



## AIA Engineering Limited

[CIN:L29259GJ1991PLC015182]

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## NOTICE

Notice is hereby given that the **TWENTY NINTH ANNUAL GENERAL MEETING** of the members of **AIA ENGINEERING LIMITED** will be held on Monday, the 12 August 2019 at 10.00 A.M. at H. T. Parekh Convention Center, Ahmedabad Management Association, "ATIRA Campus", Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheets as at 31<sup>st</sup> March, 2019 and the Statements of Profit and Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mrs. Khushali Samip Solanki (DIN 07008918), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations") the approval of the members be and is hereby accorded to the material related party transactions entered/to be entered into and carried out in the ordinary course of business and at arm's length price with Welcast Steels Limited (WSL), a Subsidiary of the Company and Related Party as per Indian Accounting Standard (Ind AS) 24, for the purchase of goods during the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 for an aggregate amount, which may exceed the threshold limit of 10 percent of annual consolidated turnover of the Company for the Financial Year 2018-19 on the terms and conditions as mentioned in the Contract Manufacturing Agreement entered into by the Company with WSL on 1st January, 2019.

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

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other provisions, if any, of the Companies Act 2013, read with 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 members be and is hereby accorded to ratify the remuneration, decided by the Board of Directors on the recommendations of the Audit Committee, of ₹ 4.00 Lakhs payable to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad appointed by the Board to conduct the audit of cost records of the Company for the Financial Year ending on 31<sup>st</sup> March, 2020.

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

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

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by Nomination and Remuneration Committee, Mrs. Janaki Udayan Shah (DIN: 00343343), who was appointed as an Additional Director of the Company with effect from 26th March, 2019, pursuant to Section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her appointment as an Independent Director and who has submitted the declaration that she meets the criteria of Independence as provided under the Act and the SEBI LODR Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 12<sup>th</sup> August, 2019."



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

**“RESOLVED THAT** pursuant to the provisions of Section 197 and 198 and any other applicable provisions of the Companies Act, 2013 (Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(6) (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) Regulations as amended by the SEBI LODR Regulations (Amendment) Regulations, 2018, a sum of ₹ 22.50 Lakh per annum be paid to and distributed to Mr. Sanjay S. Majmudar (DIN: 00091305), a Non-Executive, Independent - Director of the Company by way of Commission and/or in such manner as may be decided between him and Company and such payments shall be made in respect of the profits of the Company for Financial Year 2019-20.

**RESOLVED FURTHER THAT** the above remuneration shall be in addition to the fees payable to the Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulations 17(1A), 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Rajendra S. Shah (DIN: 00061922), who was appointed as an Independent Director for first term of five (5) consecutive years from 11.09.2014 to 10.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 11<sup>th</sup> September, 2019 even after he attains the age of seventy five years.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Sanjay S. Majmudar (DIN: 00091305), who was appointed as an Independent Director for first term of five (5) consecutive years from 11.09.2014 to 10.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 11<sup>th</sup> September, 2019.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force ) and Regulation 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Dileep C. Choksi (DIN: 00016322), who was appointed as an Independent Director for first term of five (5) consecutive years from 11.09.2014 to 10.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 11 September 2019.”

By Order of the Board of Directors,

Place: Ahmedabad  
Date: 27<sup>th</sup> May 2019

**(S. N. Jetheliya)**  
Company Secretary

## NOTES

1. The Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, are annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company.

The instrument of proxy in order to be effective must be received at the Registered Office/Corporate Office of the Company duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is annexed herewith. Proxy Form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable, authorising their representative to attend and vote on their behalf at the meeting.

3. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, 6th August, 2019 to Monday, 12th August, 2019 (both days inclusive) for annual closing and determining the entitlement of the members to the Dividend for the Financial Year 2018-19.

4. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of the meeting Hall.

5. A Dividend of ₹ 9/- per share (450%) has been declared by the Board of Directors during the year ended 31 March 2019 subject to the approval of members at the ensuing Annual General Meeting, is proposed to paid on or before 10 September 2019.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar & Share Transfer Agent.

7. In compliance with the circular of Ministry of Corporate Affairs for a "Green Initiative in the Corporate Governance" by allowing / permitting service of documents etc. in electronic form, electronic copy of the Annual Report of 2018-19 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 has been sent in the permitted mode.

8. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

The Company proposes to send documents, such as the Notice of the Annual General Meeting and Annual Report etc. henceforth to the Members in electronic form at the e-mail address provided by them and made available to the Company by the Depositories from time to time.

The un-audited half-yearly and quarterly financial results of the Company are uploaded on the website of the Company.

In case you wish to receive the above documents in physical form, you are requested to please inform to the below mentioned E-mail ID. Please quote Name, your Demat Account No. [ DP ID No. and Client ID No. ].

Email ID for reply : ric@aiaengineering.com

9. The Ministry of Corporate Affairs has notified provisions relating to unpaid/unclaimed dividend under Section 124 and 125 of the Companies Act, 2013 and Investor Education Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

Those members who has so far not en-cashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the Investors' Education and Protection Fund (IEPF) of the Central Government, pursuant to Section 125 of the Companies Act, 2013. Members are requested to note that after such dates, the members can claim their dividend from IEPF Authority.



Sr. No.	Financial Year	Type of Dividend	Due date of Transfer to IEPF
1.	2011-12	Final Dividend	18.09.2019
2.	2012-13	Final Dividend	07.09.2020
3.	2013-14	Final Dividend	17.10.2021
4.	2014-15	Final Dividend	30.10.2022
5.	2015-16	Interim & Special Interim	15.04.2023
6.	2016-17	Interim Dividend	21.03.2024
7.	2016-17	Final Dividend	19.09.2024
8.	2017-18	Interim Dividend	28.04.2025

The new IEPF Rules mandate the Companies to transfer the shares of those shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules.

#### 10. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services [India] Limited (CDSL) to facilitate e-voting.

- Mr. Tushar M. Vora, Practicing Company Secretary [Membership No. FCS 3459] has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 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.
- Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through poll paper shall be treated as invalid.
- The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or

in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 5 August 2019 only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.

- Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the notice convening the meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.

The detailed process, instructions and manner of e-voting facility is annexed to the notice.

#### 11. Re-appointment / Appointment of Directors:

Mrs. Khushali Samip Solanki (DIN 07008918), Non-Executive Non-Independent Director of the Company will retire by rotation at the ensuing 29th Annual General Meeting of the members of the Company and being eligible, has offered herself re-appointment.

Mr. Rajendra S. Shah (DIN- 00061922), Mr. Sanjay S. Majmudar (DIN - 00091305) and Mr. Dileep C. Choksi (DIN - (00016322) have been appointed as Independent Directors for a period of 5 consecutive years from 11.09.2014 to 10.09.2019. The Board, on the recommendation of Nomination and Remuneration Committee, has re-appointed them as Independent Directors for a further period of 5 consecutive years from 11 September 2019 and proposed respective resolutions for member's approval at the ensuing Annual General Meeting.

Mrs. Janaki Udayan Shah (DIN: 00343343), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 26th March, 2019 and who holds office of a Director upto the date of this Annual General Meeting is being appointed as an Independent Director of the Company for a period of five consecutive years with effect from 12 August 2019 and proposed respective resolution for member's approval at the ensuing Annual General Meeting.

Pursuant to the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") relating to Corporate

Governance, a Statement containing brief resume of the above Directors together with the details of shares held by them, if any, is annexed hereto.

#### **REQUEST TO THE MEMBERS**

1. Members desiring any relevant information on the Accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance at its Registered Office/Corporate Office, so as to enable the Company to keep the information ready.
2. Members are requested to bring their copy of the Annual Report to the meeting.



**EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO SPECIAL BUSINESSES MENTIONED IN THE ACCOMPANYING NOTICE:**

**ITEM NO. 4:**

Welcast Steels Limited, (WSL), is a Subsidiary of the Company. The Company is holding 74.85% Shares in the Equity Share Capital of WSL. WSL is a Related Party as per definition under Section 2 (76) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

The provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time exempts any transactions entered into by the Company in its ordinary course of business and done at arm's length price, from the requirement of prior approval of the members by way of an Ordinary Resolution.

Transactions to be entered into / carried out with WSL are of purchase and sale of goods. Omnibus approval of the Audit Committee has been obtained at its meeting held on 8 February 2019.

