

**KALYANI FORGE LIMITED**  
(CIN: L28910MH1979PLC020959)  
Regd. Office: Shangrila Gardens, "C" Wing,  
1st floor, Opposite Bund Garden, Pune411 001  
E-mail : [investors@kforge.com](mailto:investors@kforge.com), Website : [www.kalyaniforge.co.in](http://www.kalyaniforge.co.in)

### NOTICE

NOTICE is hereby given that the Thirty-Sixth Annual General Meeting of the Members of KALYANI FORGE LIMITED will be held at Poona Club Ltd., 6, Bund Garden Road, Pune-411 001 on Saturday, the 5<sup>th</sup> day of September, 2015 at 10.00 a.m., to transact the following business:

#### ORDINARY BUSINESS:

01. To receive, consider and adopt the Balance Sheet as at 31st March, 2015 and Profit & Loss Account as on that date together with reports of Director's and Auditor's thereon;
02. To appoint a Director in place of Mrs. Rohini G. Kalyani who retires by rotation and being eligible, offers herself for re-appointment.
03. To appoint a Director in place of Mr. Gaurishankar N. Kalyani who retires by rotation and being eligible, offers himself for re-appointment.
04. 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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s. P. G. Bhagwat, Chartered Accountants, Pune having Firm Registration No.101118W, to hold office from as Statutory Auditors if the Company from the conclusion of this Annual General Meeting upto the conclusion of the 41<sup>st</sup> Annual General Meeting of the Company to be held in the calendar year 2020 (subject to ratification of the appointment by the Members at every Annual General Meeting to be held during their tenure) and that Board of Directors of the Company be and are hereby authorized to fix such remuneration, and plus Service Tax, out of pocket and travelling expenses as may be recommended by the Audit Committee for each year during the said period."

#### SPECIAL BUSINESS:

05. 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 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or

re-enactment(s) thereof for the time being in force), the consent of the Company be and is hereby accorded to the appointment and remuneration of Mrs. Rohini G Kalyani, DIN: 00519565, as the Chairperson and Managing Director of the Company for a period of five years with effect from January 29, 2015, upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the draft Agreement, specifically sanctioned with authority to the Board of Directors (which term shall be deemed to include any duly authorized committee thereof for the time being exercising the power conferred on the Board by this Resolution) to alter and vary the terms and conditions of the said Appointment and/ or Agreement in such manner as it may deem fit and as may be agreed to between the Board of Directors and Mrs. Rohini G Kalyani and for this purpose the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

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

“RESOLVED THAT consequent to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new set of the Articles of Association of the Company in the form and manner as per the draft Articles of Association placed before the meeting and annexed to this Notice as Annexure A, be and is hereby approved and adopted and the same shall be in substitution for, and to the entire exclusion of the existing set of Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be required to give effect to this resolution.”

07. 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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, Mr. Rahul A Chincholkar, Cost Accountant, appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year commencing from 01.04.2015, be paid a remuneration of Rs. 1,00,000 (Rupees One Lac Only) (excluding service tax, as applicable) in addition to reimbursement of out of pocket expenses and conveyance as recommended by the audit committee and approved by the Board of Directors of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution”.

By Order of the Board of Directors  
For Kalyani Forge Ltd.,

Anushanethri V  
Company Secretary

Place : Pune

Date : May 30, 2015

**Registered Office:**

Shangrila Gardens, 'C' Wing, 1<sup>st</sup> Floor,  
Opp Bund Garden, Pune- 411001

