



NOTICE

To,

The Member(s)

Orient Refractories Limited

Notice is hereby given that the 7th Annual General Meeting of "Orient Refractories Limited" will be held on Monday, 25 September, 2017 at 11:30 A.M. at "Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, INDIA, to transact the following business:

ORDINARY BUSINESS

Item No.1

To receive, consider and adopt the Financial Statements including balance sheet as at 31 March, 2017 and the statement of profit & loss for the year ended on that date, alongwith Board's and Auditors' report thereon.

Item No.2

To declare dividend for the year ended 31 March, 2017

Item No.3

To appoint a Director in place of Mr. Erwin Jankovits holding DIN 007089589, who retires by rotation and being eligible offers himself for re-appointment.

Item No. 4

To appoint Auditors and to fix their remuneration.

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

RESOLVED THAT pursuant to Section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 and other applicable provisions, if any, M/s. Price Water House, Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) be and are hereby appointed as auditors of the Company to hold the office for a term of five consecutive years (to conduct audit for the financial years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22) i.e. from the conclusion of this 7th Annual General Meeting till the conclusion of the 12th Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting to be held during the period on such remuneration as may be determined by the Board of Directors of the Company, based on the recommendation of the Audit Committee and reasonable out-of-pocket expenses actually incurred by them.

SPECIAL BUSINESS

Item No. 5

Appointment of Ms. Verena Buzzi as a Director

To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Verena Buzzi holding DIN 07901672 who was appointed as an Additional Director on 8 August, 2017 by the Board pursuant to Section 161(1) of the Act and holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for office of Director, be and is hereby appointed as a Director liable to retire by rotation.

Item No. 6

Appointment of Mr. Parmod Sagar as Managing Director and Chief Executive Officer

To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Parmod Sagar holding DIN 06500871, as the Managing Director and Chief Executive Officer (MD & CEO)



of the Company for a period of five years with effect from 4 March, 2018 to 3 March, 2023 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Parmod Sagar.

RESOLVED FURTHER THAT Mr. Parmod Sagar will be a key managerial personnel of the Company under the provisions of Section 203 of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution, to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid appointment, including but not limited to determine the remuneration payable to Mr. Sagar and also the types and amount of perquisites, other benefits and allowances, from time to time, in accordance with the provisions of the Act and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person, to give effect to the aforesaid resolution.

Item No. 7

Ratification of the Remuneration of Cost Auditors

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 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the consent of the Company be and is hereby accorded for the payment of remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus service tax at the applicable rates and reimbursement of out of pocket expenses to M/s. K G Goyal & Associates, Cost Accountants having Firm Registration No. 000024 appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31 March, 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board

**New Delhi
8 August, 2017**

Sanjay Kumar
Company Secretary
(ACS-17021)

Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.5, 6 and 7 above are annexed hereto. The relevant details of the Directors seeking appointment/re-appointment, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM 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 Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. A route map giving directions to reach the venue of the 7th Annual General Meeting ('AGM') is given at the end of the Notice.



4. Book Closure and Dividend:

- A. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 12 September, 2017 to Tuesday, 19 September, 2017 (both days inclusive).
- B. If dividend on Equity Shares, as recommended by the Board, is approved at the Meeting, the payment of such dividend will be made by 30 September, 2017 as under:
 - (i) To all Beneficial Owners in respect of shares held in electronic form, as per details furnished by the Depositories for this purpose as on the beginning of 12 September, 2017.
 - (ii) To all Members in respect of shares held in physical form, whose names are on the Company's Register of Members on 12 September, 2017.

5. Process and manner for Members opting to vote through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 7th AGM by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Ltd. ('NSDL').

The instructions for e-voting are as under:

- A. In case of Members receiving an email from NSDL (for Members whose email addresses are registered with the Company/ Depository Participants):
 - (i) Open the email and open pdf file "ORL e-voting.pdf" with your Client ID or Folio No. as password. The pdf file contains your user ID and password/ PIN for e-voting. Please note that this password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on "Shareholder – Login".
 - (iv) Insert User ID and Password as initial password/ PIN noted in step (i) above. Click Login.
 - (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/ PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email address, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (vi) You need to login again with the new credentials. Home page of e-voting will open. Click on "e-voting: Active Voting Cycles".
 - (vii) Select the "EVEN" (Electronic Voting Event Number) of Orient Refractories Limited. Now you are ready for e-voting as Cast Vote page opens.
 - (viii) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
 - (ix) You can similarly vote in respect of all other resolutions forming part of the Notice of the AGM. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
 - (x) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.



