



26th
ANNUAL REPORT
2016-17

AJANTA SOYA LIMITED

**BOARD OF DIRECTORS**

Mr. Sushil Goyal	<i>Managing Director</i>
Mr. Abhey Goyal	<i>Whole Time Director</i>
Mr. Harsh Chander Kansal	<i>Director</i>
Mr. Hemant Kumar Bansal	<i>Director</i>
Mrs. Sushila Jain	<i>Director</i>

COMPANY SECRETARY

Mr. Kapil

STATUTORY AUDITORS**M/s. Tas Associates**

Chartered Accountants
Flat No. 4, 11/71, Punjabi Bagh West
New Delhi - 110 026

SECRETARIAL AUDITORS**M/s. R&D**

Company Secretaries
785, Pocket-E, Mayur Vihar, Phase-II
Delhi - 110 091
Phone/Fax : 011-22725301 / 43012488
E-Mail : rndregular@gmail.com

SHARES LISTED WITH STOCK EXCHANGE AT

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

BANKERS**STATE BANK OF INDIA**

Overseas Branch,
Jawahar Vyapar Bhawan
1, Tolstoy Marg, New Delhi - 110 001

STANDARD CHARTERED BANK,

10 Sansad Marg,
New Delhi-110 001

INTERNAL AUDITORS

S.Chand Mittal & Co.
810, GD ITL North Ex. Tower
A-8, Netaji Subhash Place,
New Delhi -110 034

REGISTERED OFFICE

SP-916, RIICO Industrial Area Phase - III,
Bhiwadi - 301 019, Distt. Alwar (Rajasthan)
CIN: L15494RJ1992PLC016617

INVESTORS RELATION CENTRE

12th Floor, Bigjos Tower, A-8 Netaji Subhash Place
Wazirpur District Centre, New Delhi - 110 034
Phone : 011-42515151, Fax : 011-42515100
E-mail : cs@ajantasoya.com
Website : www.ajantasoya.com

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110 020
Phone No. : 011-64732681
Fax No. : 011-30857562
E mail : admin@skylinerta.com

ALL CORRESPONDENCE RELATING TO TRANSFER OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE SENT TO THE REGISTRAR & SHARE TRANSFER AGENT OR INVESTORS RELATION CENTRE

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NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of M/s Ajanta Soya Limited will be held on Tuesday, 26th September, 2017 at 12.30 P.M. at the Registered Office and Factory Premises of the Company at SP-916, Phase III, Industrial Area, Bhiwadi, 301019, Distt. Alwar, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the Financial Year ended on 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr Sushil Goyal (DIN 00125275), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint statutory auditors and fix their remuneration.

“Resolved that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Pawan Shubham & Co., Chartered Accountants (Firm Registration No. 011573C), be appointed as statutory auditors of the Company, in place of retiring auditors M/s Tas Associates, Chartered Accountants (Firm Registration No. 010520N), to hold office from the conclusion of this 26th Annual General Meeting (AGM) until the conclusion of the 31st AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s K.G. Goyal & Associates, Cost Accountants, having Firm Registration No. 000024, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to Rs. 50,000/- (Rupees Fifty Thousand Only) per annum plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

5. 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 14 of the Companies Act, 2013 and other applicable provisions, the consent of the Company be and is hereby accorded for alteration of the Articles of Association of the Company by inserting a new Article No. 6(4), immediately after the existing Article No. 6(3) as below:

6(4). Subject to the provisions of the Companies Act, 2013 and rules made thereunder, the Company may issue and allot any securities (including equity shares or preference shares) on preferential allotment basis/ private placement basis.”

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things 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 a **Special Resolution**:

“Resolved that pursuant to section 13 and 61 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), and provisions of Articles of Association of the Company and other applicable provisions, the existing Authorized Share Capital of the Company be and is hereby increased from Rs. 15,50,00,000/- (Rupees Fifteen Crore Fifty Lakhs only) to Rs. 16,10,00,000/- (Rupees Sixteen Crore Ten Lakhs only) by creation of another 6,00,000 (Six Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each aggregating Rs. 60,00,000 (Rupees Sixty Lakhs only).