**NOTES:**

1. Explanatory Statements, pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the business under Item No. 4 to 9 above, are annexed hereto and relevant details as required under clause 49 of the listing agreements entered with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors as per item no.2, 3 and 5 of the Notice are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON SHALL NOT ACT AS PROXY FOR MORE THAN FIFTY (50) MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PERSON HOLDING MORE THAN 10 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 PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
3. Proxies, in order to be effective, must be deposited with the Company at its Registered Office not less than 48 hours before the time fixed for holding the Annual General Meeting.
4. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting. However a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from Aug 29, 2015 to Sep 5, 2015 (both days inclusive).
6. Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the IEPF or the Company for the amounts so transferred prior to March 31, 2015.
7. Members are requested to note the following:
  - a) Members holding shares in physical form are requested to address all their correspondence including change of address to the Company's Registrar and Share Transfer Agents, Link Intime India Pvt. Ltd, Block No.202, Second Floor, Akshay Complex, off Dhole Patil Road, Near Ganesh Mandir, Pune - 411001 and Members holding shares in dematerialized form should approach their respective Depository Participants for the same.
  - b) Quote client ID and DP ID numbers in respect of shares held in dematerialised form and ledger folio number in respect of shares held in physical form in all correspondence with the Company.
8. Members/ Proxies are requested to bring copy of Annual Report and attendance slip duly filled in and hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
9. Corporate members intending to send their authorized representative to attend meeting are requested to send a certified true copy of Board Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
10. Members holding equity shares in multiple folios in the identical order of names are requested to consolidate their holding into one folio.
11. Equity Shareholders who have not dematerialized are advised to dematerialize their shareholding, to avoid inconvenience in future and to reap benefits of dematerialization.
12. **Sending the annual report by E-mail to shareholders is allowed and thus you are requested to send your e-mail ID if you want the annual report to be sent on e-mail. If you choose to receive the annual report on your e-mail then no separate annual report would be sent to you by post. It would be your responsibility to report any changes in the e-mail ID that you have registered with us or your decision to receive the annual report by post instead. Any member may insist for physical copies of the annual report and the same would be sent to them free of cost.**
13. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their

demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Sundays between 11.00 a.m. to 4.00 p.m. up to the date of declaration of the result of the 36th Annual General Meeting of the Company.
15. The Company is pleased to provide e-voting facility to all its shareholders pursuant to provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2015 to cast their votes electronically on the resolutions mentioned in the notice of 36<sup>th</sup> Annual General Meeting of the Company dated May 30, 2015 (the AGM Notice). The Company has appointed CS Raghavendra J. Joshi, Partner of M/s. Apte Joshi & Associates, Company Secretaries, Pune as Scrutinizer for conducting e-voting process in fair and transparent manner. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them at the end of business hours on August 25, 2015. The instructions for e-voting are enclosed separately.

Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evotingindia.com](http://www.evotingindia.com).

The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.kalyaniforge.co.in](http://www.kalyaniforge.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

16. Information required under Clause 49 IV G of the Listing Agreement (relating to Corporate Governance) with respect to the Director retiring by rotation and being eligible seeking re-appointment is as under:
  - Item No. 2 & 5 - Reappointment of Mrs. Rohini G. Kalyani & Reappointment of Mrs. Rohini G. Kalyani as Managing Director

Name of the Director	Mrs. Rohini G. Kalyani
Director Identification	00519565

Number	
Date of Joining the Board	January 29, 2000
Profile of the Director	<p>Mrs. Rohini G. Kalyani, born on 17.07.1964 is the Chairperson &amp; Managing Director of the Company.</p> <p>Mrs. Rohini Gaurishankar Kalyani is a Science Graduate with Diploma in Finance Management. Besides being the Director of the Company, she is also a Director of host of Private Limited Companies in the group.</p> <p>She is wife of Mr. Gaurishankar N. Kalyani, Director of the Company.</p>
Board Membership of other Public Limited companies as on March 31, 2015	Nil
Chairman/Member of the Committees of Director of the Company	Nil
Chairman/Member of the Committees of Director of other Companies in which she is a Director	Nil
Shareholding in KFL as on March 31, 2015	32,236 Equity Shares

\*Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded from this declaration. Membership and Chairmanship of Committees of only public Companies have been included in the aforesaid table.

Except Mr. Gaurishankar Kalyani, Director, Mr. Viraj G. Kalyani, Executive Director and Mrs. Rohini G Kalyani, Chairperson & Managing Director herself together with his relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in her re-appointment as a Director (Managing Director) of the Company.

- Item No. 3 - Reappointment of Mr. Gaurishankar N. Kalyani

Name of the Director	Shri. Gaurishankar N. Kalyani
Director Identification Number	00519610
Date of Joining the Board	April 26, 2003
Profile of the Director	Mr. Gaurishankar N. Kalyani, born on August 31, 1954 is a Non-Executive Director of the Company. Mr. G.N.

