

GKW Limited

Registered Office : "Central Plaza"
2/6, Sarat Bose Road, Office Space No: 406,
4th Floor, Kolkata-700 020,
Telephone No.: 4008 0742/4008 0744
Email Id: gkwcal@rediffmail.com
CIN L27310WB1931PLC 007026
website : www.gkw ltd.com

NOTICE

Notice is hereby given that the 85th Annual General Meeting of the Members of GKW Limited will be held on Wednesday, 12th August, 2015 at 11:00 a.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 to transact the following businesses:

AS ORDINARY BUSINESS

1. To consider and adopt:
 - (a) The Audited Financial Statement for the year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon; and
 - (b) The Audited Consolidated Financial Statement of the Company for the year ended 31st March, 2015.
2. To appoint a Director in place of Mr. G. Srinivasan (DIN: 00277494) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and for that purpose to consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as an Ordinary Resolution:
"**RESOLVED THAT** in the terms of Section 139 of the Companies Act, 2013 the appointment of Lodha & Co., Chartered Accountants of 14, Government Place East, Kolkata 700 069, (Firm's Registration No. 301051E), be and is hereby ratified for the year 2015-2016, who was appointed by the Members at the Annual General Meeting of the Company held on 13th August, 2014, to hold office as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors of the Company plus out-of-pocket expenses as may be incurred by them in connection with the audit".

AS SPECIAL BUSINESS

4. To appoint Ms. Sucharita Basu De as Independent Director on the Board of the Company.
To consider and, if thought fit, to pass with or without modification the following Resolution which will be proposed as an Ordinary Resolution:
"**RESOLVED THAT** Ms. Sucharita Basu De (DIN: 06921540) be and is hereby appointed as an Independent Director on the Board of Directors of the Company upto 5 (five) consecutive years with effect from 11th November, 2014 and whose office shall not be liable to retirement by rotation".
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:
"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 or any amendment or modifications or re-enactment thereof and subject to such other approvals, as may be necessary, the Company hereby approves the re-appointment and payment of remuneration to Mr. J.D. Curravala (DIN:00277426) as Managing Director of the Company with effect from 11th August, 2015 for a period of 1 (one) year on the terms and conditions including remuneration as set out in the Draft Agreement to be executed by the Company with Mr. J.D. Curravala the salient terms and conditions of which are contained in the Explanatory Statement, with liberty to the Board of Directors to vary the terms and conditions of the said re-appointment and/or Agreement within the limit specified in Schedule V to the Companies Act, 2013 or any amendment or modifications or re-enactment thereto, as may be agreed to between the Board of Directors and Mr. J.D. Curravala".
"**RESOLVED FURTHER THAT** where in any financial year the Company has no profit or its profits are inadequate, the Company do pay to Mr. J. D. Curravala remuneration by way of total monthly remuneration as set out in the Draft Agreement specified above, as the minimum remuneration for a period not exceeding 1 (one) year from the date of re-appointment".
"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary and desirable to give effect to this Resolution".

Registered Office:
"Central Plaza", 2/6, Sarat Bose Road,
Office Space No: 406,
4th Floor, Kolkata-700 020
Dated: 13th May, 2015

By Order of the Board

J. N. Ghosh
Vice President & Secretary

NOTES:

- i) The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
- ii) The Register of Members and Share Transfer Books will remain closed from 3rd August, 2015 to 12th August, 2015 both days inclusive
- iii) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company.
A person can act as 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 person shall not act as a Proxy for any other Member.
- iv) Members are requested to notify any change in their addresses to the Company's Registrar and Share Transfer Agents, C.B. Management Services Private Limited, P-22, Bondel Road, Kolkata 700 019. (Phone No. 033-40116700, Email: rta@cbsml.com) for recording any change of address(es), bank mandate(s), NESC or nomination(s).
- v) The Ministry of Corporate Affairs ("MCA") has issued a Circular No. 17/2011 dated 21st April, 2011 on a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and also clarifying that the service of document can be made through electronic mode provided the Company has obtained e-mail address(es) of its members for sending the notices/documents. The Company has therefore decided to issue this intimation to every shareholder to register their e-mail address(es) and changes therein from time to time with the Company's Registrar and Share Transfer Agents or with Concerned Depository Participant. In the meantime the Company proposes to send the documents calling the Annual General Meeting, the audited accounts, directors' report, etc., for the year ended 31st March, 2015 in the electronic form to the e-mail address provided by you and made available to us by the depositories.
- vi) The ISIN number allotted to the Company is INE 528A 01020. In view of the advantages offered by the depository system, members are requested to avail of the facility of dematerialization of the Company's shares.
- vii) Members who have multi-accounts in identical name and address or in joint names in the same order are requested to intimate the Company the ledger folios of such accounts for consolidating their shareholding into one account.
- viii) Individuals holding shares singly or jointly, with upto two persons may nominate another person to whom the shares shall vest in the event of the shareholders' death. Form SH 13 has been prescribed for the purpose. Blank forms are available from the Company's Secretarial Department and at the office of the Registrars and Share Transfer Agents of the Company.
- ix) The Company had opened a bank account "Unclaimed Suspense Account - GKW Limited" with Axis Bank Ltd., 7 Shakespeare Sarani, Kolkata 700 071 as one of the Depository Participants. The shares have been transferred in to the Demat Account to comply with the Clause 5A(h) of the Listing Agreement for the shares unclaimed by the Shareholders due to insufficient/ incorrect information or for any other reason, in demat mode to one folio. The required particulars of "Unclaimed Suspense Account – GKW Limited" pursuant to Clause 5A(h) of the Listing Agreement have been provided in the Corporate Governance Report.
- x) In accordance with the Companies Act, 2013 it is informed that Mr. G. Srinivasan retires by rotation in accordance with the Articles of Association of the Company at the forthcoming Annual General Meeting, and being eligible, has offered himself for re-appointment. Ms. Sucharita Basu De will be appointed as an Independent Director at the forthcoming Annual General Meeting as per Item No. 4 upto a consecutive period of 5 (five) years in accordance with Section 149(10) of the Companies Act, 2013. Mr. J.D. Curravala will also be re-appointed as Managing Director as proposed in the Notice as per item No. 5.
- xi) The Members are requested to register their e-mail address and changes therein with the Company and/or DP in order to enable the Company to send all communications to their e-mail address only.
- xii) The Notice of the AGM of the Company inter alia indicating the manner of e-Voting process along with printed Attendance slip, e-voting particulars and Proxy Form is being despatched to all the members. Initial log in ID and password is provided at the bottom of the Attendance Slip/Proxy Form for the AGM.
- xiii) Members are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.
- xiv) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued there under be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

VOTING THROUGH ELECTRONIC MEANS

- (i) According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended, e-voting is mandatory for all listed Companies or Companies having members not less than one thousand.

- (ii) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is providing members the facility to exercise their right to vote for the resolutions of the Annual General Meeting (AGM) by electronic voting system through remote e-voting. However, facility for voting through ballot papers shall be made available at the meeting.
- (iii) Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as of the cut-off date i.e. 5th August, 2015, also may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, C B Management Services (P) Ltd. P-22, Bondel Road, Kolkata – 700 019, (Phone +91 4011 6700/ 2280 6692/2282 3643/2287 0263; Fax +91 4011 6739 e-mail : rta@cbmsl.com) or NSDL (Phone +91 22 2499 4600). The detailed procedure for obtaining User ID and password is also provided along with the Notice of the meeting which is available on Company's website. If the member is already registered with NSDL for e-voting then he can use his existing user ID and password for casting the vote through remote e-voting. If you forgot your password you can reset your password by using "Forgot user Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the followings toll free no. 1800-222-990.
- (iv) The e-voting shall remain open from 9th August, 2015 (9.00 a.m.) till 11th August, 2015 (5.00 p.m.).
- (v) During the period the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 5th August, 2015 may opt for remote e –voting.
- (vi) The company provides the voting by Ballot papers which may be used for voting only by members attending the meeting.
- (vii) A public notice shall be placed on the website of the company, and of the agency for the resolutions to be considered for the e-voting.
- (viii) At the end of the remote e-voting period, the facility shall forthwith be blocked.
- (ix) The Board of Directors has appointed Mr. Arup Kumar Roy, Practicing Company Secretary (Membership No.6784) as the scrutinizer for e-voting to unblock the votes cast through remote e-voting in favour or against each resolution and to report forthwith to the Managing Director. The scrutinizer will be responsible to conduct e--voting in a fair and transparent manner.
- (x) For redressal of grievance the members may contact Mr. Kuntal Mustafi c/o C.B. Management Services Pvt. Ltd., P-22 Bondel Road, Kolkata-700019, Phone No.: (033) 4011 6739 and e-mail address mustafik@cbmsl.co
- (xi) The scrutinizer shall after the conclusion of voting at the Annual General meeting will first count the votes cast at the Annual General Meeting and 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 shall make, not later than three days of the conclusion of the Annual General Meeting, 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 and declare the results of the voting forthwith.