Mr. Bhadresh K. Shah, Managing Director, Mr. Rajendra S. Shah, Chairman, Mr. Sanjay S. Majmudar, Director, Mrs. Khushali S. Solanki, Director, all being Directors in WSL and Mr. S. N. Jetheliya, Company Secretary who is also a Company Secretary of WSL are related to WSL.

Further, Regulation 23 of SEBI LODR Regulations (as amended w.e.f. 01.04.2019) requires that the entities/persons falling under the definition of related party shall not vote to approve the relevant transaction irrespective of whether the entity/person is a party to the transaction or not. Accordingly, all the above persons being related shall not vote to approve this resolution of the notice.

The annual consolidated turnover as per the audited Financial Statements for the year ended 31 March 2019 is ₹ 2,967.43 crore. It is presumed that the transactions to be entered in the Current Financial Year of 2019-20 may exceed the threshold limit of 10% of annual consolidated turnover of the Company.

The approval of the members for the transactions proposed to be entered into and carried out with WSL during the Financial Year 2019-20, in ordinary course of business and at arm's length price, is being sought by way of abundant caution and as a proactive measure.

Except Mr. Bhadresh K. Shah, Managing Director, Mr. Rajendra S. Shah, Chairman, Mr. Sanjay S. Majmudar, Director, Mrs. Khushali S. Solanki, Director and Mr. S. N. Jetheliya, Company Secretary of the Company and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 for the approval of Members.

**ITEM NO. 5.**

The Board of Directors on the recommendation of the Audit Committee, re-appointed M/s. Kiran J. Mehta, Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the Financial Year 2019-20 and fixed remuneration of ₹ 4.00 Lakhs plus applicable tax and out of pocket expenses.

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the Financial Year 2019-20.

None of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned with the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of Members.

**ITEM NO. 6.**

The Board of Directors appointed Mrs. Janaki Udayan Shah (DIN: 00343343) as an Additional Director of the Company who holds office as an Additional Independent Director with effect from 26 March 2019 upto ensuing 29<sup>th</sup> Annual General Meeting of the Company.

Pursuant to the First Proviso to Regulation 17 (1) (a) of SEBI LODR Regulations, it is proposed to appoint Mrs. Janaki Udayan Shah (DIN: 00343343) as an Independent Director of the Company for a period of five years with effect from 12<sup>th</sup> August, 2019.

Mrs. Janaki Udayan Shah (DIN : 00343343) is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and has provided her consent to act as an

Independent Director. Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI LODR Regulations (as amended from time to time) stipulate the criteria of Independence and Mrs. Janaki Udayan Shah (DIN:00343343) fulfills those criteria and also possesses appropriate skills, expertise and knowledge in textile manufacturing and computer education fields. A brief profile of Mrs. Janaki Udayan Shah (DIN: 00343343) as per the SEBI LODR Regulations is annexed to this Notice.

In opinion of the Board, Mrs. Janaki Udayn Shah (DIN:00343343) fulfills the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company. Copy of the draft letter of appointment of Mrs. Janaki Udayan Shah (DIN: 00343343) as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on working days.

Considering her eminence, rich experience and expertise in different fields, it will be in the best interest of the Company to appoint her as an Independent Director. The Board consider that her continued association with the Company would be of immense benefit and is desirable to avail the services of Mrs. Janaki Udayan Shah (DIN : 00343343) as an Independent Director of the Company.

Except Mrs. Janaki Udayan Shah (DIN: 00343343), none of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned in the resolution.

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

This explanatory statement may also be regarded as a disclosure under the Act and as SEBI LODR Regulations.

#### **ITEM NO. 7**

As per Regulation 17(6) (ca) of the SEBI LODR Regulations as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of shareholders by Special Resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty (50%) per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

In view of the above provisions read with Sections 149, 197 & 198 and any other relevant provisions of the Companies Act, 2013 and after taking into account the roles and responsibilities of the Directors, it is proposed that Mr. Sanjay S. Majmudar (DIN: 00091305), a Non-Executive, Independent - Director of the

Company be paid a remuneration of ₹ 22.50 Lakhs per annum. This remuneration will be paid to him in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013.