	Kalyani is a Commerce Graduate (Hons.). Besides being the Director of the Company, he is also a Director of host of Private Limited Companies in the group. He is son of late Dr. Neelkanth A. Kalyani, Industrialist and founder of the Company and husband of Mrs. Rohini G. Kalyani, Chairperson & Managing Director of the Company.
Board Membership of other Public Limited companies as on March 31, 2015	Nil
Chairman/Member of the Committees of Director of the Company	1 - Chairman of Stakeholders Relationship Committee
Chairman/Member of the Committees of Director of other Companies in which he is a Director	Nil
Shareholding in KFL as on March 31, 2015	47,020 Equity Shares

\*Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded from this declaration. Membership and Chairmanship of Committees of only public Companies have been included in the aforesaid table.

Except Mrs. Rohini G Kalyani, Chairperson & Managing Director, Mr. Viraj G. Kalyani, Executive Director and Mr. Gaurishankar Kalyani himself together with his relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in his re-appointment as a Director of the Company.

The Company is pleased to provide e-voting facility to all its shareholders pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 the Companies (Management and Administration) Rules, 2014 and Clause 35(B) of listing agreement to cast their votes electronically on the resolutions mentioned in the notice of 36th Annual General Meeting of the Company dated May 30, 2015 (the "AGM Notice"). The Company has appointed CS Raghavendra J. Joshi, Partner of M/s. Apte Joshi & Associates, Company Secretaries, Pune and/or Mr. Harshal R. Joshi, Practising Company Secretary, Pune as Scrutinizer for conducting e-voting process in fair and transparent manner. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them at the end of business hours on August 25, 2015.

17. The instructions for shareholders voting electronically are as under:

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on the business hours of September 02, 2015 and ends on end of the business hours of September 05, 2015. 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 August 29, 2015, 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).
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (as printed on ballot paper / attendance slip / notice) in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	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.
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 member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.



- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Kalyani Forge Limited> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

18. In terms of Clause 35B of the Listing Agreement, those members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Postal Ballot Form attached with this AGM Notice in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer at the address Mr. Raghavendra Joshi/Mr. Harshal R. Joshi, Scrutinizer, Link Intime India Pvt. Ltd., Unit : Kalyani Forge Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078 on or before Monday, August 25, 2015. Any Postal Ballot Form received after this date will be treated as if the reply from the member has not been received.
19. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
20. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

**Important Note:**

As Kalyani Forge Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the members at the 36th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

By Order of the Board of Directors  
For Kalyani Forge Ltd.,

Anushanethri V  
Company Secretary

Place : Pune  
Date : May 30, 2015

## **Annexure to Notice**

As required by Section 102 (1) of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under item Nos. 04 to 07 of the accompanying Notice dated 30<sup>th</sup> May, 2015 .

### **Item No. 04**

Section 139 of the Companies Act, 2013 and the Rules made there under provide that a company can appoint a firm as statutory auditor for maximum two (2) terms of five (5) consecutive years. M/s. P.G. Bhagwat, Chartered Accountants have already completed term of five years. The signing Partner shall change from the year commencing from FY 2015-16 and thus can be appointed for a further period of (5) five more year.

In this regard, the Company has received a certificate from them, to the effect that their reappointment, if made, will be in accordance with section 139 (1) of the Companies Act, 2013.

The Board recommends the appointment of M/s. P.G. Bhagwat, Chartered Accountants as Statutory Auditors of the Company for the financial year 2015-16 to FY 2019 -20.

None of the Directors is interested in the above resolution.

### **Item No. 05**

Mrs. Rohini Gaurishankar Kalyani born on **17.07.1964**. She is a Science Graduate with Diploma in Finance Management. She took over the reins of Kalyani Forge Limited in the year 2000, with an Annual Turnover of Rs.45 cr. With efficient, foresighted and Inspiring Management attributes, she took this company to the turnover of over Rs.200 cr. in 2006-2007. She too has clear plans to make this company a world class auto components manufacturing unit. During her regime Export of the Company has gone multi-fold. She is Managing Director of the Company and is in whole-time Directorship since 2000.

She holds 32,236 equity shares in the Company.

