

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of **GARNET CONSTRUCTION LIMITED** will be held on Tuesday the 29<sup>th</sup> September, 2015 at 10.00 am at Ashish -1 Banquet, Land Mark Building, Link Road, Mid Chowky, Malad (West), Mumbai - 400 064 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2015, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereof.
2. To reappoint a Director in the place of Mr. Arun Kedia (DIN No. 00205183), who retires by rotation, and being eligible offers himself for reappointment.
3. 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 139 and all other applicable provisions 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. Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No. 109901W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held in 2018 on such remuneration as may be determined by the Board of Directors.”

### SPECIAL BUSINESS

#### 4. Related Party Resolution

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) (subject to any modification and re-enactment thereof), the consent, sanction, permission or approval as the case may be of the members of the company be and is hereby accorded to the board of directors to enter into any contract or arrangements with related parties S.K Investment, J. S. Realty Pvt. Ltd., Aditya Industrial Estate, Kedia Industrial Development Corporation and its subsidiary as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or

reimbursement of any transaction or any other transaction of whatever nature with related parties.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution."

**Registered Office:**

501/531, Laxmi Mall,  
Laxmi Industrial Estate,  
New Link Road,  
Andheri (West),  
Mumbai – 400 053

By Order of the Board  
**For Garnet Construction Limited**

**Kishan Kumar Kedia**  
**Chairman & Managing Director**  
**DIN No. 00205146**

Place : Mumbai

Date : 4<sup>th</sup> September, 2015

**NOTES**

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. The register of Members and the Share Transfer Book will remain closed from 22<sup>nd</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both days inclusive) for the purpose of ensuing Annual General Meeting.
3. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) 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.

5. A person can act as a proxy on behalf of Members not exceeding fifty in number 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 shareholder.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
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 at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. 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 meeting.
11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing the Companies the paperless compliance and the said ministry has issued a circular stating that the service of notice / documents including annual reports can be sent by e mail to the members.

In order to abide by the circular, the members are requested to register their e-mail address, to enable the company to send reports by e mail. The members holding shares in demat form may register their e-mail address with the respective DPs and the members who holds the shares in physical form are requested to register their e-mail with the Company or Registrar & Share Transfer Agent. This will enable the company to send the annual reports by e-mail.

The Notice of the AGM along with the Annual Report 2014-15 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.

## 12. Voting Through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 23<sup>rd</sup> Annual General Meeting of the Company.

The instructions for shareholders voting electronically are as under:

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. Member holding shares in Physical Form should enter Folio Number with the company.
- (v) Next enter the Image Verification as displayed and Click on Login.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Saturday, 26<sup>th</sup> September, 2015 at 9:00 AM and ends on Monday, 28<sup>th</sup> September, 2015 at 6:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26<sup>nd</sup> September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Select the "Garnet Construction Ltd..." from the drop down menu and click on Submit.
- (v) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address sticker.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu herein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the "Garnet Construction Ltd." on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (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 scanned 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.

(xx) 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).

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

14. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 4 of the accompanying Notice dated 4<sup>th</sup> September, 2015.

#### **ITEM NO. 4**

The provision of Section 188 of the Companies Act, 2013 that govern the related parties transaction require approval from members through special resolution.

Further as per the provision to Section 188 provides that nothing shall apply to any transaction entered into by the Company in its ordinary course of business other than transaction which are not on arm's length basis.

In the light of said section the Board of Directors of your company has approved the proposed transaction along with annual limits that your company may enter into with its Related Parties for the Financial Year 2015-16 and beyond.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (meetings of Board and its Power) Rules, 2014 are given below in a tabular format for kind perusal of the members.

<b>Maximum Value of Contract / Transaction for the Financial Year 2015-16 (in Lakhs)</b>					
Transaction defined u/s 188 (1) of the Companies Act, 2013					
	Sale or supply of any good materials	Purchase or otherwise buying materials / property of any kind	Loan (With Interest)	Technical Consultancy Fees	Leasing of Property
<b>Name of Related Parties</b>					
S.K. Investment		200.00			
Aditya Ind.Estate			200.00		
Kedia Industrial Development Corporation			200.00		
J. S. Realty Pvt. Ltd.			200.00		
<b>Associates</b>					
<b>NIL</b>					
<b>Subsidiaries</b>					
<b>NIL</b>					

The Board of Directors of your Company has approved this in the Board Meeting held on 4<sup>th</sup> September, 2015 and recommended the Resolution as set out in the accompanying Notice for the approval of members of the Company as a special resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other director is concerned or interested in the resolution.

**Registered Office:**

501/531, Laxmi Mall,  
Laxmi Industrial Estate,  
New Link Road,  
Andheri (West),  
Mumbai - 400 053

By Order of the Board  
**For Garnet Construction Limited**

**Kishan Kumar Kedia**  
**Chairman & Managing Director**  
**DIN No. 00205146**

Place : Mumbai  
Date : 4<sup>th</sup> September, 2015

**ANNEXURE TO ITEMS 2 OF THE NOTICE**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Arun Kedia
Director Identification Number (DIN)	00205183
Date of Birth	13/02/1968
Nationality	Indian
Date of Appointment on Board	15/10/1992
Qualification	Under Graduate
Shareholding in Garnet Construction Ltd.	12.33%
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Nil
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Nil

Mr. Kishan Kumar Kedia, Chairman & Managing Director, Mr. Arun Kedia, Director Marketing and Mr. Sanjay Kedia, Finance Director are have inter-se relationships between the Board Members.



**DIRECTORS'S REPORT**

To,

The Members,

Your Directors have pleasure in presenting their 23<sup>rd</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

**1. Financial summary or highlights/Performance of the Company** (Standalone)

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Rs. In Lacs

Particulars	2014-2015	2013-14
Gross Income	2873.20	1017.07
Profit Before Interest and Depreciation	607.33	606.46
Finance Charges	260.50	248.37
Gross Profit	346.83	358.09
Provision for Depreciation	95.01	40.63
Net Profit Before Tax	251.82	317.46
Provision for Tax	185.85	88.51
Net Profit After Tax	65.97	228.95
Balance of Profit brought forward	704.59	475.64
Balance available for appropriation	764.83	704.59
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0
Transfer to General Reserve	0	0
Surplus carried to Balance Sheet	764.83	704.59

**2. Brief description of the Company's working during the year/State of Company's affair**

During the year under review the Company has total income of Rs. 2,873.30 (in lacs) as against previous year Rs. 1,017.07, the same is on account of sales of magic hills bungalows of which the possession is handed over. However the company has posted net profit of Rs. 65.97 Lacs as against previous year profit of Rs. 228.95, the same is due to higher depreciation in compliance with provisions of the act and taxation charge to P&L

**3. Dividend**

Your directors regret to inform you that we do not recommend any dividend for the year to strengthen the position of the company

**4. Unclaimed Dividend**

There is no balance lying in unpaid equity dividend account.

**5. Share Capital**

There is no change in the share capital of the Company during the year.

**6. Directors and Key Managerial Personnel**

Mr. Arun Kedia Director Marketing retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment further Ms. Hetal Talreja has been appointed as Chief Financial Officer with effect from 16<sup>th</sup> March, 2015.

**7. Particulars of Employees**

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the details required therein forms part of this report. Having regard to the provisions of Section 136(1) read with the its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered office of the Company during working hours and any member interested in obtaining such information may write to the Company and the same will be furnished without any fee and free of cost. In terms of the requirement of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees draw salary in excess of Rs. 5 Lacs p.m. or Rs. 60 Lacs p.a.

**8. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 10 Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**9. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**10. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.