of deposits during 1.4.1996 to 31.3.1997.
  - d. Principal amount of deposits matured during 1.4.1996 to 31.3.1997.

Shareholders/debentureholders/depositors who have not yet encashed their dividend warrants/interest warrants or have not claimed the principal amount of deposit by submitting the discharged Fixed Deposit Receipts are requested to do so immediately.
6. Shareholders are hereby informed that the bank particulars given by them at the time of opening a depository account will be used by the Company for printing on the dividend warrants. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the depository participants. The bank mandate, if any, for shares held in physical form cannot be applied for shares held in electronic form.
7. Shareholders are requested to advise any change in address immediately to the Company's Registrar and Share Transfer Agents, Tata Share Registry Ltd.

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**Tata Tea Limited****DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT  
(In Pursuance of Clause 49 of the Listing Agreement)**

Particulars	Mr. N. A. Soonawala	Mr. A. S. Sam	Mr. D. B. Engineer	Mr. R. K. Krishna Kumar
<b>Date of Birth</b>	27.6.1935	12.1.1918	2.5.1933	18.7.1938
<b>Date of Appointment</b>	12.11.1981	14.5.1981	9.8.1988	5.5.1987 *
<b>Qualifications</b>	B.Com., A.C.A.	B.Sc. (Hons.), Engg. (London), Diploma Kings College (London), ICS (Retd.)	B.A. (Hons.), LL.B.	M.A.
<b>Expertise in specific functional area</b>	Mr. Soonawala is the Vice Chairman of Tata Sons Ltd. and was earlier Deputy chairman of the Company. As a Chartered Accountant he has over 40 years experience of business management and in particular financial management. Till recently he was the Finance Director of Tata Sons Ltd. He is a Trustee of several Tata Trusts and Director of several other Tata companies.	Mr. Sam was formerly the Chairman of the Tea Board, Chairman & Managing Director of Indian Airlines and Resident Representative of the United Nations Development Programme in Yugoslavia and Liberia. He retired from UN Headquarters as Regional Advisor for the United Nations' Global Conference on Technical Co-operation among Developing Countries. He has very long experience of the intricacies of tea business as well as steel and jute industries and overall administration and management.	Mr. Engineer is a senior Advocate and Solicitor of the Bombay High Court and a senior Partner in Crawford Bayley & Co., a leading firm of Solicitors. He specializes in Indirect taxation, Arbitration, Litigation and various facets of Corporate Law. He is the former President of the Bombay Incorporated Law Society and has served on the Governing Council of the Bar Association of India. His expertise are in the areas of laws, regulations, taxation etc. A practising solicitor for several decades, Mr. Engineer has been associated with various Chambers of Commerce.	Mr. Krishna Kumar served as the Managing Director of the Company from May 1991 to January 1998. He was appointed Vice Chairman and Managing Director in 1997. In 1998 he ceased to be the Managing Director to take over as the Managing Director of The Indian Hotels Co. Ltd. He is also on the Boards of a number of Tata Group companies including Tata Sons Ltd. and Tata Industries Ltd. He is also trustee of several important Tata Trusts. Mr. Krishna Kumar is associated with the Tea industry for over 40 years. He has long experience of overall business management of Indian and overseas corporate bodies.
<b>Chairman/Director of other companies (excluding foreign companies)</b>	Tata Sons Ltd. Tata Industries Ltd. Tata Engineering & Locomotive Co. Ltd. The Indian Hotels Co. Ltd. Tata Investment Corporation Ltd. The Associated Cement Cos. Ltd. Indian Resort Hotels Ltd. Trent Ltd. Tata Chemicals Ltd. Piem Hotels Ltd. Tata AIG Life Insurance Co. Ltd. Tata AIG General Insurance Co. Ltd.	Nil	Accor Radhakrishna Meal Services Pvt. Ltd. Atlas Copco Ltd. Bayer Diagnostics (India) Ltd. Chambal Fertilizers Ltd. Danieli Morgardshammar (India) Pvt. Ltd. Forval International Services Ltd. Flora Services Ltd. Foods & Inns Ltd. Forbes Gokak Ltd. India Tyre & Rubber Co. (I) Ltd. National Peroxide Ltd. Prudential ICICI Asset Management Co. Ltd. PCS Industries Ltd. Protos Engineering Co. Pvt. Ltd. S.P. Sanghi Airconditioning Pvt. Ltd. Tata Infotech Ltd. Welspun India Ltd. Zoroastrian Investment Corporation Pvt. Ltd. Zuari Industries Ltd.	The Indian Hotels Co. Ltd. Taj GVK Hotels & Resorts Ltd. Tata Coffee Ltd. Tata International Ltd. Barista Coffee Co. Ltd. Taj Kerala Hotels & Resorts Ltd. Piem Hotels Ltd. Indian Resort Hotels Ltd. Tata Sons Ltd. Oriental Hotels Ltd. Tata Industries Ltd. Speech & Software Technologies (I) Pvt. Ltd. Ewart Investments Ltd.
<b>Chairman/Member of Committees** of the Boards of Companies of which he is a Director</b>	Tata Sons Ltd. Remuneration Tata Engineering & Locomotive Co. Ltd. Remuneration Tata Investment Corporation Ltd. Remuneration Investors' Grievance The Indian Hotels Co. Ltd. Remuneration Investors' Grievance The Associated Cement Cos. Ltd. Compensation Trent Ltd. Remuneration Tata Tea Ltd. Remuneration	Nil	Zuari Industries Ltd. Audit Investors' Grievance Atlas Copco Ltd. Audit Investors' Grievance Remuneration Forbes Gokak Ltd. Audit Remuneration Welspun India Ltd. Audit Tata Tea Ltd. Investors' Grievance Remuneration	The Indian Hotels Co. Ltd. Investors' Grievance Tata Coffee Ltd. Investors' Grievance Remuneration Oriental Hotels Ltd. Audit Investors' Grievance Remuneration Indian Resort Hotels Ltd. Investors' Grievance Tata Tea Ltd. Audit Remuneration