THE PROCEDURE/INSTRUCTIONS FOR E-VOTING ARE AS UNDER:

The procedure with respect to e-voting is provided below:

- A) In case of Members receiving notice by e-mail from NSDL:
 - i. Open e-mail and open the attached PDF file viz; "gkwlimited.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
 - ii. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
 - iii. Click on "Shareholder-Login".
 - iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
 - v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".
 - vii. Select "E Voting Event Number (EVEN)" of GKW Limited for casting your vote.
 - viii. Now you are ready for e-voting as "Cast Vote" page opens.
 - ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.
 - x. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xi. Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to arupkroy@rediffmail.com with a copy marked to evoting@nsdl.co.in.
- B) In case of Members receiving Notice of Annual General Meeting by post:
 - a. Initial password is provided on the Attendance Slip for the AGM.
 - b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.

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- i) In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at www.evoting.nsdl.com or call on toll free no. 1800-222-990
- ii) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- iii) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- iv) The details instruction for e-voting through electronic means are also being circulated to the members along with the Notice of Annual General Meeting.
- v) The Results of the e-voting will be declared not later than three days of conclusion of the AGM i.e. 14th August, 2015. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.gkw ltd.com and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the National Stock Exchange where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE MEETING ARE GIVEN BELOW :

Name of Director	Mr. J. D. Curravala	Mr. G. Srinivasan	Ms. Sucharita Basu De
Age	75 years	71 years	39 years
Date of Appointment	11.08.1989	10.05.2013	11.11.2014
Qualifications	B.Com, A.C.A, LL.B.	B.E. (Mech.), D.I.M.	LL.B.
Exposure in specific functional areas	Having wide experience in Finance, Administration, Corporate Management and Business operations.	Having wide experience in the Industry with the expertise in the field of Engineering and Operations	An Associate Partner of Khaitan & Co. She has extensive work experience in commercial and corporate agreements, joint venture and financing transactions, real estate, trust laws and litigation and has led and been involved in numerous transactions involving the above.
Directorship held in other companies (excluding foreign companies)	Graphite India Limited (Director)	NIL	Harrisons Malayalam Limited STEL Holdings Limited Pilani Investment and Industries Corporation Limited Gillanders Arbuthnot & Co Ltd James Warren Tea Limited CESC Properties Ltd. Khaitan Consultants Ltd., Murlidhar Ratanlal Exports Ltd. Rainbow Investments Ltd.,
Member of Committees of the Board of Directors	i) Committee of Directors (Chairman) ii) Transfer Committee (Member) iii) Corporate Social Responsibility Committee (Chairman) iv) Risk Management Committee (Chairman)	i) Committee of Directors	i) Nomination & Remuneration Committee (Member) ii) Stake Holder Relationship Committee (Member) iii) Transfer Committee (Member)
Member of Committees of Directors of other Companies	i) Investment Committee of Graphite India Ltd. ii) Audit Committee of Graphite India Ltd.	NIL	i) Audit Committee and CSR Committee of Gillanders Arbuthnot & Co. Ltd. ii) Audit Committee and Stakeholder Relationship Committee of Pilani Investment and Industries Corporation Limited
Shareholding in Company	100 Shares (Joint Holding)	50 Shares (Joint Holding)	NIL

EXPLANATORY STATEMENT

The Explanatory Statement for Item Nos. 4 and 5 of the accompanying Notice set out hereinabove is as under:

Resolution No. 4

Ms. Sucharita Basu De was appointed as Additional Director on the Board of Directors of the Company w.e.f. 11th November, 2014. She is a Lawyer and is an associate Partner of Khaitan & Co. and has extensive work experience in commercial and corporate agreements, joint venture and financing transactions, real estate, trust laws and litigation and has led and been involved in numerous transactions involving the above.

In accordance with Section 150(2) of the Companies Act, 2013, Ms. Basu De will be appointed as an Independent Director on the Board of Directors upto a consecutive period of 5 (five) years with effect from 11th November, 2014. Considering her expertise in the field of law and experience in allied areas, the Board of Directors has chosen her for appointment as Independent Director of the company.

