

2015-16



**AMRAPALI  
INDUSTRIES  
LIMITED**

**28<sup>th</sup> ANNUAL REPORT**

**AMRAPALI INDUSTRIES LIMITED**

[CIN: L91110GJ1988PLC010674]

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	:	Mr. Yashwant Thakkar Managing Director DIN: 00071126	Mr. Rashmikanth Thakkar Whole-time Director DIN: 00071144
	:	Mr. Mayur Parikh Independent Director DIN: 00005646	Mr. Maheshkumar Thakkar Independent Director DIN: 01976844
	:	Mr. Haresh Chaudhari Additional Director DIN: 06947915	Ms. Rashmi Aahuja Independent Director DIN: 06976600
	:	Mr. Satish Amratlal Patel Chief Financial Officer	Ms. Ekta Jain Company Secretary and Compliance Officer
<b>REGISTERED OFFICE &amp; CONTACT DETAILS</b>	:	19, 20, 21, Third Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad – 380 006 Gujarat. Tel No.: +91-79-2658 1329/30, +91-79-2657 5105/06 Fax No.: +91-79-2657 9169, +91-79-2658 4313	
<b>AUDITORS</b>	:	M/s. Dhiren Shah & Company, Chartered Accountants 2nd Floor, Swastik Avenue, Opp. Omkar House, C.G. Road, Navrangpura, Ahmedabad - 380 009	
<b>SECRETARIAL AUDITOR</b>	:	Mr. Anand S. Lavingia Practicing Company Secretary 415-416, Pushpam Complex, Opp. Seema Hall, Anand Nagar Road, Satellite, Ahmedabad – 380 051	
<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	:	Purva Shareregistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Borichal Marg, Opp. Kasturba Hospital, Lower Parel (East) Mumbai – 400 011 Tel No.: +91-22-2301 8261/6761 Fax No.: +91-22- 2301 2517 Email : purvashr@mtnl.net.in	
<b>E-MAIL</b>	:	ail@amrapali.com	
<b>WEBSITE</b>	:	www.amrapalispot.com	

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

**NOTICE OF MEETING**

NOTICE is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of Amrapali Industries Limited will be held at the Registered Office of the Company situated at 19, 20, 21, Third Floor, Narayan Chambers, B/H Patang Hotel, Ashram Road, Ahmedabad – 380 009, on Thursday, September 22, 2016 at 04:00 P.M. to transact the following businesses:

**Ordinary Businesses:-**

1. To receive, consider and adopt audited financial statement of account for the financial year ended on March 31, 2016 and the reports of the Director's and the Auditor's thereon.
2. To appoint a Director in place of Mr. Yashwant Thakkar (DIN: 00071126), Managing Director of the Company, who retires by rotation and being eligible, seeks re-appointment.
3. To appoint Statutory Auditor and to fix their remuneration and in this regard 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 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee and Board of Directors, M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) be and are hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors M/s. Dhiren Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 114633W), who shall hold office from the conclusion of this 28<sup>th</sup> Annual General Meeting for term of one year till conclusion of the 29<sup>th</sup> Annual General Meeting and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

**Special Businesses:-****4. Appointment of Mr. Haresh Chaudhari as an Independent Director of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Haresh Chaudhari (DIN: 06947915), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act and whose term of office expires as on this Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to 5 (five) consecutive years i.e. up to July 27, 2021.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

**5. Authority to the Board of Directors to borrow monies.**

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

**"RESOLVED THAT** in supersession to the all earlier resolutions passed in any General Meetings of the Company, if any under section 293(1)(d) of the erstwhile Companies Act, 1956 on the matter and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to borrow, from time to time, any sum or sums of money (including non-fund based banking facilities) as may be required for the purpose of the business of the Company, from one or more Banks, Financial Institutions and other persons, firms, bodies corporates, whether in India or abroad, notwithstanding that the monies so borrowed together with the monies already borrowed (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may at any time exceed the aggregate of the paid up Capital of the Company and its Free Reserves (reserves not set apart for any specific purpose) provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed the sum of Rs. 250 crores (Rupees Two Hundred and Fifty Crores only).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to decide all terms and conditions in relation to such borrowing, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required."

**6. Authority for Creation of Charge / Mortgage on Property of the Company.**

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

**"RESOLVED THAT** in supersession to the all earlier resolutions passed in any General Meetings of the Company under section 293(1)(a) of the erstwhile Companies Act, 1956 on the matter and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of Companies Act, 2013, read with relevant rules made thereon, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as "the Board" which term shall be deemed to include any committee thereof for the time being exercising powers conferred on the Board by this resolution) to create charges, mortgages and hypothecations in such form and manner and with such ranking and at such time and on such terms as the Board may determine on all or any of the movable and/or immovable properties both present and future and/or to lease, or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertakings(s), in favor of the lender(s), agent(s), and the trustee(s) including body(ies) corporate or person(s) for securing the borrowing/financial assistance (in foreign currency and/or rupee currency) and/or to give a collateral securities for the borrowing/ guarantee of any group/associate Companies or otherwise, to charge the assets of the Company for money availed/to be availed by way of loan and securities issued/to be issued by the Company from time to time, up to value not exceeding the limit approved by the Shareholders under section 180(1)(c) of the Companies Act, 2013 from time to time together with interest, additional interest, compounded interest in case of default, accumulated interest, damages, commitment charges and other money payable by the Company to the respective lender(s) in terms of any agreement(s)/any other document(s) entered into/to be entered into by the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