\* As Joint Managing Director. Became a Non-Executive Director from 1<sup>st</sup> February, 1998.

\*\* Includes Audit, Remuneration and Shareholders'/Investors' Grievance Committees as clarified by SEBI in its notification dated 12.9.2000.

For TATA TEA LIMITED


(D. K. Sen)  
Vice President & SecretaryKolkata  
Date : 31st July, 2003



## EXPLANATORY STATEMENT

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

### Item Nos. 7 & 8

Mr. P. T. Siganporia & Mr. A. Mazumdar were appointed as Wholetime Directors of the Company for a period of three years with effect from 16<sup>th</sup> June 2000. Mr. Siganporia was designated as Deputy Managing Director of the Company from 19<sup>th</sup> February 2001.

At a meeting of the Board of Directors of the Company ("the Board") held on 5<sup>th</sup> May 2003, the Board decided to reappoint Mr. P. T. Siganporia as a Director to be designated as Deputy Managing Director of the Company for a period of three years with effect from 16<sup>th</sup> June 2003. At the same meeting, the Board also decided to reappoint Mr. A. Mazumdar as a Director to be designated as Executive Director of the Company for a period of three years with effect from 16.6.2003. Both these reappointments are subject to the approval of the members of the Company.

Mr. Siganporia is a Graduate in Science and holds a Post Graduate Diploma in Business Management from Xavier Labour Relations Institute, Jamshedpur. He joined the Tata Group as a Tata Administrative Services Officer and was deputed to your Company in 1974. Since then, Mr. Siganporia has held several senior positions in the marketing and sales functions of the Company including General Manager- Packet Tea Division, Vice President – Marketing and Senior Vice President – North India Plantation division before being appointed to the Board as a Wholetime director from 16.6.2000. With effect from 19.2.2001, Mr. Siganporia was designated as Deputy Managing Director of the Company by the Board. Mr. Siganporia has over 29 years' work experience.

Mr. Mazumdar is a Graduate in Science and holds a Post Graduate Diploma in Business Management from YMCA Institute of Management and a Diploma in Marketing Management from RP College of Mass Communications. Mr. Mazumdar joined the Company in 1986 as Deputy General Manager – Marketing and has since then held several important positions such as General Manager – Marketing, Vice President – South India Plantation Division before being appointed to the Board as a Wholetime Director with effect from 16<sup>th</sup> June 2000. Mr. Mazumdar has over 32 years' work experience.

At present, Mr. Siganporia has the overall charge of the North India Business Division of the Company and is also the Deputy Managing Director of the Company. Mr. Mazumdar is presently in charge of Global Business Division of the Company dealing with international trade, marketing of Tata Tea brands in certain markets outside India and development of new business.

Mr. Siganporia is presently also a Director of Project India Blend Ltd., Tata Tetley Ltd., Tata Tea (GB) Ltd., UK, Watawala Plantations Ltd., Sri Lanka and Estate Management Services (Pvt.) Ltd., Sri Lanka. Mr. Mazumdar is a Non-Wholetime Director of Tata Tetley Ltd. and Tetley ACI (Bangladesh) Ltd.