The Board considers it desirable that the Company should continue to avail itself of the services of Mrs. Rohini G Kalyani as Managing Director and accordingly recommends the Resolutions at item No. 5 for approval by the members.

The Board of Directors at their meeting held on 28<sup>th</sup> January, 2015 accepted the recommendation of the remuneration committee the remuneration payable to Mrs. Rohini G Kalyani for her services as Managing Director as detailed below, subject to the limits stipulated under the Companies Act, 2013:-

## **SALARY**

Rs. 1, 13,400 (Rupees One Lakh Thirteen Thousand Four Hundred only) per month.

## **COMMISSION**

Commission not exceeding 5% of the net profits of the co in a particular year, computed according to Section 198 of the Companies Act, 2013, which put together with salary and perquisites shall be subject to the overall ceiling laid down in section 197 and schedule V of the Companies Act, 2013.

## **PERQUISITES**

Perquisites- As classified in three categories, namely A, B and C below.

## **PERQUISITES**

### **(1) Residential Accommodation:**

(A): The expenditure by the company on hiring furnished accommodation for the Executive Director will be subject to ceiling of 40% of the salary.

(B): The Company will provide rent-free furnished accommodation.

(C): In case no accommodation is provided by the company, the Managing Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing (A).

*Explanation:* The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the Salary of the Managing Director.

### **(2) Medical reimbursement:**

Expenses incurred for the Managing Director and the family subject to a ceiling of 15 days Salary in a year or three month's Salary over a period of three years.

### **(3) Annual leave travel concession:**

For the Managing Director and her family once in a year incurred in accordance with the rules of the company, subject to the limit of one month salary.

### **Explanation:**

For the purpose of Category 'A' "family" means the spouse, the dependent children and dependent parents of the Managing Director.

#### **(4) Club fees:**

Fees of clubs up to Rs. 25,000 per annum, subject to a maximum of two clubs which will not include admission and life membership fees.

#### **CATEGORY 'B'**

- (a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (c) Encashment of leave at the end of the tenure.

#### **CATEGORY 'C'**

Provision of a car with driver for use on Company's business and telephone at residence. This will not be considered as the perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the company to the Managing Director.

#### **MINIMUM REMUNERATION**

If in any financial year during the currency of the tenure of the Managing Director, the Company has either loss or inadequate profit to pay the substantive remuneration as mentioned above, the Company shall pay Managing Director minimum remuneration as permissible under Schedule V to the Companies Act, 2013

Chairperson of Board Committees : Nil

Membership of Board Committee : Nil

Equity Shareholding : She holds 32,236 equity shares in the Company.

She is the Wife of Mr. Gaurishankar N. Kalyani, Non-Executive Director and mother of Mr. Viraj G Kalyani Whole time Director and they are indirectly interested in the resolution.

No other Director, except those mentioned above, is interested in the resolution.

#### **Item no. 06**

The Companies Act, 2013 and the Rules made thereunder (the 'Act') has been enacted to replace the existing Companies Act, 1956. The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ('MCA') had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections [barring those provisions which require sanction / confirmation of the National Company Law Tribunal ('Tribunal') and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247)].

The substantive sections of the Act dealing with the operations and management of companies have been notified.

The existing Articles of Association of the Company based on the Companies Act, 1956 and some regulations in the existing Articles of Association may not, therefore, be in conformity with the Act.

With the coming into force of the Act, the existing Articles of Association require alteration or deletions in several regulations in the Articles of Association. Hence, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles of Association to align the provisions of the Articles of Association with the provisions of the Act.

The proposed new set of Articles of Association of the Company is attached as Annexure A to this Notice of the Annual General Meeting for perusal by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out in Item No. 06 of the Notice, except to the extent of their shareholding in the Company.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members

#### **Item No. 07**

The Board at its meeting held on 30.05.2015, on the recommendations of the Audit Committee, has appointed Mr. Rahul A Chincholkar, Cost Accountant as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year commencing from 01.04.2015 on a remuneration of Rs.1,00,000 (Rupees One Lac only) (excluding service tax, as applicable) plus reimbursement of out of pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the cost auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors of the Company, the key managerial personnel of the Company or their relatives are concerned or interested in the aforesaid ordinary resolution.