



GENNEX LABORATORIES LIMITED

(GENNEX You Can Trust)

**33rd Annual Report
2017-18**



BOARD OF DIRECTORS

Mr. Arihant Baid	–	<i>Managing Director</i>
Mr. T.M. Gopalakrishnan	–	<i>Whole-time Director</i>
Mr. Y. Ravinder Reddy	–	<i>Independent Director</i>
Ms. Sadhana Bhansali	–	<i>Independent Director</i>
Mr. Dipankar Dasgupta	–	<i>Independent Director</i>

CHIEF FINANCIAL OFFICER

Mr. Laxmipat Baid

REGISTERED OFFICE & WORKS

Sy. No. 133, Bollaram, Jinnaram Mandal
Sangareddy District – 502 325.
Telangana.

CORPORATE OFFICE

‘Akash Ganga’, 3rd Floor
Plot # 144, Srinagar Colony
Hyderabad – 500 073. Telangana.

STATUTORY AUDITORS

M/s. PPKG & Co.,
Chartered Accountants
5-8-352, 7th Floor, Raghava Ratna Towers
Chirag Ali Lane, Abids
Hyderabad – 500 001. Telangana

SECRETARIAL AUDITORS

B S S & Associates
Company Secretary
Parameswara Apartments
6-3-626, 5th Floor, 5-A
Anand Nagar, Khairatabad
Hyderabad – 500 004. Telangana

REGISTRAR & SHARE TRANSFER AGENTS

R&D Infotech Pvt. Ltd.
1st Floor, 7A, Beltala Road
Naresh Mitra Sarani
Kolkata – 700 026. West Bengal

BANKERS

State Bank of India
SME Branch, Somajiguda
Hyderabad – 500 082. Telangana

Website:	www.gennexlab.com
CIN:	L24230TG1990PLC011168
Stock Exchange:	Bombay Stock Exchange
Security ID and Scrip Code:	GENNEX & 531739
ISIN:	INE509C01026



NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of **GENNEX LABORATORIES LIMITED** will be held on **Thursday**, August 09, 2018 at 11:30 a.m. at registered office of the company situated at Sy.No. 133, IDA Bollaram, Jinnaram Mandal, Sangareddy District - 502 325, Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the financial year ended 31st March, 2018, together with the reports of the Board of Directors and the Auditors thereon and in this regard pass the following Resolution as Ordinary Resolution.

“RESOLVED THAT the Audited Accounts of the Company containing the Balance Sheet and the Statement of Profit & Loss for the Year ended 31st March, 2018 together with their Annexures and the Report of the Auditors and Directors thereon be and are hereby received, considered, approved and adopted”

2. To appoint a Director in the place of Mr. T.M.Gopalakrishnan (DIN: 03137458) who retires by rotation being eligible offers himself for re-appointment as Director liable to retire by rotation and in this regard pass the following Resolution as Ordinary Resolution.

“RESOLVED THAT Mr. T.M. Gopalakrishnan (DIN: 03137458) be and is hereby re-appointed as Director liable to retire by rotation”

3. To approve the appointment of Statutory Auditors in casual vacancy (for the FY. 2017-18) and in this regard, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or amendment thereto or re-enactment thereof for the

time being in force) read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of Audit Committee, M/s. PPKG & Co., Chartered Accountants (Firm Registration No. 009655S), Hyderabad, be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Vinay Karwa & Associates, Chartered Accountants, Hyderabad and to conduct the Statutory Audit for the period ended 31st March, 2018 on such remuneration as may be fixed by the Board of Directors in consultation with them.”

4. To appoint Statutory Auditors and to authorize the Board to fix their remuneration and for that purpose to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 & 142 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of Audit Committee, M/s. PPKG & Co., Chartered Accountants, Hyderabad, (Firm Registration No. 009655S), be and are hereby re-appointed as Statutory Auditors of the Company for 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the company and subject to ratification by members at every Annual General Meeting and at such remuneration and out of pocket expenses, as may be decided and approved by the Audit Committee and Board of Directors of the Company.

SPECIAL BUSINESS:

5. Re-appointment of Mr. ARIHANT BAID (DIN 01171845), as Managing Director 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 pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to approvals, if any, as may be required from the Financial Institutions and other authorities concerned, Mr. ARIHANT BAID (DIN: 01171845) be and is hereby reappointed as Managing Director of the Company for a further period of three years with effect from May 18, 2018, on the following remuneration:

Salary: Rs.2,00,000 Per Month in the scale of Rs.2,00,000–Rs.2,50,000.

Perquisites:

As mutually agreed between the Managing Director and the Company, but restricted to 75% of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Mr. ARIHANT BAID, Managing Director will be entitled to reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission: At 2 % of the net profit of the Company.

RESOLVED FURTHER THAT in addition to the above remuneration, Mr. ARIHANT BAID, Managing Director will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure.