Ms. Basu De is not disqualified from being appointed as Director in terms of section 164 and having consented to act as an Independent Director. She is not holding any shares of the company. The Nomination and Remuneration Committee of Directors had recommended Ms. S. Basu De as Director on the Board of the Company.

The Company has received a notice in writing from the member signifying her candidature for the office of the director of the company.

No Director, other key managerial personnel and their relatives, except Ms. Basu De is concerned or interested financially or otherwise in this Resolution.

The Board therefore, recommends her appointment as an Independent Director.

Resolution No 5

The Nomination and Remuneration Committee of Directors approved the re-appointment and remuneration payable to Mr. J.D. Curravala as Managing Director of the Company for a period of one year with effect from 11th August, 2015 on the terms and conditions as set out in the Draft Agreement to be executed between the Company and Mr. J. D. Curravala, pursuant to the provisions of Schedule V of the Companies Act, 2013 and recommended the same to the Board of Directors ("the Board") for its consideration and approval.

The Board at its Meeting held on 13th May, 2015 approved the re-appointment and remuneration payable to Mr. J. D. Curravala as the Managing Director for a period of 1 (one) year with effect from 11th August, 2015 on the terms and conditions as set out in the Agreement to be entered into between the Company and Mr. Curravala. The material terms of Mr. J.D. Curravala's appointment are as under:-

Mr. J. D. Curravala ("Mr. Curravala") shall be the Managing Director of the Company for a period of 1 (one) year with effect from 11th August, 2015 and shall perform such duties and exercise such powers as are or may from time to time be lawfully entrusted to and vested in him by the Board of the Company.

Mr. Curravala has been responsible for restructuring the Company and conceiving and implementing the turnaround strategy which resulted in the Company emerging from loss to profitability. Having regard to the qualifications, experience of Mr. J.D. Curravala as stated under BACKGROUND DETAILS, the Board of Directors of the Company is of the opinion that Mr. Curravala will be eminently suitable to continue as Managing Director of the Company for a period of 1 (one) year with effect from 11th August, 2015.

The following are the salient terms and conditions of re-appointment of Mr. J.D. Curravala as Managing Director of the Company:

Salary: ₹450000/- per month in the scale of ₹ 200000/- - ₹ 700000/- with an authority to the Nomination and Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary/perquisites payable to Mr. Curravala within the limit specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any amendment or modifications or re-enactment thereof.

1. **Commission :** In addition to the salary and perquisites, Mr. Curravala will be entitled to such commission based on the net profit of the company in any financial year not exceeding 1% of such profit as the Board or the Nomination and Remuneration Committee shall decide having regard to the performance of the Company.
The above Salary and Commission are subject to the limits specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any modifications or re-enactment thereof.
2. Mr. Curravala will also be entitled to Provident Fund, Superannuation Fund, Gratuity and leave encashment and other benefits, amenities and facilities in accordance with the Company's Scheme(s)/ Rule(s) applicable in this regard.
Such perquisites shall not be included in the computation of the ceiling on remuneration as aforesaid.
3. Mr. Curravala will also be entitled to House Rent Allowance and Leave Travel Allowance as per the rules of the Company.
4. Provision of cars for use on Company's business and telephones at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Curravala.

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5. Mr. Curravala shall be entitled to Earned/Privilege Leave as per rules of the Company. Leave accumulated and not availed of during his tenure in the service of the Company may be allowed to be encashed at the time of his retirement as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of perquisites.
6. In the event of loss or inadequacy of profits in any financial year the remuneration by way of total monthly remuneration as specified above payable to Mr. Curravala shall be the same but shall not exceed the limits prescribed under the Companies Act, 2013 and the Rules made thereunder or any statutory modification or re-enactment thereof.
Mr. J.D. Curravala satisfies all the conditions set out in the Schedule V of the Companies Act, 2013, as applicable, as also conditions set out under Sub Section (3) of Section 196 of the Act for being eligible for his re-appointment.
7. Mr. J.D. Curravala is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and having consented to act as Managing Director of the Company.
8. Mr. J. D. Curravala has attained the age of 75 years, hence the continuation of his employment as the Managing Director requires approval by the members by special resolution which is in conformity with section 196 (3) read with Part I of Schedule V of the Companies Act, 2013. Therefore, the Company complies with the conditions of his appointment as Managing Director in terms of the aforesaid Section and Part I of Schedule V of the Act.
The Board recommends this Resolution for approval.
A copy of the Draft Agreement referred to in the Resolution will be available for inspection by the Members at the Registered Office of the Company between the hours of 11.00 A.M. and 1.00 P.M. on any working day prior to the date of the meeting and will also be available at the meeting.
No Director, other key managerial personnel and their relatives, except Mr. J.D. Curravala is concerned or interested financially or otherwise in this Resolution.