This remuneration is in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, the approval of the Members is sought by way of a Special Resolution under Regulation 17(6) (ca) of the SEBI LODR Regulations as amended from time to time for payment of remuneration by way of Commission to Mr. Sanjay S. Majmudar, a Non-Executive, Independent - Director of the Company.

Except Mr. Sanjay S. Majmudar, none of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned in the resolution.

The Board recommends the Special Resolution set out at Item No. 7 for the approval of Members.

#### **ITEM NO. 8**

Mr. Rajendra S. Shah (DIN:00061922) was appointed as Non-Executive Independent Director by the members of the Company in their Twenty Fourth Annual General Meeting of the Company held on 11 September 2014 for a term of five consecutive years with effect from 11 September 2014 to 10 September 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Rajendra S. Shah as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Rajendra S. Shah would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Rajendra S. Shah as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Rajendra S. Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act") and has given his consent to act as a Director.



The Company has also received declaration from Mr. Rajendra S. Shah that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16 of SEBI LODR Regulations. Mr. Rajendra S. Shah is independent of the management.

As per Regulation 17(1A) of SEBI LODR Regulations, no listed Company shall appoint or continue the directorship of any person effective from 01.04.2019 as a non-executive director who has attained the age of seventy five years unless a Special Resolution is passed to that effect. During his second tenure as an Independent Director, Mr. Rajendra S. Shah will attain the age of seventy five years, it is required to obtain approval of shareholders by passing a Special Resolution.

On passing of this Special Resolution, the same shall also be treated as the Special Resolution passed under Regulation 17(1A) of SEBI LODR Regulations.

Relevant details as stipulated under Regulation 26(4) and 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of Mr. Rajendra S. Shah are annexed to the Notice.

Copy of the draft letter of appointment of Mr. Rajendra S. Shah setting out the terms and conditions of appointment is available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on working days upto the date of AGM.

Mr. Rajendra S. Shah does not hold by himself or together with his relatives two percent or more of the total voting power in the Company.

Mr. Rajendra S. Shah is interested in the Resolution set out at Item No. 8 of the Notice with regard to his reappointment. Relatives of Mr. Rajendra S. Shah may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise in the resolution.

This explanatory statement may also be regarded as a disclosure under the Act and as per SEBI LODR Regulations. The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Members.

#### **ITEM NO. 9**

Mr. Sanjay S. Majmudar (DIN:00091305) was appointed as Non-Executive Independent Director by the members of the Company in their Twenty Fourth Annual General Meeting of the Company held on 11<sup>th</sup> September, 2014 for a term of five consecutive years with effect from 11<sup>th</sup> September, 2014 to 10<sup>th</sup> September, 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Sanjay S. Majmudar as an Independent Director for a second term of 5(five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Sanjay S. Majmudar would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Sanjay S. Majmudar as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years on the Board of the Company.

Mr. Sanjay S. Majmudar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act") and has given his consent to act as a Director.

The Company has also received declaration from Mr. Sanjay S. Majmudar that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulations 16 of SEBI LODR Regulations.

In the opinion of the Board, Mr. Sanjay S. Majmudar possesses rich experience and expertise relevant to the Company and fulfills the conditions for re-appointment as an Independent Director as specified in the Act and the SEBI LODR Regulations. Mr. Sanjay S. Majmudar is independent of the management.

Relevant details as stipulated under Regulation 26(4) and 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of Mr. Sanjay S. Majmudar are annexed to the Notice.

Copy of the draft letter of appointment of Mr. Sanjay S. Majmudar setting out the terms and conditions of appointment is available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on working days upto the date of AGM. Mr. Sanjay S. Majmudar does not hold by himself or together with his relatives two percent or more of the total voting power in the Company.

Mr. Sanjay S. Majmudar is interested in the Resolution set out at Item No. 9 of the Notice with regard to his reappointment. Relatives of Mr. Sanjay S. Majmudar may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key

Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise in the resolution.