Resolved further that the Clause V of the Memorandum of Association of the Company be substituted with the following New Clause:

- V. The Authorized Share Capital of the Company is Rs. 16,10,00,000/- (Rupees Sixteen Crore Ten Lakhs only) divided into 1,61,00,000 (One Crore Sixty One Lakhs) Equity Shares of Rs. 10/- (Rupees ten only) each.

Resolved further that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution including to agree to such amendments and modifications in the aforesaid clause as may be required by any competent authority or as may otherwise be deemed fit by the Board."

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 42, 62(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), and such other applicable provisions, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended and other applicable regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Government of India ("GOI"), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary (including approval from RBI) and subject to such conditions and modifications as may be prescribed or imposed by any of them, while granting such approvals, permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent, authority and approval of the members of the Company be and is hereby given to the Board to create, issue and allot, upto **6,00,000 (Six Lakhs) Equity Shares** of Rs. 10 each (hereinafter referred to as "Equity Shares"), on preferential basis to the following persons at an **issue price of Rs. 53.00 (Rupees fifty three only) per Equity Share** (including a premium of Rs.43.00 each) or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and guidelines of the stock exchange, as per the terms and conditions given in the explanatory statement annexed to this notice, which, inter-alia, include:

- a. Issue of upto 6,00,000 Equity Shares to the following person:

SN	Name of the proposed Allottees	Category	Number of Equity Shares
1	Mr. Arun Kumar Jain	Non promoter (Public)	2,00,000
2	Mr. Harshit Jain	Non promoter (Public)	2,00,000
3	Mrs. Smita Jain	Non promoter (Public)	2,00,000
		Total	6,00,000

- b. The Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- c. The Relevant Date for the purpose of pricing of issue of Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is **24th August, 2017**.

Resolved further that for giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

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 Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V to the Act and the Rules made thereunder, including any statutory modification thereof, or any other law, the approval of the Members of the Company, be and is hereby

accorded to the alteration in the remuneration structure of Mr Abhey Goyal, Whole time Director of the Company with effect from 01st June 2017 as under:

Terms and Conditions:

Remuneration: Gross monthly remuneration not exceeding Rs. 2,00,000/- (Rupees Two Lakhs Only) whether paid as salary, allowance(s), perquisites or a combination thereof w.e.f. 01st June, 2017.

Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved further that payment/ re-imbursement of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

Resolved further that in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole time Director as it may deem fit and proper.

Resolved further that the Board of Directors and the Nomination and Remuneration Committee, of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

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 sections 196, 197, 198 & 203 read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr Sushil Goyal, Director be and is hereby re-appointed as Managing Director of the Company for a period of 3 years with effect from 26th July 2017 on the following terms and conditions:

Terms and Conditions:

Remuneration: Gross monthly remuneration not exceeding Rs. 2,50,000 (Rupees Two Lakhs Fifty Thousand Only) whether paid as salary, allowance(s), perquisites or a combination thereof w.e.f. 26th July, 2017.

Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.

Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Resolved further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

Resolved further that in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.



Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Managing Director as it may deem fit and proper.

Resolved further that the Board of Directors and the Nomination and Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

Resolved further that the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution.”

Regd. Office:

SP-916, Phase III,
Industrial Area, Bhiwadi, 301019,
Distt. Alwar, Rajasthan

By order of the board

For Ajanta Soya Limited

Sushil Goyal

DIN: 00125275

Managing Director

Address:

House No. 42-A,
Road No. 78, West Punjabi Bagh,
New Delhi - 110 026

Date: 26th August, 2017

Place: New Delhi

NOTES

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 to 9 of the notice set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
5. The Share Transfer Books and Register of Members of the Company will remain closed from Friday, 22nd September, 2017 to Tuesday, 26th September, 2017 (both days inclusive).
6. A. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company M/s Skyline Financial Services Pvt Ltd., D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi- 110 020; Phone No. 011-64732681-88:-
 - i) their bank account details in order to receive payment of dividend through electronic mode,
 - ii) their email id, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,
 - iii) any change in their address/e-mail id/ECS mandate/ bank details, share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
- B. Members holding shares in dematerialized form are requested to notify to their Depository Participant:

