

- (iii) **GRATUITY :**
Gratuity not exceeding one-half month's salary for each completed year of service, subject to a ceiling of Rs. 3,50,000/-.

CATEGORY C

- (i) **MOTOR CAR :**
Free use of Car with driver for the Company's business, all the expenditure in connection therewith to be borne by the Company.
- (ii) **TELEPHONE :**
Free telephone and fax facility at the residence.

Explanation :

Provisions of Car for use on the Company's business and telephone and fax at residence would not be considered as perquisites. Personal long distance calls on telephone and use of Car for private purpose would be billed to the Executive Director by the Company and reimbursed by him to Company.

OTHER ITEMS

- (i) **EARNED LEAVE :**
One month's leave with full pay and allowance for every completed eleven months of service. However, leave accumulated and not availed of during his tenure as Executive Director may be allowed to be encashed at the time of retirement as per the rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- (ii) **REIMBURSEMENT OF EXPENSES :**
Reimbursement of travelling, entertainment and other expenses incurred by him during the course of the business of the Company.
- (iii) **SITTING FEES :**
He is not entitled to sitting fees for attending Meetings of the Board or of a Committee thereof.
- (iv) **TERMINATION CLAUSE :**
The appointment shall be terminable by the Company giving to the Executive Director a notice of three months of such termination or on payment of three months salary in lieu thereof and by the Executive Director by notice of three months to the Company.

C. COMMISSION :

In addition to the above salary and perquisites, commission @ 3% of Net profits of the Company in a particular financial year, will be payable annually.

OTHER CONDITIONS

- (a) For all other terms and conditions not specifically spelt out above, the Rules and Orders of the Company shall apply.

Memorandum of Interest of Directors

Sri Deepak Kothari, Chairman & Managing Director and Sri Mitesh Kothari, Executive Director of the Company, being appointee themselves and sharing the relation of Father and Son with each other shall be deemed to be interested in their respective re-appointments.

No other Director of the Company is interested or concerned in these re-appointments.

for **KOTHARI PRODUCTS LTD.**

Date : 27th May, 2013
Place : Kanpur

Sd/-
(RAJ KUMAR GUPTA)
COMPANY SECRETARY

IMPORTANT INFORMATION

As per Securities and Exchange Board of India (SEBI) circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, it has been mandated that for making cash payments to the investors, companies whose securities are listed on the stock exchanges shall use, either directly or through their RTI & STA, any RBI (Reserve Bank of India) approved electronic mode of payment such as ECS [(LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT, etc.

In view of the aforesaid circular, the Company shall primarily make all cash payments (like dividends, etc.) only through RBI approved electronic mode of payment at the first instance.

Shareholders are hereby requested to update their Bank Account details with their respective depository participants (in case shares are held in Dematerialised form) and if the shares are being held in physical form, with our registrar & Share Transfer Agent M/s Alankit Assignments Ltd. at "Alankit House", 2E/21, Jhandewalan Extension, New Delhi 110 055 or write to the Company Secretary at the registered office of the Company or at the email id rkgupta@kothariproducts.in



KOTHARI PRODUCTS LIMITED

Regd. Off. : "Pan Parag House", 24/19, The Mall, Kanpur (U.P.)-208 001
Phone : +91 512 2312171-72-73-74 • Fax : +91 512 2312058
E-Mail : rkgupta@kothariproducts.in

To,

The Members,

SUB : ABSTRACT AND MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT, 1956

At the Board Meeting held on 23rd May, 2013, the Board of Directors of the Company have re-appointed Sri Deepak Kothari & Sri Mitesh Kothari as Chairman & Managing Director & Executive Director of the Company respectively for a period of three years with effect from 12th October, 2013 & 1st October, 2013 respectively on such remuneration as approved by the remuneration committee, subject to the approval of the members of the Company at the Annual General Meeting to be convened on 13th September, 2013.

An abstract of the aforesaid re-appointment and the Memorandum specifying the nature of the concern or interest of the Directors in the aforesaid re-appointments is being circulated in accordance with the provisions of Section 302 of the Companies Act, 1956.

Abstract of Re-appointment of Sri Deepak Kothari as Chairman & Managing Director

Appointee : Sri Deepak Kothari, Chairman & Managing Director

Period of Appointment : Three years (w.e.f. 12th October, 2013)

Consideration : Sri Deepak Kothari shall be entitled to the following remuneration w.e.f. 12th October, 2013 in consideration of the services rendered by him as Chairman & Managing Director of the Company :

A. SALARY :
Rs.90,000/- P.M.

B. PERQUISITES :
Such perquisites listed below as may be mutually decided between the Board and Sri Deepak Kothari, shall be payable to him, subject to maximum of Annual salary.

CATEGORY A

- (i) **HOUSING :**
- (a) The expenditure by the Company on hiring furnished accommodation for the Chairman & Managing Director will be subject to the ceiling of sixty percent of the salary, over and above ten percent payable by the Chairman & Managing Director; or
- (b) In case the accommodation owned by the Company is provided, ten percent of the salary of the Managing Director shall be deducted by the Company; or
- (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 clause (a) herein above.