(FOR ITEM NO.5)

STATEMENT PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013 TO BE CIRCULATED TO THE SHAREHOLDERS ALONG WITH THE NOTICE CALLING THE ANNUAL GENERAL MEETING ON 12th August, 2015.

I. General Information : -

- (1) Nature of industry

Engineering :

Manufacturing Mild steel pressed components, warehousing and logistics.

- (2) Date or expected date of commencement of commercial production

Not Applicable

- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable

- (4) Financial performance based on given indicators

Financial parameters :

	Year (₹ Lakhs)	
	2013-2014	2014-2015
Total Revenue	2402	2332
Net profit/(loss)	(24329)	(24012)
(as computed under section 198)		
Net profit/(loss) as per Statement of profit and loss	371	106
Amount of dividend paid	—	—
(5) Foreign investments or collaborations, if any	—	—

II. Information about the appointee :

- (1) Background details

Mr. J.D. Curravala was born on 21st October, 1939 and on completion of his graduation from Bombay University qualified as a Chartered Accountant from the Institute of Chartered Accountants of India. He also obtained a bachelor's degree in law.

Mr. J. D. Curravala worked with Stewarts & Lloyds Limited, U.K. as Financial Accountant during April 1966 to January 1970. During these four years at U.K. he also attended a training course titled 'Production appreciation for Accountants'. He joined the Company in April 1970 as an Accountant in one of the operating divisions. He was soon promoted as Manager – Accounts of the division. In order to provide Mr. Curravala exposure to Company's operations he was appointed General Manager – Operations of a division in 1984 and later in 1987 he was appointed Chief Executive of a division with overall responsibility for achieving the budgeted profitability of the division. Following the restructuring of the Senior Management of the Company in 1988, Mr. Curravala was appointed Chief Executive – Finance with effect from 1.5.1988 and later from 11.8.1989 he was promoted as Director – Finance of the Company.

Mr. J. D. Curravala has attended the GKN Group (Management Development programme held in Cambridge, U.K. in 1978) followed by industrial visits to various establishments of the GKN Group in U.K. The Management Development programme of GKN was attended by Senior Executives of all GKN Group Companies located all over the world and the faculty was drawn from eminent personalities in various fields. The programme allowed the nominee to gain rich experience through interaction with his colleagues from different parts of the world.

Mr. J. D. Curravala has over 48 years of experience of working in India and in U.K. He has the unique experience of working as General Manager – Operations of a division and as Chief Executive of a division which has allowed him to have a deep insight into the intricacies of Company's business which is extremely useful in his current assignment. As Director – Finance, Mr. Curravala had the overall responsibility for the effective and efficient functioning of the Finance, Budget, MIS, Accounts and Taxation functions of the Company. He was responsible for formulating the policies, procedures and systems relating to Financial Accounting, Cost Accounting, Funds procurement and management, Budgeting, Management Information System and Taxation. He was responsible for all financial negotiations with banks, financial institutions and other external agencies. Management of working capital and appraisal of all capital expenditure proposals including their financial implications also formed part of Mr. Curravala's responsibility. He was responsible for ensuring availability of adequate funds for running the operations of the Company and also to ensure optimum utilization of all resources of the Company.

Considering the critical importance of finance function in the Company, Mr. Curravala was appointed a Wholtime Director of the Company designated as Director – Finance with effect from 11th August, 1989. Mr. Curravala was part of the top management team which formulated and implemented the turnaround strategy for the Company and put it back on the path of profitability.

Thereafter, the Board of Directors of the Company appointed him as Managing Director of the Company with effect from 22nd June, 1995 which position he has been holding at present.

(2) Past remuneration

	(₹ Lakhs)	
	31-03-14	31-03-15
Salary	42.00	54.00
Perquisites / Others	13.09	18.30
Total	55.09	72.30

(3) Recognition or awards : None

(4) Job profile and his suitability :

Mr. J. D. Curravala has been working as Managing Director of the Company since June, 1995 for nearly 20 years. Mr. Curravala has been responsible for restructuring the Company and conceiving and implementing the turnaround strategy which resulted in the Company emerging from loss to profitability. Having regard to the qualifications, experience of Mr. J.D. Curravala as stated under BACKGROUND DETAILS, the Board of Directors of the Company is of the opinion that Mr. Curravala will be eminently suitable to continue as Managing Director of the Company for a period of 1 (one) year with effect from 11th August, 2015.