This explanatory statement may also be regarded as a disclosure under the Act and as per SEBI LODR Regulations. The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

#### **ITEM NO. 10**

Mr. Dileep C. Choksi (DIN:00016322) was appointed as Non-Executive Independent Director by the members of the Company in their Twenty Fourth Annual General Meeting of the Company held on 11<sup>th</sup> September, 2014 for a term of five consecutive years with effect from 11<sup>th</sup> September, 2014 to 10<sup>th</sup> September, 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Dileep C. Choksi as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Dileep C. Choksi would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Dileep C. Choksi as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years on the Board of the Company.

Mr. Dileep C. Choksi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act") and has given his consent to act as a Director.

The Company has also received declaration from Mr. Dileep C. Choksi that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16 of SEBI LODR Regulations.

In the opinion of the Board, Mr. Dileep C. Choksi possesses rich experience and expertise relevant to the Company and fulfills the conditions for re-appointment as an Independent Director as specified in the Act and the SEBI LODR Regulations. Mr. Dileep C. Choksi is independent of the management.

Relevant details as stipulated under Regulation 26(4) and 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of Mr. Dileep C. Choksi are annexed to the Notice.

Copy of the draft letter of appointment of Mr. Dileep C. Choksi setting out the terms and conditions of appointment is available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on working days upto the date of AGM.

Mr. Dileep C. Choksi does not hold by himself or together with his relatives two percent or more of the total voting power in the Company.

Mr. Dileep C. Choksi is interested in the Resolution set out at Item No. 10 of the Notice with regard to his reappointment. Relatives of Mr. Dileep C. Choksi may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise in the resolution.

This explanatory statement may also be regarded as a disclosure under the Act and as per SEBI LODR Regulations. The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the Members.

By Order of the Board of Directors,

Place: Ahmedabad  
Date: 27<sup>th</sup> May 2019

(S. N. Jetheliya)  
Company Secretary



**RELEVANT DETAILS AS STIPULATED UNDER REGULATION 26(4) AND 36(3) OF THE SEBI LODR REGULATIONS AND SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2") ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, WITH REGARD TO THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (REFER ITEM NO. 3, 6, 8 TO 10)**

Name of the Director	Mrs. Khushali S. Solanki
Age	42 years
Date of first appointment on the Board of the Company	7 November 2014
Qualification	Diploma in Hotel Management
Experience (brief resume)	She possesses rich and varied experience in Production, Administration and Accounts.
Disclosure of Relationship	She is a daughter of Mr. Bhadrash K. Shah and sister of Mrs. Bhumika S. Shodhan.
No. of shares in the company	10010
Terms and Conditions of Re-appointment	As per Resolution at Item No. 3 of the Notice convening this Annual General Meeting, Mrs. Khushali S. Solanki is liable to retire by rotation and is proposed to be re-appointed as a Director of the Company.
Remuneration last drawn(including sitting fee if any)	₹ 0.75 Lakh (sitting fee)
Remuneration proposed to be paid	She shall be paid remuneration by way of sitting fee.
Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2018-19.
Directorship held in other public Companies	
Chairmanship/Membership of Committees of other Boards	
Name of the Director	Mrs. Janaki Udayan Shah
Age	67 years
Date of first appointment on the Board of the Company	26 <sup>th</sup> March, 2019
Qualification	Bachelor of Arts (Economics)
Experience (brief resume)	She has more than twenty years of experience including 10 years experience in the field of textiles manufacturing and computer education. She was the Managing Director of the Ahmedabad Kaiser-I-Hind Mills Ltd. as part of family owned composite textiles mills from 1988 to 1997 looking after spinning department and maintenance. She was a director of Shri Murli Packing and Trading Pvt. Ltd. from 1971 to 2017 which was thereafter converted into Shri Murli Packing and Trading LLP. She was a director in On Line Software Pvt. Ltd. from 1995 to 2000 and actively involved in the field of Computer Education as franchisee of TATA UNISYS LTD. Education Centre – TULEC. She is designated partner in On Line Services LLP from 2017.
Disclosure of Relationship	Not related to any Director/Key Managerial Personnel of the Company.
No. of shares in the company	—
Terms and Conditions of Appointment	As per Resolution at Item No. 6 of the Notice convening this Annual General Meeting read with Explanatory Statement thereto, Mrs. Janaki Udayan Shah is proposed to be appointed as an Independent Director of the Company for a 5 (five) consecutive years with effect from 12 August 2019.