



CHAIRMAN'S REPORT

Based on the remote e-voting facility provided by Central Depository Services (India) Limited (CDSL) from 4th September, 2016 at 9.00 a.m. to 6th September, 2016 at 5.00 p.m. and poll taken at the 28th Annual General Meeting of the Company held on 7th September, 2016 and the report of the Scrutinizer dated 8th September, 2016, it is hereby declared that the following resolutions have been passed as per the Companies Act, 2013, with requisite majority:

ORDINARY BUSINESS:

1. To consider and adopt Audited Financial Statements as at 31st March, 2016 together with the Auditors Report and Board's Report including Secretarial Audit Report thereon – Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements including the Balance Sheet as at 31st March, 2016 and Statement of Profit and Loss for the year ended as on that date together with Independent Auditors Reports thereon, and the Report of the Board of Directors including Secretarial Audit Report be and are hereby received, considered and adopted."

2. To appoint Mrs. Pinky Jain (DIN: 03636974), Non-Executive Director, who retires by rotation and being eligible, offers herself for reappointment – Ordinary Resolution:

"RESOLVED THAT Mrs. Pinky Jain (DIN: 03636974), Non-Executive Director be and is hereby appointed as Director of the Company, who retires by rotation and being eligible, offers herself for reappointment."

3. To ratify the appointment of Statutory Auditors of the Company – Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of Messrs MSSV & Co, Chartered Accountants, having ICAI Firm Registration No. 0025087, as Statutory Auditors of the Company for the Company's financial year ended 31.03.2017, who were appointed as Auditors of the Company in the 27th Annual General Meeting (AGM) held on 15th September, 2015 to hold office until the conclusion of the 29th AGM,

on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imburement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company”.

SPECIAL BUSINESS:

4. Appointment of Mr. B Shantilal as Managing Director of the Company - Special Resolution:

“RESOLVED THAT pursuant to the provisions of 2(54), 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, approval of the members be and is hereby accorded for the re-appointment of and remuneration payable to Mr. B Shantilal (DIN: 00719808), Managing Director of the Company for a period of three (3) years with effect from 01.10.2016 to 30.09.2019 on the following terms and conditions as mentioned below:

1. Salary:

Si. No.	Tenure	Salary per month
i.	01.10.2016 - 30.09.2019	Rs. 1,00,000/-

2. Commission: At 1% of the net profits of the Company computed in the manner laid down in the Companies Act, 2013, but subject to a ceiling of Rs. 1,20,000 (Rupees One Lakh Twenty Thousand only).

3. Perquisites: As detailed hereinafter restricted to an amount equal to the annual salary or Rs. 3,60,000/- (Rupees Three Lakhs Sixty Thousand only) per annum, whichever is less. Unless the context otherwise requires, the perquisites are classified in three categories 'A', 'B' and 'C' as follows:

CATEGORY 'A'

i. Housing:

The expenditure incurred by the Company on providing furnished residential accommodation for the appointee shall be subject to a ceiling of 60% (sixty percent) of the appointee's salary over and above 10% (ten percent) payable by the appointee himself:

Alternatively:

In case the accommodation is provided by the Company, 10% (ten percent) of the salary of the appointee shall be deducted by the Company;

Alternatively:

In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance, subject to a ceiling of 60% (sixty percent) of salary payable to the appointee.

Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962, as amended from time to time; however, such expenditure shall be subject to a ceiling of 10% (ten percent) of appointee's salary.

ii. Medical Reimbursement:

Expenses incurred for the appointee and his family, subject to, a ceiling of one month's salary over a period of three years.

iii. Leave Travel Concession:

For appointee and his family once in a year, while on leave, in accordance with the rules and regulations applicable to Senior Managers of the Company from time to time.

iv. Personal Accident Insurance:

Premium not to exceed Rs. 4,000/- (Rupees four thousand only) per annum.

Explanation: For the purpose of Category 'A'; "Family" means spouse, dependent children and dependent parents of the appointee.

CATEGORY 'B'

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund; these will be in accordance with the schemes applicable to senior Managers of the Company from time to time and will not be included in the computation of the ceiling of perquisites mentioned above to the extent they, either singly or put together are not taxable under the Income Tax Act, 1961 and as amended from time to time.

2. Gratuity – In accordance with the Rules and Regulations applicable to Senior Managers of the Company from time to time not exceeding half month's salary for each completed year of service.

3. Encashment of leave at the end of the tenure-in accordance with the Rules and Regulations applicable to the Senior Managers of the Company from time

to time; the monetary equivalent of such encashed leave shall not be included in the computation of the ceiling on perquisites referred to in paragraph(c).

