

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Garnet Construction Limited will be held on **Thursday the 29<sup>th</sup> September, 2016** 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 adopted
  - a). the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon; and
  - b). the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Kishan Kumar Kedia (DIN No. 00205146), 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 other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the appointment of M/s. Shankarlal Jain & Associates LLP, Chartered Accountants (Firm’s Registration No. 109901W/W100082), as Auditors of the Company for a term of three years which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the next AGM of the Company to be held in the year 2017, at such remuneration plus service tax as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### 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 Kishan Kumar Kedia, Neelkanth Industrial Estate, Panchdeep Industrial Estate, S.K Investment, Callista Realty Ltd., 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.”

**5. Re-Appointment of Managing Director**

To consider the re-appointment of Shri Kishan Kumar Kedia (DIN 00205146), Managing Director and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded to the re-appointment of Shri Kishan Kumar Kedia (DIN 00205146) as a Chairman & Managing Director of the Company, for a period of 5 (five) years from 1<sup>st</sup> October, 2016 to 30<sup>th</sup> September, 2021 on the terms and conditions including remuneration as approved by the Nomination and remuneration Committee and the board which has been detailed in the explanatory statement annexed hereto (which shall form part hereof) with a liberty to the Board of Directors of the Company to fix, increase, alter or vary from time to time the terms and conditions of the said appointment and remuneration and/or perquisite as may be agreed upon by the board of directors, subject to same not exceeding at any point of time the ceiling specified in Schedule V of the Companies Act, 2013.

Resolved Further that where in any financial year during the currency of the tenure of said appointee, the Company has no profit or its profit are inadequate, the company shall pay salary & perquisite as approved under Schedule V of the Companies Act, 2013 as minimum remuneration.

Resolved further that for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company.”

**6. Re-Appointment of Director Marketing**

To consider the re-appointment of Shri Arun Kedia (DIN 00205183), Director Marketing and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded to the re-appointment of Shri Arun Kedia (DIN 00205183) as Wholtime Director designated as Director Marketing of the Company, for a period of 5 (five) years from 1<sup>st</sup> October, 2016 to 30<sup>th</sup> September, 2021 on the terms and conditions including remuneration as approved by the Nomination and remuneration Committee and the board which has been detailed in the explanatory statement annexed hereto (which shall form part hereof) with a liberty to the Board of Directors of the Company to fix, increase, alter or vary from time to time the terms and conditions of the said appointment and remuneration and/or perquisite as may be agreed upon by the board of directors, subject to same not exceeding at any point of time the ceiling specified in Schedule V of the Companies Act, 2013.

Resolved Further that where in any financial year during the currency of the tenure of said appointee, the Company has no profit or its profit are inadequate, the company shall pay salary & perquisite as approved under Schedule V of the Companies Act, 2013 as minimum remuneration.

Resolved further that for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company.”

## **7. Re-Appointment of Finance Director**

To consider the re-appointment of Shri Sanjay Kedia (DIN 00205220), Finance Director and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the Company be and is hereby accorded to the re-appointment of Shri Sanjay Kedia (DIN 00205220) as Wholtime Director designated as Finance Director of the Company, for a period of 5 (five) years from 1<sup>st</sup> October, 2016 to 30<sup>th</sup> September, 2021 on the terms and conditions including remuneration as approved by the Nomination and remuneration Committee and the board which has been detailed in the explanatory statement annexed hereto (which shall form part hereof) with a liberty to the Board of Directors of the Company to fix, increase, alter or vary from time to time the terms and conditions of the said appointment and remuneration and/or perquisite as may be agreed upon by the board of directors, subject to same not exceeding at any point of time the ceiling specified in Schedule V of the Companies Act, 2013.

Resolved Further that where in any financial year during the currency of the tenure of said appointee, the Company has no profit or its profit are inadequate, the company shall pay salary & perquisite as approved under Schedule V of the Companies Act, 2013 as minimum remuneration.

Resolved further that for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company.”

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

By Order of the Board

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

(Mumbai)  
**6<sup>th</sup> September, 2016**

## **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, 2016 to 29<sup>th</sup> September, 2016 (both days inclusive) for the purpose of ensuing Annual General Meeting.
3. 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.
4. 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.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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 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.

11. 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.

## 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, Regulation 44 of SEBI (LODR) Regulations, 2015 and any other applicable provisions, 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 casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Central Depository Services (India) Limited.