- i) their email id.
 - ii) all changes with respect to their address, email id, ECS mandate and bank details.
- C. Kindly note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/RTA/Depository Participant, as the case may be.
7. The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferee of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
 8. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
 9. In accordance with section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report for the year ended March 31, 2017 has been sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 05.10.2011 the hard copies of Annual Report have been sent to all other members who have not registered their email address(es). Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest by submitting duly filled in "e-Communication Registration Form" (available on our website "www.ajantasoya.com" in Investor Relation) to the Company/RTA. Members can also submit their form along with Attendance Slip at the Registration Counter at AGM. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost. The Notice of the 26th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.ajantasoya.com for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.
 10. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from Company's website www.ajantasoya.com.
 11. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.
 12. The information required to be provided under the Listing Regulations entered into by the Company with the Stock Exchanges regarding the Directors proposed to be reappointed are provided in the Report on Corporate Governance forming part of the Annual Report.
 13. As required under Listing Regulations and Secretarial Standards-2 on General Meetings, details in respect of directors seeking re-appointment at the AGM, is separately annexed hereto. Directors seeking reappointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
 14. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting. The Register of Directors' and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.
 15. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are, therefore, requested to bring their own copies of the Annual Report to the meeting.

16. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
17. Voting through electronic means:
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.
 - The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited as the Authorised Agency to provide e-voting facilities.
 - The Board of Directors have appointed Mr Debabrata Deb Nath, Company Secretary in Whole Time Practice, 785, Pocket-E, Mayur Vihar-II, Delhi-110 091 as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
 - Members are requested to carefully read the instructions for e-voting before casting their vote.
 - The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting :

Commencement of e-voting	From 9.00 a.m. (IST) on Saturday, 23 rd September, 2017
End of e-voting	Upto 5.00 p.m. (IST) on Monday, 25 th September, 2017

- The cut-off date (i.e. the record date) for the purpose of e-voting is 19th September, 2017.
- Declaration of Result of e-voting:
 - The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date).
 - The Scrutinizer shall immediately after the conclusion of e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - The Scrutinizer's decision on the validity of the vote shall be final and binding.
 - The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
 - The result declared along with the Scrutinizer's report shall be placed on the website of the Company (www.ajantasoya.com) within 3 (three) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges where the Company shares are listed.
- The procedure and instructions for e-voting are given separately with this Annual Report.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s K.G. Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2018. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2017-18 as set out in the resolution for the aforesaid services to be rendered by them.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

Item No. 5

Your Board has proposed to issue equity shares on preferential basis. To enable the company to do the same, consent of the members by way of a special resolution is required for amendment in Articles of Association of the Company. Your Directors recommend the resolution.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No. 6

Your Board has proposed to issue equity shares on preferential issue basis. Accordingly, to accommodate the additional capital proposed to be issued, it is proposed to enhance the Authorized Share Capital of the Company from Rs. 15.50 Crore to Rs. 16.10 Crore. Consent of the members by way of a special resolution is required for amendment in Memorandum of Association of the Company and increase in authorized share capital. Your Directors recommend the resolution.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No. 7

To augment the fund requirements of the Company, your Company intends to raise funds through preferential issue of equity shares. Your Board proposes to issue upto 6,00,000 equity shares at a price of Rs. 53/- (Rupees fifty three only) per share or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 and guidelines of the stock exchange.

Since your Company is a listed company, the proposed issue of equity shares would be made in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any. In terms of the provisions of the Companies Act, and the aforesaid SEBI Regulation, the relevant disclosures/details are given below:

Instrument and Numbers: The Company is proposing to issue upto 6,00,000 Equity Shares of a face value of Rs. 10/- each of the Company on preferential basis as per the special resolution proposed in the notice.

Pending Preferential Issue: No allotment on preferential basis has been made during the year and further there is no preferential allotment under process except as proposed in this notice.

Relevant Date: As per SEBI (ICDR) Regulations, 2009, the relevant date for the purpose of determination of issue price of the Equity Shares is 24th August, 2017.

Issue Price: As per Regulation 76(1) of the SEBI (ICDR) Regulations, 2009, a minimum issue price of the equity shares in preferential issues has to be calculated as (a) the average of weekly high and low of the volume weighted average price of the related shares quoted on the stock exchange during the twenty six weeks preceding the relevant date; or (b) the average of weekly high and low of the volume weighted average price of the related shares quoted on a stock exchange during the two weeks, preceding the relevant date; whichever is higher.

The shares of the Company are listed and traded on BSE Ltd (BSE). The issue price will be higher than the minimum issue price determined under Regulation 76 of the SEBI (ICDR) Regulations, 2009.