RESOLVED FURTHER THAT the overall remuneration i.e. the aggregate of salary, perquisites and commission payable to Mr. ARIHANT BAID, Managing Director in any one financial year shall not exceed the limits prescribed under Section 196, 197

and other applicable provision of the Companies Act, 2013 read with its Schedule V as in force from time to time.

RESOLVED FURTHER THAT where in any financial year during Mr. ARIHANT BAID's tenure as the Managing Director, the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the limits inadequate, the remuneration payable to him for the said financial year will be restricted to the limits prescribed in Section II of Part II of the Schedule V to the Companies Act, 2013 or any amendments, if any, thereof for the time being in force.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Mr. ARIHANT BAID, Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions.

6. Re-appointment of Mr. T.M. GOPALAKRISHNAN (DIN 03137458), as Whole Time Director of the Company.

Consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to approvals, if any, as may be required from the Financial Institutions and other



authorities concerned, Mr. T.M. GOPALAKRISHNAN (DIN: 03137458) be and is hereby re-appointed as Whole Time Director of the Company for a further period of three years with effect from May 18, 2018, on the following remuneration:

Salary: Rs.101,250 Per Month in the scale of Rs.101,250-Rs.150,000.

Perquisites:

As mutually agreed between the Whole Time Director and the Company, but restricted to 75% of the salary. In addition to this, and subject to the ceiling on the overall remuneration mentioned below, Mr. T.M. GOPALAKRISHNAN, Whole Time Director will be entitled to the reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and his family.

Commission: At 2 % of the net profit of the Company.

RESOLVED FURTHER THAT in addition to the above remuneration, Mr. T.M. GOPALAKRISHNAN, Whole Time Director will be eligible for contribution to PF, Superannuation Fund or Annuity to the extent these are not taxable, gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure. RESOLVED FURTHER THAT the overall remuneration i.e. the aggregate of salary, perquisites and commission payable to Mr. T.M. GOPALAKRISHNAN, Whole Time Director in any one financial year shall not exceed the limits prescribed under Section 196, 197 and other applicable provision of the Companies Act, 2013 read with its Schedule V as in force from time to time.

RESOLVED FURTHER THAT where in any financial year during Mr. T.M. GOPALAKRISHNAN's tenure as the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration payable to him for the said financial year will be restricted to the limits inadequate, the remuneration payable to him for the said financial year

will be restricted to the limits prescribed in Section II of Part II of the Schedule V to the Companies Act, 2013 or any amendments, if any, thereof for the time being in force.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. T.M. GOPALAKRISHNAN, Whole Time Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the above resolutions.

7. 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 143(8) and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. R. Pogalia & Company, Chartered Accountants (Firm Registration No. 318188E) as Branch Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting to be held for the financial year 2018-19, on such remuneration as may be determined by the Board of Directors.

By Order of the Board of Directors
for **Gennex Laboratories Limited**

Arihant Baid
Managing Director
(DIN 01171845)

Place: Hyderabad

Date : July 6, 2018



NOTES

1. The statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Ordinary/Special business set out in the Notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed here to.
2. The details that are required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of the person seeking re-appointment as directors, are Annexed.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the Company. The instrument appointing a proxy in order to be effective, should be deposited at the registered office of the Company duly completed and signed, not less than forty-eight hours before the commencement of the meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or member. A Proxy form is enclosed herewith.
5. 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. All documents referred to in the Notice and accompanying Explanatory Statement are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
6. Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/Governing Body resolution authorizing such representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 03rd August, 2018 to 09th August, 2018 (both days inclusive).
9. Pursuant to Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.
10. 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 who are holding shares in physical forms are requested to notify changes in their respective address/Bank Mandate/National Electronic Clearing Service (NECS) details, if any, to Company's Registrar i.e. **R&D Infotech (P) Ltd., 1st Floor, 7A, Beltala Road, Naresh Mitra Sarani, Kolkata – 700 026**. Beneficial owners holding shares in electronic form are requested to intimate change in address/Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP). Members are requested to register/ update their e-mail addresses with the Registrar in case of shares held in physical form and with their respective Depository Participants in case shares are held in electronic form.
11. 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 are requested to submit their PAN details to the Registrar.
SEBI has also mandated, that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company.
12. Electronic copy of the Annual Report for the Financial Year 2017-18 along with the Notice of



- the 33rd Annual General Meeting of the Company (including Attendance Slip, Proxy Form and Route Map) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participant(s) 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 the Financial Year 2017-2018 along with Notice of the 33rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.
13. Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report for the Financial Year 2017-18 will also be available on the Company's website www.gennexlab.com and on the website of the Registrar www.rdinfoltech.org for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investorrelations@gennexlab.com.
 14. Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility
 15. All documents referred to in the Notice and explanatory statement are open for inspection at the Registered Office of the Company during normal business hours on all working days.
 16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which Directors are interested under section 189 will be made available for inspection by members of the Company at the meeting.
 17. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with M/s. R&D Infotech (P) Ltd.
 18. Members are requested to bring their copy of the Annual Report with them at the AGM and also bring the attendance slip duly filled and signed and submit at the entrance of the venue.
 19. In compliance with Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who have casted their votes by remote e-voting prior to the Annual General Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again.
 20. **Voting through electronics means:**
Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) executed by the company with the BSE Limited and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the company is pleased to provide Members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).
A Member may exercise his/her votes at any General Meeting by electronic means and



Company may pass any resolution by electronic voting system in accordance with Companies (Management and Administration) Amendment Rules, 2015.

