

TIMEXGROUP

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**TIMEX®**



**ANNUAL REPORT  
2014**

**WEAR IT WELL™**

A black and white photograph of a man running on a sandy dune. He is wearing a white long-sleeved shirt with a black stripe on the sleeve, black shorts, and running shoes. He is wearing a Timex Ironman watch on his left wrist. The background shows a vast, open landscape with sand dunes and a distant shoreline.

**TIMEX®**

**IRONMAN®**

Show yourself what you can do.

IT'S NOT HOW FAST  
YOU GET TO THE  
FINISH LINE,  
IT'S HOW OFTEN.



<b>Director(s)</b>	Robert Obed Barberi	Non-Executive Director & Chairman
	Sharmila Sahai (Ms.)	Managing Director
	M K Bandyopadhyay	Managing Director-Operations & Supply Chain
	Anil Malhotra	Non-Executive Director
	Daya Dhaon	Non-Executive & Independent Director
	Gagan Singh (Ms.)	Non-Executive & Independent Director
	Pradeep Mukerjee	Non-Executive & Independent Director
	Bijou Kurien	Non-Executive & Independent Director
	Ryan Todd Roth	Alternate Director to Mr. Robert Obed Barberi
<b>General Manager Finance</b>	Amit Jain	
<b>Company Secretary</b>	Shilpa Verma	
<b>Bankers</b>	HDFC Bank Limited	
	The Hongkong & Shanghai Banking Corporation Limited	
	J.P. Morgan	
<b>Auditors</b>	BSR & Co., LLP	
	Chartered Accountants	
<b>Registered Office</b>	JA-1203, 12th Floor, DLF Tower-A, Jasola, New Delhi – 110025.	
<b>Works</b>	Plot No.10	
	Baddi Industrial Area	
	Katha Bhatoli	
	Baddi, Distt. Solan (H.P)	
<b>Share Registrar &amp; Transfer Agent</b>	Alankit Assignments Limited 1E/13 Alankit Heights Jhandewalan Extension New Delhi 110 055 Tel.: 011-42541234/42541960 Fax: 011-23552001 Email: rta@alankit.com Website : www.alankit.com	

## NOTICE

Notice is hereby given that the Twenty-sixth Annual General Meeting of the Members of TIMEX GROUP INDIA LIMITED will be held on Thursday, 14 August 2014 at 4.30 P.M. at the Air Force Auditorium, Subroto Park, New Delhi - 110010, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March 2014, and the Report of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. M.K. Bandyopadhyay (DIN No.: 02323566) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** M/s. BSR & Co., Chartered Accountants (Firm Registration No. 101248W), be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company in addition to reimbursement of all out of pocket expenses.”

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**.

**“RESOLVED THAT** Mr. Robert Obed Barberi (DIN No.: 06799747), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 (1) and other relevant provisions of the Companies Act, 2013 and Article 103(a) of the Articles of Association of the Company with effect from 31 January, 2014, holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

**“RESOLVED THAT** Ms Sharmila Sahai (DIN No.: 00893750) who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161(1) and other applicable provisions of the Companies Act, 2013 and Article 103(a) of the Article of Association of the Companies with effect from 18 November, 2013 holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

6. To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** Mr. Anil Malhotra (DIN No.: 00713889), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30 October 2013 and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 readwith Article 103(a) of the Article of Association of the Company and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Gagan Singh (DIN No.: 00678511), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office up to 31 March 2019, not liable to retire by rotation.”

8. To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the

Listing Agreement, Mr. Bijou Kurien (DIN No.: 01802995), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office up to 31 March 2019, not liable to retire by rotation.”