**7. To make investment in excess of limit prescribed under Section 186 of the Companies Act, 2013.**

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 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and subject to such approvals as may be necessary; the consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee which the Board may have constituted or hereinafter constitute to exercise the power conferred by this Resolution) to make investment and acquire by way of subscription, purchase or otherwise, securities of any other body corporate, provided that the total amount of such investments outstanding at any time shall not exceeds Rs. 600 Crores (Rupees Six Hundred Crores only).

**RESOLVED FURTHER THAT** the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investment within the aforesaid limits including with the power to transfer and dispose off the investments so made, from time to time, and to execute all deeds, documents and other writings and to do all such acts, deeds, matters and things, as may be necessary and expedient for implementing and giving effect to this resolution."

**Registered Office**

19/20/21, Third Floor,  
Narayan Chambers, B/H Patang Hotel,  
Ashram Road, Ahmedabad – 380 009

**Place:** Ahmedabad

**Date:** August 30, 2016

By order of the Board  
For, **Amrapali Industries Limited**

**Yashwant Thakkar**  
**Managing Director**  
**DIN 00071126**

**Notes:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the businesses covered under Item No. 4 to 7 of the Notice, is annexed hereto. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment / appointment as Director under Item No. 2 & 4 of the Notice, are also annexed.

2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**

A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. 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 proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 (Forty-Eight) Hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 17, 2016 to Thursday, September 22, 2016 (both days inclusive) and same will be re-opened from Friday, September 23, 2016 onwards.
7. The route map showing directions to reach the venue of the twenty-eighth AGM is annexed at the end of this Annual Report and is also uploaded on the website of the Company.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Purva Shareregistry (India) Private Limited (PSIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to PSIPL.
10. 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 PSIPL.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact PSIPL for assistance in this regard.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to PSIPL, the details of such folios together with the share certificates for consolidating their



holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The Nomination Form can be obtained from the PSIPL Members holding shares in physical form may submit the same to PSIPL Members holding shares in electronic form may submit the same to their respective depository participant.
14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request every member to update their email address with concerned Depository Participant and PSIPL to enable us to send you the communications via email.
15. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. [www.amrapalispot.com](http://www.amrapalispot.com)
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
17. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
18. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Annual General Meeting.
19. Members may note that M/s. Dhiren Shah & Co. Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting expressed their unwillingness to be re-appointed as the auditors of the Company after the Approval of Directors' Report. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) as the statutory auditors. The Audit Committee and the Board of Directors has considered the matter and recommends the passing of the Special Resolution appointing M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) as statutory auditors in place of the retiring Auditor M/s. Dhiren Shah & Co., Chartered Accountants, Ahmedabad.
20. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").
21. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, September 16, 2016, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
22. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date and holds share as on cut-off date i.e. Friday, September 16, 2016, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
23. The remote e-voting will commence on Monday, September 19, 2016 at 9.00 a.m. and will end on Wednesday, September 21, 2016 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Friday, September 16, 2016, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
24. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
25. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already 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.

26. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Friday, September 16, 2016.
27. The Company has appointed CS Anand Lavingia, Practising Company Secretary (Membership No. ACS: 26458; CP No: 11410), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
28. The procedure and instructions for remote e-voting are, as follows:
- Step 1. Open your web browser during the voting period and log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- Step 2. Now click on "Shareholders" to cast your votes.
- Step 3. Now, fill up the following details in the appropriate boxes:
- User-ID:**
- For CDSL:** 16 digits beneficiary ID
  - For NSDL:** 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in physical form should enter the Folio Number registered with the Company.
- Step 4. Next, enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to then your existing password is to be used.
- Step 5. If you are a first time user follow the steps given below:
- For members holding shares in demat form and physical form:***
- PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is RameshKumar with sequence number 1 then enter RA00000001 in the PAN field.
- DOB# Enter the Date of Birth as recorded in dd/mm/yyyy format.
- Dividend Bank Details# Enter the Dividend Bank Details as recorded in your demat Bank account or the Company records for the said folio.
- If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.
- #Please enter the DOB or dividend bank details in order to login.
- Step 6. After entering these details appropriately, click on "SUBMIT" tab.
- Step 7. Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Step 8. If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the System.
- Step 9. For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- Step 10. Click on EVSN of the Company to vote.
- Step 11. On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. Select the relevant option as desired YES or NO and click to submit.
- Step 12. Click on the resolution file link if you wish to view the entire Notice.
- Step 13. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 14. You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step 15. Instructions for Non – Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts, they would be able to cast their vote.
- A scan copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