Since there is no capitalization of profit, right issue, bonus issue, re-classification of shares or any other corporate action in the Company. Accordingly there is no adjustment in pricing is required in terms of Regulation 76B of the SEBI (ICDR) Regulations, 2009.

Re-computation of Price: The Company shall re-compute the price of the equity shares, in terms of the provision of the SEBI (ICDR) Regulations, 2009, where it is required to do so, the SEBI (ICDR) Regulations, 2009; and that if any amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the shares allotted under preferential issue shall continue to be locked-in till the time such amount is paid by the allottees.

Payment: In terms of the provisions of Regulation 77 of the SEBI (ICDR) Regulations, 2009, 100% of the issue price shall be payable before the allotment of the Equity Shares.

Identity & particulars of proposed allottee and pre & post issue holding of the proposed allottee: Present preferential issue of Equity Shares is proposed to be made to the following non promoter persons. The identity and the pre-issue & post issue shareholding of the proposed allottee is shown in the table below:

SN	Name & PAN	Address	Category	Identity of the natural persons who are the ultimate beneficial owners of the shares of the proposed allottee and/or who ultimately control the proposed allottee	No. of Equity Shares proposed to be allotted	Pre-issue Shareholding		Post-issue Shareholding	
						No. of Shares	%	No. of Shares	%
1	Mr. Arun Kumar Jain AAAPJ1302J	6B/10 N.E.A Old Rajinder Nagar, Delhi – 110 060	Non Promoter (Public)	Mr. Arun Kumar Jain	200000	Nil	-	200000	1.24
2	Mr. Harshit Jain AUQPJ5516N	6B/10 N.E.A Old Rajinder Nagar, Delhi – 110 060	Non Promoter (Public)	Mr. Harshit Jain	200000	Nil	-	200000	1.24
3	Mrs. Smita Jain AADPJ6791Q	6B/10 N.E.A Old Rajinder Nagar, Delhi – 110 060	Non Promoter (Public)	Mrs. Smita Jain	200000	Nil	-	200000	1.24
Total					600000	Nil	-	600000	3.73

There is no pre-preferential shareholding of any of the proposed allottees. Further, the proposed allottee has not sold any shares of the Company during the six months period prior to the Relevant Date.

Proposed change in control upon preferential issue: Consequent to the proposed preferential issue of Equity Shares; there shall not be any change in control of the Company.

Lock-in Period: The Equity Shares issued to the non-promoter allottee shall be subject to a lock-in period of one year or such other period as may be prescribed in accordance with the SEBI regulations.

Intention of promoters/directors/key management persons to subscribe: No promoters/directors/key management persons intends to subscribe to the present preferential issue.

Pre-issue & Post-issue Shareholding Pattern of the Issuer Company: Pre-issue and post issue shareholding pattern of the Company is as below:

SN	Category of Shareholders	Pre Preferential Issue Shareholding		Post Preferential Shareholding	
		Number of Shares	%	Number of Shares	%
A	Promoter and Promoter Group	7505884	48.44	7505884	46.43
B	Public	7990714	51.56	8590714	53.37
C1	Shares underlying Depository Receipts	0	0	0	0
C2	Shares held in Employees Trust	0	0	0	0
C	Non Promoter Non Public (C1+C2)	0	0	0	0
	Total (A+B+C)	15496598	100.00	16096598	100.00

Objects and purpose of the Preferential Issue: Funds raised through the proposed preferential issue will be utilized for the purpose of meeting long term/ short term working capital requirements and other general corporate purposes.

Proposed time of Allotment: The allotment of Equity Shares in the present preferential issue will be made within a period of 15 days from the date of passing of the Special Resolution in the present general meeting, excluding the time taken in obtaining the necessary statutory approvals.

Undertaking in terms of Regulation 73 read with Regulation 76(2) & (3) of the SEBI (ICDR) Regulations, 2009: The Company shall re-compute the price of the equity shares, in terms of the provision of the SEBI (ICDR) Regulations, 2009, where it is required to do so; and that if any amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the shares allotted under preferential issue shall continue to be locked-in till the time such amount is paid by the allottees.

Auditor's Certificate: The Statutory Auditors of the Company has certified that the present preferential issue is being made in accordance with the requirements contained the Securities and Exchange Board of India (Issue of Capital &