Mr. Siganporia is presently 52 years' old and Mr. Mazumdar is 55 years old. Keeping in view their age, experience and responsibilities, the Board, at a meeting held recently, based on the recommendations of the Remuneration Committee, has recommended payment of the following remuneration and has fixed other terms and conditions of service of Mr. Siganporia and Mr. Mazumdar, which as stated below, has been contained in the agreement to be entered into by the Company with Mr. Siganporia and Mr. Mazumdar respectively :-

- i. **Salary** – in the scale of Rs. 70,000 – Rs. 2,00,000 per month for Mr. Siganporia and in the scale of Rs. 25,000 – Rs. 1,25,000 per month for Mr. Mazumdar with authority to the Board to fix their salary within this scale. The annual increment will be merit-based and take into account the Company's performance. The increment will be effective from 1<sup>st</sup> April every year or such other date as the Board may decide.
- ii. **Perquisites & Allowances** – the Wholetime Directors will be entitled to the following perquisites and allowances. The perquisites and allowances may be granted to the Wholetime Directors in such form and manner as the Board may decide subject to a ceiling of 125% of the annual salary of the Wholetime Directors in any financial year.

Furnished accommodation or, House Rent Allowance and House Maintenance Allowance in lieu thereof with expenditure on gas, electricity, water and furnishings for the accommodation including maintenance and repair thereof, Personal Allowance, Leave Travel Allowance for self and family, medical expenses and medical insurance for self and family, fees of clubs, Personal Accident Insurance, and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and the appointees.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income Tax Rules wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Provision for use of Company's cars and telephones at residence (including payment only for local calls and long distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating such ceiling.

Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, Gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid.

**Note** – Family for this purpose shall mean the spouse, the dependent children and the dependent parents of the appointees.

- iii. **Incentive Remuneration** – not exceeding 150% of the annual salary at the discretion of the Board of Directors based on certain performance criterion.
- iv. **Commission** – Such remuneration by way of commission, in addition to the salary, perquisites, allowances and incentive remuneration payable, as may be determined by the Board of Directors of the Company at the end of each financial year but not exceeding 1% of the net profit of the relevant financial year for each of the appointees, subject to the overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. The specific amount payable will be based on performance as evaluated by the Board and will be payable annually after the annual accounts of each year have been approved by the Board of Directors.
- v. **Minimum Remuneration** – notwithstanding anything to the contrary herein, wherein any financial year, during the currency of the tenure of the appointees, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the appointees by way of salary, perquisites, allowances and incentive remuneration as specified above.
- vi. The Wholetime Directors will be entitled to leave according to the Company's Leave Rules applicable to its Wholetime Directors.
- vii. The Wholetime Directors will not be entitled to sitting fees for attending meetings of the Board or any Committee thereof.
- viii. The terms and conditions of these appointments and/or Agreements may be altered and varied from time to time by the Board as it may in its discretion deem fit within the maximum amount payable to the Wholetime Directors in accordance with Schedule XIII to the Act or any amendment thereto.
- ix. The Agreement between the Wholetime Directors and the Company may be terminated by giving to the other party three months' written notice or the Company paying three months' remuneration in lieu of notice.
- x. If at any time either of Mr. Siganporia and Mr. Mazumdar ceases to be Wholetime Directors of the Company for any reason whatsoever, they shall also cease to be Directors of the Company.
- xi. If at any time either of Mr. Siganporia and Mr. Mazumdar ceases to be Directors of the Company for any reason whatsoever, they shall also cease to be Wholetime Directors of the Company.
- xii. Mr. Siganporia and Mr. Mazumdar are appointed by virtue of their employment in the Company and their employment is subject to the provisions of Section 283 (1)(l) of the Act. If at any time, Mr. Siganporia and Mr. Mazumdar cease to be in the employment of the Company for any reason whatsoever, they shall also cease to be Directors of the Company.
- xiii. The Wholetime Directors shall not be entitled to supplement their earnings under this Agreement with any buying or selling commission. They shall also not be interested or otherwise concerned directly or through their wife and/or minor children in any selling agency of the Company without prior approval of the Central Government.

The Company has received separate notices from two members of the Company informing that at the next Annual General Meeting, they will respectively like to propose Mr. P. T. Siganporia and Mr. A. Mazumdar as Directors of the Company.

The above may please be treated an abstract of the terms and conditions of appointment of Mr. Siganporia and Mr. Mazumdar as required under Section 302 of the Companies Act, 1956.