The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences at **9.00 a.m. on Monday, 26<sup>th</sup> September, 2016 and ends at 5:00 p.m. on Wednesday, 28<sup>th</sup> September, 2016**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the , may cast their vote by remote e-voting. The remote e-voting module shall be **cut-off date i.e. 22<sup>nd</sup> September, 2016** disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (viii) If you are a first time user follow the steps given below:

### For Members holding shares in Demat Form and Physical Form

<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p><input type="checkbox"/> 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.</p> <p><input type="checkbox"/> In case the sequence number is less than 8 digits enter the applicable number of</p>
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	0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
<b>DOB</b>	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.
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p><input type="checkbox"/> 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 (v)</p>

(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) 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.

In case of members receiving the physical copy:

I. Please follow all steps from sl.no (i) to sl.no (xviii) above to cast vote.

II. 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).

## **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 to 7 of the accompanying Notice dated 6<sup>th</sup> September, 2016.

### **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 proviso 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 2016-17 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 2016-17 (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		500.00			
Aditya Ind.Estate		500.00			
Kedia Industrial Development Corporation		500.00			
Neelkanth		500.00			

Industrial Estate					
Kishan Kumar Kedia			500.00		
Panchdeep Industrial Estate		500.00			
Callista Realty Ltd		500.00			
J. S. Realty Pvt. Ltd.			500.00		
<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 6<sup>th</sup> September, 2016 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.

#### **ITEM NO. 5**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of directors of the Company at its meeting held on 6<sup>th</sup> day of September, 2016, subject to the approval of the members in General Meeting, approved re-appointment and terms and of remuneration of Shri Kishan Kumar Kedia aged 69 years w.e.f. from 1<sup>st</sup> October, 2016 for a period of 5 years as Chairman and Managing Directors of the Company.

The Basic Salary is fixed at Rs. 1,50,000/- (Rupees One Lakh Fifty Thousands Only) per month, the overall remuneration is subject to the ceiling laid down under the provisions of the Companies Act, 2013 and schedule thereto.

Shri Kishan Kumar Kedia is individually concerned or interested in the above matters, since it relates to his own, re-appointment and remuneration. Shri Arun Kedia and Shri Sanjay Kedia are deemed to be concerned or interested being relative of the aid appointees.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relative are, in any way, concerned or interested, financially or otherwise in these items of business, except to the extent to their respective shareholding interest, if any held in the Company.

#### **ITEM NO. 6**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of directors of the Company at its meeting held on 6<sup>th</sup> day of September, 2016, subject to the approval of the members in General Meeting, approved re-appointment and terms and of remuneration of Shri Arun Kedia aged 48 years w.e.f. from 1<sup>st</sup> October, 2016 for a period of 5 years as Wholetime Director designed at Director Marketing of the Company.

The Basic Salary is fixed at Rs. 1,50,000/- (Rupees One Lakh Fifty Thousands Only) per month, the overall remuneration is subject to the ceiling laid down under the provisions of the Companies Act, 2013 and schedule thereto.



Shri Arun Kedia is individually concerned or interested in the above matters, since it relates to his own, re-appointment and remuneration. Shri Kishan Kumar Kedia and Shri Sanjay Kedia are deemed to be concerned or interested being relative of the aid appointees.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relative are, in any way, concerned or interested, financially or otherwise in these items of business, except to the extent to their respective shareholding interest, if any held in the Company.

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

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of directors of the Company at its meeting held on 6<sup>th</sup> day of September, 2016, subject to the approval of the members in General Meeting, approved re-appointment and terms and of remuneration of Shri Sanjay Kedia aged 47 years w.e.f. from 1<sup>st</sup> October, 2016 for a period of 5 years as Wholetime Director designed at Finance Director of the Company.

The Basic Salary is fixed at Rs. 1,50,000/- (Rupees One Lakh Fifty Thousands Only) per month, the overall remuneration is subject to the ceiling laid down under the provisions of the Companies Act, 2013 and schedule thereto.

Shri Sanjay Kedia is individually concerned or interested in the above matters, since it relates to his own, re-appointment and remuneration. Shri Kishan Kumar Kedia and Shri Arun Kedia are deemed to be concerned or interested being relative of the aid appointees.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relative are in any way, concerned or interested, financially or otherwise in these items of business, except to the extent to their respective shareholding interest, if any held in the Company.

**Registered Office:**

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

By Order of the Board

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

(Mumbai)  
**6<sup>th</sup> September, 2016**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015, ARE AS UNDER:**

Name of the Director	Kishan Kumar Kedia	Arun Kedia	Sanjay Kedia
Director Identification Number (DIN)	00205146	00205183	00205220
Aged	69 Years	48 Years	47 Years
Position Held	Chairman & Managing Director	Director Marketing	Finance Director
Nationality	Indian	Indian	Indian
Date of Appointment on Board	15/10/1992	15/10/1992	15/10/1992
Qualification	Under Graduate	Under Graduate	Graduate
Shareholding in Garnet Construction Ltd.	12.41%	13.15%	14.65%
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	One	Nil	One
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Nil	One	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.