CATEGORY 'C'

Provision of car for use on Company's business and telephone at residence. Both these facilities will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the appointee.

OTHER BENEFITS

'Keyman Insurance' shall be taken in the name of the Managing Director and all premium(s) in this respect to be paid by the Company.

Apart from aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

Managing Director shall not be paid any sitting fees for attending the Meetings of the Board of Directors or Committees thereof.

MINIMUM REMUNERATION

In the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment, the Managing Director may be paid the substantive remuneration as stated above as the Minimum Remuneration; the amount of salary, commission, perquisites and other allowances payable to the Managing Director shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013, as may be in force for the time being.

Further, in the event of any Statutory Amendments or modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc., with such prescribed limit or ceiling and any arrangement between the Company and Mr. B Shantilal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting."

5. Appointment of Mr. Pramod Kumar S as Whole time Director of the Company - Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, approval of the members be and is hereby accorded to the appointment of, and remuneration payable to, Mr. Pramod Kumar S (DIN: 00719828), Whole time Director designated as Executive Director of the Company for a period of three (3) years with effect from 1.11.2015 to 31.10.2018 on the following terms and conditions as mentioned below:

1. Salary:

Sl. No.	Tenure	Salary per month
i.	01.11.2015 - 31.10.2018	Rs.1,25,000/-

2. Commission:

At 1% of the net profits of the Company computed in the manner laid down in the Companies Act, 2013, but subject to a ceiling of Rs. 1,20,000 (Rupees One Lakh Twenty Thousand only).

3. Perquisites:

As detailed hereinafter restricted to an amount equal to the annual salary or Rs.3,60,000/- (Rupees Three Lakhs Sixty Thousand only) per annum, whichever is less. Unless the context otherwise requires, the perquisites are classified in three categories 'A', 'B' and 'C' as follows:

CATEGORY 'A'

i. Housing:

The expenditure incurred by the Company on providing furnished residential accommodation for the appointee shall be subject to a ceiling of 60% (sixty percent) of the appointee's salary over and above 10% (ten percent) payable by the appointee himself:

Alternatively:

In case the accommodation is provided by the Company, 10% (ten percent) of the salary of the appointee shall be deducted by the Company;

Alternatively:

In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance, subject to a ceiling of 60% (sixty percent) of salary payable to the appointee.

Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962, as amended from time to time; however, such expenditure shall be subject to a ceiling of 10% (ten percent) of appointee's salary.

ii. Medical Reimbursement:

Expenses incurred for the appointee and his family, subject to, a ceiling of one month's salary over a period of three years.

iii. Leave Travel Concession:

For appointee and his family once in a year, while on leave, in accordance with the rules and regulations applicable to Senior Managers of the Company from time to time.

iv. Personal Accident Insurance:

Premium not to exceed Rs. 4,000/- (Rupees four Thousand only) per annum, Explanation: For the purpose of Category 'A,' "Family" means spouse, dependent children and dependent parents of the appointee.

CATEGORY 'B'

4. Contribution to Provident Fund, Superannuation Fund or Annuity Fund- These will be in accordance with the schemes applicable to senior Managers of the Company from time to time and will not be included in the computation of the ceiling of perquisites mentioned above to the extent they, either singly or put together are not taxable under the Income Tax Act, 1961 and as amended from time to time.

5. Gratuity – In accordance with the Rules and Regulations applicable to Senior Managers of the Company from time to time not exceeding half month's salary for each completed year of service.

6. Encashment of leave at the end of the tenure-in accordance with the Rules and Regulations applicable to Senior Managers of the Company from time to time; the monetary equivalent of such encashed leave shall not be included in the computation of the ceiling on perquisites referred to in paragraph(c).

CATEGORY 'C'

Provision of car for use on Company's business and telephone at residence. Both these facilities will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the appointee.

OTHER BENEEFITS

'Keyman Insurance' shall be taken in the name of the Executive Director and all premium(s) in this respect to be paid by the Company.

Apart from aforesaid remuneration, the Executive Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.


The Executive Director shall not be paid any sitting fees for attending the Meetings of the Board of Directors or committees thereof.

MINIMUM REMUNERATION

In the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment, the Whole time Director may be paid the substantive remuneration as stated above as the Minimum Remuneration subject to however that unless approved by the Shareholders and the Central Government, as may be necessary, the amount of salary, commission, perquisites and other allowances payable to the Whole time Director shall be subject to the limits prescribed under Schedule V of the Companies Act, as may be in force for the time being.

Further in the event of any Statutory Amendments or modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc., with such prescribed limit or ceiling and any arrangement between the Company and Mr. Pramod Kumar S be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting."

Bangalore
8.9.2016


B Shantilal
Chairman