Shareholders can also cast their vote using CDSL's Mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.amrapalispot.com](http://www.amrapalispot.com) and on the website of CDSL i.e [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 28<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### CONTACT DETAILS:

<b>Company</b>	Amrapali Industries Limited <b>Regd. Off:</b> 19, 20, 21, Third Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad – 380 009 <b>Email ID:</b> <a href="mailto:ail@amrapali.com">ail@amrapali.com</a>
<b>Registrar and Share Transfer Agent</b>	M/s. Purva Sharegistry (India) Pvt. Ltd. <b>Regd. Off:</b> No-9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai - 400 011 <b>Tel:</b> 91-22-2301 6761 <b>Email ID:</b> <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>
<b>e-Voting Agency</b>	Central Depository Services (India) Limited <b>E-mail ID:</b> <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> <b>Phone :</b> 022-22723333/8588
<b>Scrutinizer</b>	CS Anand Lavingia Practising Company Secretary <b>E-Mail ID:</b> <a href="mailto:krishivadvisory@gmail.com">krishivadvisory@gmail.com</a>



**Annexure to Notice****Explanatory Statement pursuant to Section 102 of the Companies Act, 2013****Item No. 3**

The statutory Auditors, M/s. Dhiren Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 114633W) have expressed their unwillingness to be re-appointed as the auditors of the Company. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) as the statutory auditors. The Audit Committee has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) as statutory auditors in place of the retiring Auditor M/s. Dhiren Shah & Co., Chartered Accountants, Ahmedabad, who shall hold office from the conclusion of this 28<sup>th</sup> Annual General Meeting for term of one year till conclusion of the 29<sup>th</sup> Annual General Meeting to be held in the year 2017. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

**Item No. 4:**

Pursuant to provisions of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company has appointed Mr. Haresh Chaudhari as an Additional Director with effect from July 28, 2016. Mr. Haresh Chaudhari is a Non-Executive Independent Director on the Board of the Company.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Haresh Chaudhari holds office up to the date of ensuing Annual General Meeting of the Company. A notice has been received from him along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for appointment as a Non-Executive Independent Director of the Company.

Mr. Haresh Chaudhari is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as a Non-Executive Independent Director. Section 149 of the Act, inter alia, stipulates the criteria of independence. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Haresh Chaudhari that he meets with criteria of independence as prescribed under section 149 of the Companies Act, 2013. Mr. Haresh Chaudhari, a Commerce Graduate possesses appropriate skills, experience and knowledge in accountancy, share trading and compliance matter. Brief resume of Mr. Haresh Chaudhari, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

In the opinion of the Board, Mr. Haresh Chaudhari fulfills the conditions specified in the Act and rules made thereunder for his appointment as a Non-Executive Independent Director of the Company.

Keeping in view of her experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Haresh Chaudhari as a Non-Executive Independent Director.

Save and except Mr. Haresh Chaudhari and his relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

**Item No. 5 & 6:**

As per Section 180(1)(c) of the Companies Act, 2013 the Board of Directors shall not borrow money in excess of the Company's paid-up share capital and free reserves, apart from temporary loans obtained from the Company's Bankers, etc. in the ordinary course of business, except with the approval of the Company accorded by a Special Resolution.

The Company borrows funds from the Banks and Financial Institutions for its business and considering the growth of the business, the Board is of the opinion that the Company may require to borrow additional funds for both organic and inorganic growth. In view of the requirements of the increased borrowings requirement in future and to comply with the requirements of section 180(1)(c) or other applicable provisions of the Companies

Act, 2013, the members of the Company shall pass a Special Resolution as set out at item No. 5 of the Notice convening the Annual General Meeting, to enable the Board of Directors to borrow in excess of the aggregate of the paid-up share capital and free reserves of the Company. Approval of the members is being sought to borrow the money up to Rs. 250 Crores (Rupees Two Hundred and Fifty Crores only) in excess of the aggregate of the paid-up share capital and free reserves of the Company, apart from temporary loans obtained from the Company's Bankers, etc. in the ordinary course of business.

Further, as per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the company. In view of the resolution relating to borrowing powers stated in Item No. 5, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favor of its lenders (up to the limits approved under Section 180(1)(c) of the Companies Act, 2013), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/disposal thereof, creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180 (1)(c) & (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 5 and 6 of this Notice convening the Annual General Meeting, to enable to the Board of Directors to borrow money and create charges/mortgages to secure the borrowings as mentioned in Item No. 5 and 6 of this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 & 6.

#### **Item No. 7**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the this AGM for an amount not exceeding Rs. 600 Crores (Rupees Six Hundred Crores only) outstanding at any time notwithstanding that such investments made are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

#### **Registered Office**

19/20/21, Third Floor,  
Narayan Chambers, B/H Patang Hotel,  
Ashram Road, Ahmedabad – 380 009

**Place:** Ahmedabad

**Date:** August 30, 2016

By order of the Board  
For, **Amrapali Industries Limited**

**Yashwant Thakkar**  
**Managing Director**  
**DIN: 00071126**