9. To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Daya Dhaon (DIN No.: 00179839), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office up to 31 March 2019, not liable to retire by rotation.”
10. To consider and, if thought fit, to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pradeep Mukerjee (DIN No.: 02287773), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office up to 31 March 2019, not liable to retire by rotation.”
11. To consider and, if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:  
**“RESOLVED THAT** subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and subject to such other approvals as may be required, consent of the Company be and is hereby accorded to the appointment of Mr. M.K. Bandyopadhyay (DIN No.: 02323566) as a Whole-time Director of the Company from 1 August 2014 to 20 November 2014 on the terms and conditions including remuneration set out in the Agreement to be entered into between the Company and Mr. Bandyopadhyay with the liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or Agreement in such manner as may be agreed to between the Board of Directors and Mr. Bandyopadhyay within the parameter as provided in the Explanatory Statement and that the Company also accords its approval for the action(s) taken / to be taken by Board of Directors in this regard.
- RESOLVED FURTHER THAT** the Board of Directors and Company Secretary, be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”
12. To consider and, if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:  
**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules including Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof and also revisions made in terms of SEBI Circular dated April 17, 2014), consent of the members of the Company be and is hereby accorded to continue with the contracts/ arrangements/ agreements entered into between the Company and related parties of the Company as detailed below on the terms as provided in the relevant contracts/ arrangements/ agreements and as briefly mentioned in the explanatory statement annexed to this Notice and to make any further amendments to the said contracts/ arrangements/ agreements as may be required from time to time and approved by the Board of Directors and the Audit Committee of the Board of Directors.

Names of the Related Parties	Nature of Agreement in terms of Section 188(1) of the Companies Act, 2013
TMX Limited N.V.	Sale, purchase or supply of any goods or materials (Section 188(1)(a) of the Companies Act)
Vertime B.V.	Sale, purchase or supply of any goods or materials (Section 188(1)(a) of the Companies Act)

**RESOLVED FURTHER THAT** all the executive directors and Company Secretary of the Company be and are hereby individually authorised to sign any document as may be required and/ or any amendment to the above agreements from time to time on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution, and any such acts, deeds or things heretofore undertaken by the aforesaid individuals in furtherance of the purposes and intent hereof on behalf of the Company are hereby authorized, approved and ratified in every respect.”

Registered Office :  
JA-1203, 12<sup>th</sup> Floor,  
DLF Tower-A, Jasola,  
New Delhi-110 025

Dated: 29 May 2014

**By Order of the  
Board of Directors**

Sd/-  
**Shilpa Verma**  
**Company Secretary**

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Societies etc. must be supported by appropriate resolution/ authority as applicable.
3. The Members/ Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only on verification of the signature(s) on the Attendance Slip.
4. Duplicate attendance slip shall not be issued at the Annual General Meeting venue. The same shall be issued at the Registered Office of the Company up to a day preceding the day of the Annual General Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. As a measure of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. The Members are, therefore requested to bring their copies of the Annual Report to the meeting. Those members who have not received copies of Annual Report can collect their copies from the Corporate/ Registered Office of the Company.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 12 August, 2014 to Wednesday, 13 August, 2014, both days inclusive.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 4 to 12 is annexed hereto. Relevant details, in terms of Clause 49 of the Listing Agreement, in respect of Director retiring by rotation and proposed to be re-appointed and other Directors proposed to be appointed are disclosed in the Corporate Governance Report.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company at the following Address:  
TIMEX GROUP INDIA LIMITED  
(Investors Relation Department)  
JA 1203, 12<sup>th</sup> Floor, DLF Tower A  
Jasola, New Delhi-110025
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Members desirous of seeking any information relating to the Accounts of the Company may write to the Company at JA-1203, 12<sup>th</sup> Floor, DLF Tower A, Jasola, New Delhi – 110 025 for the attention of Ms. Shilpa Verma, Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
13. All documents referred to in the accompanying notice and the Explanatory Statement are available for inspection at the Registered Office of the Company during working hours between 10.00 A.M. to 1.00 P.M. except holidays up to the date of Annual General Meeting.
14. Attention of members is hereby invited towards provisions of Section 188 (1) of the Companies Act 2013 wherein under second proviso thereto, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.
15. Electronic copy of the Annual Report and Notice of the 26<sup>th</sup> Annual General Meeting of the Company along with Attendance Slip and Proxy Form and instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 26<sup>th</sup> Annual General Meeting of the Company along with Attendance Slip, Proxy Form and instructions for e-voting is being sent in the permitted mode.

16. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. The Company has appointed Mr. Neelesh Kumar Jain, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

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

- (i) The voting period begins on 8 August, 2014 (9.00 a.m.) and ends on 9 August, 2014 (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) of 4 July 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (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:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</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 the EVSN of Timex Group India Limited which is 140709018.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Note for Institutional Shareholders & Custodians:
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
    - The list of accounts 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.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, 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).
17. Members may also note that the Notice of the 26<sup>th</sup> Annual General Meeting and the Annual Report for 2014 will also be available on the Company’s website [www.timexindia.com](http://www.timexindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email ID: [investor.relations@timex.com](mailto:investor.relations@timex.com).
18. **Members who have not registered their e-mail address so far are requested to register their email addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**

## STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### Item No 4

The Board of Directors of the company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Robert Obed Barberi as an Additional Director of the Company with effect from 31 January 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Barberi would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from the member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Barberi for the office of Director of the Company.

Mr. Robert Obed Barberi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume of Mr. Robert Obed Barberi, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanships of Board Committee, shareholding in the company and relationship between the Directors inter-se as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of Annual Report.

None of the Directors and key managerial personnel and their relatives, other than Mr. Barberi himself, are deemed to be concerned or interested in this resolution, as it relates to his appointment.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

### Item No 5

The Board of Directors of the company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Ms. Sharmila Sahai as an Additional Director of the Company with effect from 18 November 2013.

In terms of the provisions of Section 161(1) of the Act, Ms. Sahai would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from the member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Sahai for the office of Director of the Company.

Ms. Sharmila Sahai is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Brief resume of Mr. Sharmila Sahai, nature of her expertise in specific functional areas, names of companies in which she holds directorship and the membership/ chairmanships of Board Committee, shareholding in the company and relationship between the Directors inter-se as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided



in the Corporate Governance Report forming part of Annual Report.

None of the Directors and key managerial personnel and their relatives, other than Ms. Sharmila Sahai herself, are deemed to be concerned or interested in this resolution, as it relates to her appointment.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

## **Item No 6**

The Board of Directors of the company appointed Mr. Anil Malhotra as an Additional Director of the Company with effect from 30 October 2013. Mr. Malhotra holds office as Director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from the member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Malhotra for the office of Director of the Company.

Mr. Anil Malhotra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume of Mr. Anil Malhotra, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanships of Board Committee, shareholding in the company and relationship between the Directors inter-se as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of Annual Report.

None of the Directors and key managerial personnel and their relative, other than Mr. Malhotra himself, are deemed to be concerned or interested in this resolution, as it relates to his appointment.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

## **Item No 7 to 10**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, and Clause 49 of the Listing Agreement, Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, are proposed to be appointed as Independent Directors of the Company for a term of five years.

Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, are not disqualified from being appointed as Directors in terms of Section 164 of the Act and they have given their consent to act as a Director of the Company. The Company has also received declaration from them that they meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company has received a notice in writing from the member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon respectively.

Brief resume of Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, nature of their expertise in specific functional areas, names of companies in which they holds directorship and the membership/ chairmanships of Board Committee, shareholding in the company and relationship between the Directors inter-se as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

A copy of the draft letter of appointments of Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, setting out the terms and conditions of their appointment, are available for inspection by members at the registered office of the Company.

In the opinion of the Board, each of these Directors fulfill the conditions for appointment as independent Directors as specified in the Act and Rules made there under and Listing Agreement and each of these Directors are independent of the Management.

None of the Directors and key managerial personnel and their relatives, other than the appointee himself, are deemed to be concerned or interested in this resolution, as it relates to his appointment.

Mr. Pradeep Mukerjee, Ms. Gagan Singh, Mr. Bijou Kurien and Mr. Daya Dhaon, respectively, are concerned or interested in the Resolutions relating to their own Appointment.

The Board recommends the resolution set forth in Item No. 7 to 10 for the approval of the members.

## **Item No. 11**

The Board of Directors at its meeting held on 29 May, 2014, on the recommendation of the Remuneration Committee and subject to the approval of shareholders and such other approvals, as may be required, approved the appointment of Mr. M K Bandyopadhyay as a Whole time Director of the Company with effect from 1 August 2014 till 20 November 2014 without any change in the terms of employment and remuneration.

The main terms and conditions set out in the Agreement between the Company and Mr. M K Bandyopadhyay are as mentioned below-

(A) Period of Appointment : With effect from 1 August 2014 until 20 November 2014.