(xi) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: scrutinizer.ori@gmail.com with a copy marked to evoting@nsdl.co.in. The scanned image of the above mentioned documents should be in the naming format: Corporate Name_EVEN NO.

- B. In case of Members whose email addresses are not registered with the Company/ Depository Participants, their User ID and initial password/ PIN is provided on the Attendance Slip sent with the AGM Notice. Please follow all steps from Sr. No. (ii) to (xi) as mentioned in A above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/ PIN for casting their votes.
- D. **Members holding shares in either physical or dematerialized form as on the Cut-Off Date of 18 September, 2017 may cast their votes electronically. The e-voting period for the Members who hold shares as on the cut-off date commences on Friday, 22 September, 2017 (9.00 A.M.) and ends on Sunday, 24 September, 2017 (5.00 P.M.). The e-voting module shall be disabled by NSDL for voting thereafter.**
- E. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads Section of <https://www.evoting.nsd.com> or call on toll free No.: 1800 222 990. Any query or grievance connected with the remote e-voting may be addressed to the Company Secretary, Mr. Sanjay Kumar at SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019, Tel: +91 1493 222 266, Fax: +91 1493 222 267, Email: investor@orlindia.com

6. General instructions/ information for Members for voting on the Resolutions:

- A. Facility of voting through Poll paper shall be made available at the AGM. Members attending the AGM, who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- B. Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to vote again at the AGM.
- C. The voting rights of the shareholders (for voting through remote e-voting or by Poll paper at the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on 18 September, 2017 maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or of voting at the AGM.
- D. Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. 18 September, 2017, may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsd.com.
- E. Mr. Naresh Verma, Practicing Company Secretary (Membership No. FCS 5403/ CP No. 4424) of M/s. Naresh Verma & Associates, Company Secretaries has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the remote e-voting process as well as voting through Poll paper at the Meeting, in a fair and transparent manner.
- F. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, and thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company.
- G. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than forty eight hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- H. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.orientrefractories.com and on the website of NSDL immediately after their declaration, and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.



- I. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Monday, 25 September, 2017.
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
8. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending the AGM, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
9. **Payment of dividend through electronic means:**
 - A. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in their bank accounts through electronic means. The facility is available at all bank branches which have registered themselves as participating banks with National Payment Corporation of India and have joined the Core Banking System. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Share Registrars and Transfer Agents, Skyline Financial Services Private Limited. Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.
 - B. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
10. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.
12. **Nomination Facility:**

As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. Form No. SH-13 & SH-14 are also available on the web-site of the Company i.e. www.orientrefractories.com.
13. **Unclaimed Dividends:**
 - A. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Sanjay Kumar, Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
 - B. Details of Unclaimed Dividend on Website:

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31 March, 2012 and subsequent years on the Website of Investor Education and Protection Fund, www.iepf.gov.in and under "Investor Relations" Section on the website of the Company, www.orientrefractories.com.

14. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.
15. **Updation of Members' Details:**
The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
16. Electronic copy of the Annual Report for 2016-17 is being sent to all Members whose email addresses are registered with the Company/ Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode.
17. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Registrars and Transfer Agents/ their Depository Participants, in respect of shares held in physical/ electronic mode respectively.

Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Directors	Mr. Erwin Jankovits	Ms. Verena Buzzi	Mr. Parmod Sagar
Director Identification Number (DIN)	07089589	07901672	06500871
Date of Birth	13 August, 1971	4 July, 1976	4 September, 1965
Date of Appointment	11 February, 2015	8 August, 2017	4 March, 2013
Expertise in specific functional areas (Management, Operation & Marketing)	Wide experience in steel industry	Finance & Controlling	Tecno Commercial (Operation & Marketing) in Refractory Industry
Qualifications	Graduation in material sciences from Montan University, Leoben	- PHD Economics - Certified European Financial Analyst	B-Tech (Mechanical)
Relationships between Directors inter-se	None	None	None
No. of shares held in the Company	None	None	13,698
List of companies in which Directorship held as on 31 March, 2017 (excluding foreign, private and Section 8 companies)	None	None	None
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director as on 31 March, 2017	None	None	None



Explanatory Statement under Section 102 of the Companies Act, 2013 relating to Special Business mentioned in the Notice convening the 7th Annual General Meeting

Item No. 5

Appointment of Ms. Verena Buzzi as a Director

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Ms. Verena Buzzi as an Additional (Non-Executive) Director of the Company effective 8 August, 2017. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Ms. Verena Buzzi will hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed a Director of the Company. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, along with the requisite deposit of Rs. 1,00,000/-, proposing the candidature of Ms. Buzzi for the office of Director. Ms. Buzzi, once appointed, will be liable to retire by rotation. The Company has received from Ms. Buzzi (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. The profile and specific areas of expertise of Ms. Buzzi are provided as annexure to this Notice. None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Ms. Buzzi, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice. The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6

Appointment of Mr. Parmod Sagar as Managing Director and CEO

Mr. Parmod Sagar (Indian, date of birth - 4 September, 1965) is a Mechanical Engineer. He has having experience of 34 years. He started his carrier in continue casting department of a Steel plant and continue in steel industry till 1992. Joined Orient Abrasives Limited (Orient Refractories Limited de-merged from Orient Abrasives Ltd.) on 15 April, 1992 as Marketing Manager.

Mr. Parmod Sagar has been highly instrumental in the progress made by the Company over the years. He has vastly contributed in successfully implementation of various projects and in their growth. His technical expertise, industry experience and marketing knowledge have immensely helped the Company in production, maintenance and market development.

The Members of the Company, at the 3rd Annual General Meeting (AGM) held on 26 September, 2013, had approved the appointment of Mr. Parmod Sagar as the Managing Director of the Company for a period of 5 (five) years with effect from 4 March, 2013 till 3 March, 2018. Mr. Sagar has played a significant role in supporting the Board of Directors of the Company in ORL's success; particularly in the context of geographical coverage, growth of revenues. Under his leadership the Company has grown phenomenally in terms of products and operations. The Company has grown from being essentially an Indian company of about Rs. 362 Crore to a global corporation having gross turnover of Rs. 530 Crore (approx.)

Based on the approval and recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 152, 196, 197, 203 read with Schedule V and all other applicable provisions of the Act and all applicable rules made under the Act, the Board of Directors of the Company, at their meeting held on 8 August, 2017, unanimously approved the appointment of Mr. Parmod Sagar (DIN: 06500871) as the Managing Director and Chief Executive Officer ['MD & CEO'] for a period of 5 (five) years commencing from 4 April 2018 and ending on 3 March 2023. The aforesaid appointment is on a continuation basis, without any interruption/ break in the service and is subject to the approvals, consents, permissions, sanctions and the like of the Members of the Company and all other concerned statutory and other authorities, if and to the extent applicable and required. Mr. Sagar is also designated as a key managerial personnel of the Company under the provisions of Section 203 of the Act. The period of office of Mr. Sagar shall be liable to determination by retirement of directors by rotation. If Mr. Sagar is re-appointed as a director immediately on retirement by rotation, he shall continue to hold office of MD & CEO and such reappointment as director shall not be deemed to constitute break in his appointment as the MD & CEO. Mr. Sagar is a committee member of the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.

Mr. Parmod Sagar satisfies all the applicable conditions as set out under Section 196 read with Schedule V of the Act for being eligible for the office of the MD & CEO. The Company has received from Mr. Sagar:

- i) Consent to act as the MD & CEO in the prescribed form DIR-2 pursuant to Section 152 of the Act and Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014;
- ii) Intimation in the prescribed form DIR-8 pursuant to Section 164 of the Act and Rule 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified to become a director under the Act,



iii) Declaration under Section 152 of the Act to the effect that he is not disqualified to become a director under the Act.