Explanation :

The expenditure by the Company on gas, electricity, water & furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the salary of the Chairman & Managing Director.

- (ii) **MEDICAL REIMBURSEMENT :**
Expenses incurred in India or abroad for Medical treatment of self & his family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- (iii) **LEAVE TRAVEL CONCESSION :**
Leave travel concession for self and his family once in a year to and from any place in India or abroad subject to the condition that only actual fare shall be reimbursed.
- (iv) **CLUB FEES :**
Fees in respect of two clubs to be borne by the Company but not the admission or life membership fees payable to the clubs.

(v) **PERSONAL ACCIDENT INSURANCE :**

Accident Insurance for an amount the premium for which shall not exceed Rs.4,000/- per annum.

Explanation :

For the purpose of category 'A', 'family' means the spouse, dependent children and dependent parents of the Chairman & Managing Director.

CATEGORY B

(i) **PROVIDENT FUND :**

The Company's contribution to Provident Fund, as per rules of the Company, subject to a ceiling of 12% of the salary. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income-tax Act, 1961.

(ii) **BONUS :**

Payable as per Company Rules.

(iii) **GRATUITY :**

Gratuity not exceeding one-half month's salary for each completed year of service, subject to a ceiling of Rs. 3,50,000/-.

CATEGORY C

(i) **MOTOR CAR :**

Free use of Car with driver for the Company's business, all the expenditure in connection therewith to be borne by the Company.

(ii) **TELEPHONE :**

Free telephone and fax facility at the residence.

Explanation :

Provisions of Car for use on the Company's business and telephone and fax at residence would not be considered as perquisites. Personal long distance calls on telephone and use of Car for private purpose would be billed to the Chairman & Managing Director by the Company and reimbursed by him to Company.

OTHER ITEMS

(i) **EARNED LEAVE :**

One month's leave with full pay and allowance for every completed eleven months of service. However, leave accumulated and not availed of during his tenure as Chairman & Managing Director may be allowed to be encashed at the time of retirement as per the rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

(ii) **REIMBURSEMENT OF EXPENSES :**

Reimbursement of travelling, entertainment and other expenses incurred by him during the course of the business of the Company.

(iii) **SITTING FEES :**

He is not entitled to sitting fees for attending Meetings of the Board or of a Committee thereof.

(iv) **TERMINATION CLAUSE :**

The appointment shall be terminable by the Company giving to the Managing Director a notice of three months of such termination or on payment of three months salary in lieu thereof and by the Chairman & Managing Director by notice of three months to the Company.

C. COMMISSION :

In addition to the above salary and perquisites, commission @ 3% of Net profits of the Company in a particular financial year, will be payable annually.

OTHER CONDITIONS

(a) For all other terms and conditions not specifically spelt out above, the Rules and Orders of the Company shall apply.



**KOTHARI
PRODUCTS LIMITED**

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E-Mail : rkgupta@kothariproductions.in

Abstract of Re-appointment of Sri Mitesh Kothari as Executive Director

Appointee : Sri Mitesh Kothari, Executive Director

Period of Appointment : Three years (w.e.f. 1st October, 2013)

Consideration : Sri Mitesh Kothari shall be entitled to the following remuneration w.e.f. 1st October, 2013 in consideration of the services rendered by him as Executive Director of the Company :

A. SALARY :
Rs.75,000/- P.M.

B. PERQUISITES :

Such perquisites listed below as may be mutually decided between the Board and Sri Mitesh Kothari, shall be payable to him, subject to maximum of Annual salary.

CATEGORY A

(i) **HOUSING :**

- (a) The expenditure by the Company on hiring furnished accommodation for the Executive Director will be subject to the ceiling of sixty percent of the salary, over and above ten percent payable by the Executive Director; or
- (b) In case the accommodation owned by the Company is provided, ten percent of the salary of the Executive Director shall be deducted by the Company; or
- (c) In case no accommodation is provided by the Company, the Executive Director shall be entitled to house rent allowance, subject to the ceiling laid down in clause (a) herein above.

Explanation :

The expenditure by the Company on gas, electricity, water & furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the salary of the Executive Director.

(ii) **MEDICAL REIMBURSEMENT :**

Expenses incurred in India or abroad for Medical treatment of self & his family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

(iii) **LEAVE TRAVEL CONCESSION :**

Leave travel concession for self and his family once in a year to and from any place in India or abroad subject to the condition that only actual fare shall be reimbursed.

(iv) **CLUB FEES :**

Fees in respect of two clubs to be borne by the Company but not the admission or life membership fees payable to the clubs.

(v) **PERSONAL ACCIDENT INSURANCE :**

Accident Insurance for an amount the premium for which shall not exceed Rs.4,000/- per annum.

Explanation :

For the purpose of category 'A', 'family' means the spouse, dependent children and dependent parents of the Executive Director.

CATEGORY B

(i) **PROVIDENT FUND :**

The Company's contribution to Provident Fund, as per rules of the Company, subject to a ceiling of 12% of the salary. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income-tax Act, 1961.

(ii) **BONUS :**

Payable as per Company Rules.