GKW Limited

To The Members of
GKW Limited,

Dear Sir/Madam,

Abstract under Section 302 of the Companies Act, 1956

The Board of Directors of the Company ("the Board") at its Meeting held on 23rd May, 2012 has, subject to the approval of the Members by way of Special Resolution and in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and applicable provisions, if any, of the Companies Act, 1956 or any amendment or modifications thereof and subject to such other approvals, as may be necessary, re-appointed Mr. J. D. Curravala ("Mr. Curravala") as Managing Director of the Company with effect from 11th August, 2012. On the recommendation of the Remuneration Committee, the Board has also approved the terms and conditions of Mr. Curravala's re-appointment and remuneration as per the Draft Agreement which was approved and that the Board do act and vary the terms and conditions of the said re-appointment and/or Agreement within the limit specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto, as may be agreed to between the Board and Mr. Curravala.

Mr. Curravala is a qualified Chartered Accountant and member of the Institute of Chartered Accountants of India. He also obtained a Bachelor Degree in law. Mr. Curravala has extensive experience of working in India and the U.K. He was responsible for formulating the policies, procedures and systems relating to financial accounting, cost accounting, fund procurement and management, budgeting, management information system and taxation and also responsible for financial negotiations with the Banks, FI and external agencies, etc. and was in charge of operation of all the Divisions of the Company. Mr. Curravala is a 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. Mr. Curravala has been responsible for restructuring the Company. Mr. Curravala is presently responsible for day to day management of the Company's affairs and in particular he is responsible for implementation of the policies of the Board of Directors of the Company.

As required under Section 302 of the Companies Act, 1956 an abstract of the terms and conditions of Mr. Curravala as Managing Director together with the memorandum of concern or interest is as set out below:-

1. **Tenure of re-appointment :** 11th August, 2012 to 10th August, 2013

2. **Nature of duties :** Subject to the superintendence, control and direction of the Board, Mr. Curravala will be responsible for the day to day management of the Company's affairs and in particular he shall be responsible for the implementation of the Board's policies. Mr. Curravala shall devote the whole of his time and attention to the business and affairs of the Company and shall exercise such other powers and perform such other functions as may from time to time be entrusted to or conferred upon him by the Board.

3. **Remuneration :**

   (a) **Salary :** Rs.3,50,000/- per month in the scale of Rs.2,00,000/- - Rs.5,00,000/- with an authority to the Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary payable to Mr. Curravala.

   (b) **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 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 XIII of the Companies Act, 1956 and the Rules made thereunder or any modification or re-enactment thereof.

(c) Mr. Curravala will also be entitled to Provident Fund, Superannuation Fund, Gratuity and leave encashment and other benefits, amenities and facilities, if any, 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.

(d) 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.

(e) In the event of loss or inadequacy of profits in any financial year the minimum 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, 1956 and the Rules made thereunder or any statutory modification or re-enactment thereof.

(f) 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 shall not be included in the computation of perquisites.

Other terms of appointment :

The Agreement between Mr. Curravala and the Company may be terminated without prejudice :

(a) by the Company by giving Mr. Curravala 3 months' notice in writing or such shorter notice as the Board may determine or by paying him 3 months' salary in lieu of notice;

(b) by Mr. Curravala giving to the Company 3 months' notice in writing or such shorter notice as the Board may agree.

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

The Board of Directors ("the Board") at the said meeting held on 23rd May, 2012 has, subject to the approval of the members by way of Special Resolution and in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and applicable provisions, if any, of the Companies Act, 1956 or any amendment or modifications thereof and subject to such other approvals, as may be necessary, re-appointed Mr. G. Srinivasan ("Mr. Srinivasan") as Wholetime Director of the Company with effect from 13th September, 2012. On the recommendation of the Remuneration Committee, the Board has also approved the terms and conditions of Mr. Srinivasan's re-appointment and remuneration as per the Draft Agreement which was approved and that the Board do act and vary the terms and conditions of the said re-appointment and/or Agreement within the limit specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto, as may be agreed to between the Board and Mr. Srinivasan.

Mr. Srinivasan is a Graduate Mechanical Engineer. He has a considerable number of years of experience in various fields of industry and was personally responsible for the operations of the various divisions of the Company. Mr. Srinivasan was a part of the top management team which was in the process of implementing a turn around strategy for the Company.

As required under Section 302 of the Companies Act, 1956 an abstract of the terms and conditions of Mr. Srinivasan as Wholetime Director together with the memorandum of concern or interest is as set out below:-

1. **Tenure of re-appointment :** 13th September, 2012 to 12th September, 2013

2. **Nature of duties :** Mr. Srinivasan shall faithfully and diligently serve the Company and unless otherwise determined by the Board devote the whole of his time and attention to the performance of his duties as have been or may from time to time be entrusted to him by the Board or Managing Director of the Company either alone or jointly with any other person or persons as the Board or Managing Director of the Company may determine provided always that Mr. Srinivasan shall not at any time whether subject to the superintendence, control or direction of the Board or not have or be entitled to have the management of the whole or substantially the whole of the affairs of the Company.

3. **Remuneration :**

   (a) **Salary :** Rs.2,75,000/- per month in the scale of Rs. 2,00,000/- - Rs. 4,00,000/- with an authority to the Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary payable to Mr. Srinivasan.

   (b) **Commission** : In addition to the salary and perquisites, Mr. Srinivasan 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 Remuneration Committee shall decide having regard to the performance of the Company.

   (c) **Perquisites :** Mr. Srinivasan shall be entitled to perquisites, like house rent allowance, gas and electricity, LTA, club fees, personal accident insurance and medical reimbursement as recommended by the Remuneration Committee and shall be restricted to an amount of Rs.60,000/- per month with an authority to the Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the perquisites payable to Mr. Srinivasan.

   The above salary, commission and perquisites are subject to the limits specified in Schedule XIII of the Companies Act, 1956 and the Rules made thereunder or any modification or re-enactment thereof.

   (d) Mr. Srinivasan will also be entitled to Provident Fund, Superannuation Fund, Gratuity and leave encashment and other benefits, amenities and facilities, if any, 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.

   (e) 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. Srinivasan.

   (f) In the event of loss or inadequacy of profits in any financial year the minimum remuneration by way of total monthly remuneration as specified above, payable to Mr. Srinivasan shall be the same, but shall not exceed the limits prescribed under the Companies Act, 1956 and the Rules made thereunder or any statutory modification or re-enactment thereof.

   (g) Mr. Srinivasan 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 shall not be included in the computation of perquisites.

Other terms of appointment :

The Agreement between Mr. Srinivasan and the Company may be terminated without prejudice :

(a) by the Company by giving Mr. Srinivasan 3 months' notice in writing or such shorter notice as the Board may determine or by paying him 3 months' salary in lieu of notice;

(b) by Mr. Srinivasan giving to the Company 3 months' notice in writing or such shorter notice as the Board may agree.

The other terms and conditions are set out in the Draft Agreement between Mr. G. Srinivasan and the Company.

Memorandum of Concern or Interest

Mr. J. D. Curravala and Mr. G. Srinivasan are concerned or interested in the re-appointments and the terms mentioned above.

By order of the Board

(J. N. Ghosh)
Vice President & Secretary

Registered Office
3A,Shakespeare Sarani,
Kolkata 700 071

Dated: 24th May, 2012

BOOK POST

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