The material terms and conditions of the appointment of Mr. Parmod Sagar, as the MD & CEO, are as follows:

a) **Designation and period of appointment:**

Mr. Parmod Sagar has been appointed as the Managing Director and Chief Executive Officer ['MD & CEO'] under the provisions of Section 196 and all other applicable provisions, if any, of the Act. The aforesaid appointment of Mr. Sagar is for the period of 5 (five) years commencing from 4 April, 2018 and ending on 3 March, 2023, on continuation basis, without any interruption/ break in service. His period of office shall be liable to determination by retirement of directors by rotation.

b) **Remuneration:**

The terms and conditions of the appointment of Mr. Sagar, including remuneration, have been approved by the unanimous resolution passed by the Nomination & Remuneration Committee and the Board of Directors. Mr. Sagar shall be entitled to the remuneration, perquisites, allowances, reimbursement, etc. as listed below:

(i) **Basic Salary:**

Rs. 7,61,351 /- per month. The Nomination and Remuneration Committee, may decide the increments in salary, from time to time, subject to a maximum of Rs. 12,00,000/- per month. First increment shall be due from 1 April, 2018. Other allowances, bonus and perquisites linked with basic salary shall also proportionately increase.

(ii) **Allowances/Perquisites/Incentive:**

In addition to salary, Mr. Parmod Sagar will be entitled to:

- **Bonus:**

10% of Basic Salary.

- **Housing:**

Rent free furnished accommodation or House Rent Allowance in lieu thereof, either of which shall be subject to a maximum value of 50% of the basic salary.

- **Medical Reimbursement:**

Reimbursement of medical expenses incurred by self and dependent family members once a year, as per rule of the Company.

- **Leave Travel Allowance:**

Reimbursement of travelling expenses incurred by self and dependent family members once a year, as per rule of the Company.

- **Potential Bonus:**

Over and above the remuneration mentioned aforesaid up to a maximum of 30% of the gross annual salary (annual salary includes basic salary, perquisites, allowances, potential bonus and retirement benefits). This will be on the recommendation of Nomination and Remuneration Committee.

- **Other perquisites:**

Such as provision of car(s) and any other perquisites, benefits, amenities and incentive;

(iii) **Retirement benefits:**

- Contribution to Provident Fund, Superannuation Fund, National Pension Scheme and Gratuity as per the rules of the Fund/Scheme in force from time to time.

- Encashment of leave as per the rules of the Company in force from time to time.



(iv) **General:**

- In the event of absence or inadequacy of profits in any financial year, Mr. Parmod Sagar, shall be entitled to such remuneration as may be determined by the Board, which shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 2013 and Rules made there under or any statutory modification or re-enactment thereof.
- Perquisites shall be valued in terms of income tax rules or actual expenditure incurred by the Company in providing the benefit or generally accepted practice as is relevant.
- Provision of telephone (including at residence) shall not be reckoned as a perquisite.
- The aggregate remuneration (including salary, allowances, perquisites, incentive, retirement benefits and potential bonus) for any financial year shall be subject to an overall ceiling of 5% of the net profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 2013.
- Mr. Parmod Sagar will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.
- Mr. Parmod Sagar will be subject to all other service conditions as applicable to any other employee of the Company.

Taking into consideration the size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid to the incumbent is commensurate with the remuneration packages paid to similar senior level incumbents in other companies. The Board of Directors, therefore, recommends the Ordinary Resolution at Item No. 6 of the accompanying Notice for approval by the Members.

Copies of the relevant resolutions passed by the Board and other relevant documents relating to the aforesaid appointment of Mr. Sagar are available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company during business hours on any working day of the Company without payment of fee.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sagar, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice. The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

Item No. 7

Ratification of Remuneration of Cost Auditors

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. K. G. Goyal & Associates, Cost Accountants as the Cost Auditor for Financial Year 2017-18. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2018. None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice. The Board recommends the resolution set forth in Item No. 7 for the approval of the Members.

By Order of the Board

**New Delhi
8 August, 2017**

Sanjay Kumar
Company Secretary
(ACS-17021)

Map of AGM Venue