During the e-voting period, Members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date (record date) i.e., (Thursday, August 02, 2018), may cast their votes electronically.

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.gennexlab.com

Voting either through electronic voting system or ballot or polling paper will be available at the meeting for the members attending the meeting who have not casting their vote by remote e voting. Members who have cast their vote by remote e voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote at the AGM.

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User

Details/Password” option available on www.evoting.nsdl.com

5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles
7. Select EVEN (E-Voting Event Number) of GENNEX LABORATORIES LIMITED. Members can cast their vote online from Monday August 06, 2018 (9:00 am) till Wednesday August 08, 2018 (5:00 pm).
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail rbhattad@gmail.com with a copy marked to evoting@nsdl.co.in

General instructions:

- a. The e-voting period commences on Monday August 06, 2018 (9:00 am) till Wednesday August 08, 2018 (5:00 pm). During this period shareholders of the Company may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday 02nd August, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- c. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- d. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be



- entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- e. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, 02nd August, 2018.
 - f. Mr. B. Ramesh Kumar, Practicing Chartered Accountant has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - g. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - h. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - i. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.gennexlab.com and on the website of NSDL and BSE after AGM.

All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to date of declaration of the result of the 33rd Annual General Meeting of the Company.

Other information:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential
- In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

Members holding Equity Shares in Electronic Form and Proxies thereof, are requested to bring their DP ID and Client ID for identification



ANNEXURE TO NOTICE OF AGM

Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

Item No. 3

M/s. Vinay Karwa & Associates, Chartered Accountant, Hyderabad has resigned on 12.05.2018 from the post of Statutory Auditor of the Company. A casual vacancy has arisen due to his resignation.

Pursuant to the provisions of Section 139 (8) of the Companies Act, 2013 and in order to complete the audit of the accounts of the company for the FY 2017-18 and based on the recommendations of the Audit Committee, the Board has appointed M/s. PPKG & Co., Chartered Accountants (Firm Registration No.009655S) as Statutory Auditors of the company at its Board Meeting held on 12.05.2018.

As per the provisions of Sec. 139(8) of Companies Act, 2013, in case a casual vacancy arises as a result of resignation of an existing Auditor, the Board of Directors of the Company can fill up such casual vacancy within 30 days from such vacancy subject to the approval of shareholders within 3 months from the date of such appointment.

Therefore, the Board of Directors, recommends the Ordinary Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company is, in any way, financially or otherwise, concerned or interested in the Resolution.

Item No. 4

The Auditors M/s. PPKG & Co., Chartered Accountants (Firm Registration No. 009655S) appointed as statutory auditors to fill the casual vacancy, have confirmed that they are eligible to be appointed as Statutory Auditors of the company as per the provisions of Sec. 139(2) of the Companies Act, 2013, Companies (Audit and Auditors) Rules, 2014 and fulfill the requirements of 141 of the said Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The company has received necessary certificate and written consent from M/s. PPKG & Co., stating that their appointment, if made, shall be in accordance with the conditions as prescribed under the said Act and the rules made there under.

Your Directors, therefore, recommend the Ordinary Resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company is, in any way, financially or otherwise, concerned or interested in the resolution.

Item No. 5

Mr. ARIHANT BAID was appointed as the Managing Director of the Company for a period of three (3) years with effect from 18/05/2015 on the terms and conditions and remuneration as approved by the Members at the Annual General Meeting held on 30th September 2015. As such, the present term of office of Mr. ARIHANT BAID shall expire on 17/05/2018. Mr. ARIHANT BAID has been associated with the Company since 2012 and currently hold overall responsibility for the working of the Company. Keeping in view the contribution made by Mr. ARIHANT BAID for the growth of the Company, the Board of Directors of the Company and the Remuneration Committee have recommended the reappointment of Mr. ARIHANT BAID for a period of three (3) years effective from 18th May 2018, who shall be liable to retire by rotation, with terms and conditions as mentioned in the above Resolution No 5.

Item No. 6

Mr. T.M. Gopalakrishnan was appointed as the Whole Time Director of the Company for a period of three (3) years with effect from 18/05/2015 on the terms and conditions and remuneration as approved by the Members at the Annual General Meeting held on 30th September 2015. As such, the present term of