(B) Terms of Appointment:

1. As Whole time Director of the Company, Mr. Bandyopadhyay shall exercise such powers to manage the day to day affairs of the Company as may be delegated to him by the Board of Directors from time to time. Mr. Bandyopadhyay will serve diligently and faithfully and will comply with all applicable laws and regulations and with all business policies and standards of the Company in his performance of services under this Agreement. Mr. Bandyopadhyay will perform such services personally at such reasonable times and places as the Company may direct in connection with the business.
2. During the term of this Agreement, Mr. Bandyopadhyay will not engage in or accept any other assignment or employment except the responsibilities entrusted upon him as Director of Timex Group Precision Engineering Limited. Mr. Bandyopadhyay shall devote sufficient time and attention to and exert his best efforts in the performance of his duties hereunder, so as to promote the business of the Company.
3. Mr. Bandyopadhyay shall perform his obligations, subject to the supervision, control and direction of the Managing Director of the Company. The Board of Directors may, from time to time, require him to report on the matters delegated to him.

(C) Terms of Remuneration

1. Mr. M.K. Bandyopadhyay is entitled to draw the remuneration amounting to Rs. 12,138,936 per annum effective 1 August, 2014.
2. Remuneration payable to Mr. Bandyopadhyay shall be fixed by the Board of Directors of the Company in accordance with the approval given by the shareholders of the Company which shall constitute the minimum remuneration payable to him irrespective of the fact that the Company has inadequate profits/ or has losses. Further, Mr. Bandyopadhyay shall be eligible for compensation for loss of office for the purposes of Section 202 of the Companies Act, 2013.
3. Mr. Bandyopadhyay's performance shall be reviewed by the Board annually and his remuneration shall be revised within the overall range as mentioned above.
4. Mr. Bandyopadhyay shall also be entitled to all other employee benefits with respect to Provident Fund, Superannuation Fund, Gratuity, leave rules, Club Membership etc. as per Company's policy. In addition, he shall be entitled to reimbursement of all business related expenses incurred by him on actual basis as per Company's policy, practice and procedure as is in effect from time to time, as an employee in continuation of his employment with the Company.

The draft of agreement between the Company and Mr. Bandyopadhyay is available for inspection by members at the Registered Office of the Company. The Statement pursuant to Schedule –V of the Companies Act, 2013 for the appointment of Mr. M. K Bandyopadhyay as Whole time Director is attached to the Notice.

Brief resume of Mr. M.K. Bandyopadhyay, nature of his expertise in specific functional areas, names of companies in which he holds directorship and the membership/ chairmanships of Board Committee, shareholding in the company and relationship between the Directors inter-se as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

None of the Directors and key managerial personnel and their relatives, other than Mr. Bandyopadhyay himself, are deemed to be concerned or interested in this resolution, as it relates to his appointment.

The Board recommends the resolution set forth in Item No. 11 for the approval of the members.

## **Item No. 12**

The Company seeks approval for the continuation of the relevant contracts/ arrangements/ agreements entered into with TMX Limited N.V. and Vertime B.V. which are subsidiaries of its ultimate parent/ holding company i.e. Timex Group B.V. (each company hereinafter referred to individually as a "Group Company" and Timex Group B.V. and its subsidiaries collectively as "Timex Group"). Timex Group designs, manufactures and markets innovative timepieces and jewellery globally. Timex, founded in 1854, is one of the largest watch makers in the world. Timex Group built its reputation as the pioneer in timekeeping by harnessing the power and possibility of time. Timex Group produced from its first affordable clock and wristwatch timepieces for everyone, and it now also produces exclusive, luxury and collector's pieces under a number of internationally-known brand names. Timex Group companies continue to deliver unparalleled quality with technological innovation and cutting edge designs to highly diverse and global customers. To exploit this prowess of the Timex Group in the India market, it is essential for the Company to continue the purchase, import and utilize watches/ watch components from the Timex Group companies.

The Company has been receiving the supplies for manufacture of its products from Timex Group companies which qualify as related parties as defined under Section 2(76) of the Companies Act, 2013. In order for the Company to have continued benefit of the supplies, the Company has in the ordinary course of its business executed agreements/ contracts/ arrangements with the Timex Group companies. The agreements executed with each of the Group Company as stated in the resolution above are expected to be the material agreements.

As stated above, while the Timex Group companies qualify as related parties within the meaning of Section 2(76) of the Companies Act 2013, they would also be so under the revised Clause 49 of the Listing Agreement which will be applicable