(5) Remuneration proposed

- i) **Salary** : ₹ 450000 /- per month in the scale of ₹ 200000 /- - ₹ 700000 /- with an authority to the Nomination and Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary/ perquisites payable to Mr. Curravala within the limit specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any modification or re-enactment thereof with the authority to the Nomination and Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary payable to Mr. Curravala.
- ii) **Commission** : In addition to the salary and perquisites, Mr. Curravala will be entitled to such commission based on the net profit of the company in any financial year not exceeding 1% of such profit as the Board or Nomination and Remuneration Committee shall decide having regard to the performance of the Company.
- iiia) Mr. Curravala will also be entitled to Provident Fund, Superannuation Fund, Gratuity and leave encashment and other benefits, amenities and facilities in accordance with the Company's Scheme(s)/Rule(s) applicable in this regard. Such perquisites shall not be included in the computation of the ceiling on remuneration as aforesaid.
- iiib) Mr. Curravala will also be entitled to House Rent Allowance and Leave Travel Allowance as per the Rules of the Company.
- iiic) Provision of cars for use on Company's business and telephones at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Curravala.

GKW LIMITED

- ii) Mr. Curravala shall be entitled to Earned/Privilege Leave as per rules of the Company. Leave accumulated and not availed of during his tenure in the service of the Company may be allowed to be encashed at the time of his retirement as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of perquisites.
- ie) In the event of loss or inadequacy of profits in any financial year the minimum remuneration as specified above by way of salary, payable to Mr. Curravala shall be the same, but shall not exceed the limits prescribed under the Companies Act, 2013, and the Rules made thereunder or any statutory modification or re-enactment thereof.

Other terms and conditions are set out in the Draft Agreement between Mr. J. D. Curravala and the Company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person. (In case of expatriates the relevant details would be with reference to the Company of its origin).

While approving the re-appointment and remuneration payable to the Managing Director, the Nomination and Remuneration Committee considered the challenges posed by the competitive environment prevailing in the country due to the economic slowdown as also the paucity of availability of the senior managerial personnel at Board level and also the comparative remunerative progression of such personnel in the recent context. The Committee considered the achievement of Mr. J. D. Curravala, Managing Director in turning around the Company from loss making to a profit making Company and responsibilities cast upon him for steering the Company in a competitive scenario. It may also be noted that the profile of the incumbent Managing Director is eminently suited to the overall profile of this position.

The Committee has also taken into account Schedule V of the Companies Act, 2013 due to absence of profit and remuneration which has been fixed based on the Schedule referred above. The Committee has taken into account, financial position of the company, trend in the industry, Mr. Curravala's qualification, experience, past performance, past remuneration, etc and being in a position to bring about objectivity in determining the remuneration package, striking a balance between the interest of the company and the shareholders. The Committee felt it necessary to fix his remuneration within the statutory limit prescribed in Schedule V to the Companies Act, 2013.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

NIL

III. Other information :

- (1) Reasons of loss or inadequate profits

Due to recession in the industry in general and engineering/automobile industry in particular, coupled with high interest burden and high manpower costs resulted in accumulated losses which arose in the earlier years. Even though the Company has made profit in the last nine years, there has been inadequacy of profits.

- (2) Steps taken or proposed to be taken for improvement. The Company has already taken appropriate steps to restructure its businesses in order to attain profitability. The Company has been consistently making profits since 2005-06. The Company has already achieved net profit of ₹ 106 lakhs for the year 2014-2015.

(3) Expected increase in productivity and profits in measurable terms :

The expected productivity and profits in measurable terms are as follows:

(₹ Lakhs)

	<u>2014-15</u>	<u>2015-16</u>
	Actual	Estimate
Total Revenue	2332	3400
PBDIT	197	900

Profitability is expected to improve in 2015-16.

Registered Office:

By Order of the Board

"Central Plaza"

2/6, Sarat Bose Road, Office Space No: 406,

4th Floor, Kolkata-700 020

Dated: 13th May, 2015

J. N. Ghosh

Vice President & Secretary