



**14<sup>th</sup> Annual Report 2013-2014**

**GULSHAN POLYOLS LIMITED**  
(ISO 9001:2000 Company)

## Gulshan Polyols Limited

### BOARD OF DIRECTORS

Dr. Chandra Kumar Jain	: Chairman and Managing Director
Mr. A. K. Vats	: Executive Director & CEO
Ms. Arushi Jain	: Executive Director
Mr. S. K. Tewari	: Executive Director
Ms. Aditi Pasari	: Executive Director
Mr. K. K. Pandey	: Independent Director
Mr. A. K. Maheshwari	: Independent Director
Mr. Ajay Jain	: Independent Director
Mr. J. J. Bhagat	: Independent Director
Mr. R. K. Gupta	: Independent Director

### COMPANY SECRETARY

Ms. Nisha Gupta

### CHIEF FINANCIAL OFFICER

Mr. Rajesh Agarwal

### REGISTERED OFFICE

9<sup>th</sup> K. M., Jansath Road,  
Muzaffarnagar, Uttar Pradesh-251 001

### CORPORATE OFFICE & INVESTOR CELL

G-81, Preet Vihar, Delhi - 110 092  
Tel. : 011-49999200, Fax : 011-49999202

### PLANT LOCATION

1. Plot No. 762, Jhagadia Industrial Estate, Bharuch-393110 (Gujarat)
2. 9<sup>th</sup> K. M., Jansath Road, Muzaffarnagar, Uttar Pradesh-251001
3. Plot no. 769/2, G.I.D.C. Industrial Estate, Distt. Bharuch - 393110 (Gujarat)
4. Village Rampur Majri, Dhaula Kuan, Distt. Sirimour (H.P.)-173001
5. Plot No.-10, 11 & Part of 9, Borgaon Industrial Growth Centre, Tehsil - Sausar, Dist. Chhindwara, Madhya Pradesh
6. E-21& 22, RIICO Growth Centre Phase-II, Abu Road, Disst. Sirohi, (Rajasthan)
7. On-site Plant of PCC, Patiala (Punjab)
8. On-site Plant of PCC, Hooghly, (West Bengal)

### VISIT US AT

[www.gulshanindia.com](http://www.gulshanindia.com)

### AUDITORS

M/s Shahid & Associates  
Chartered Accountants  
Muzaffarnagar (UP).

### BANKERS

Bank of Baroda

### REGISTRAR & SHARE TRANSFER AGENT

M/s Alankit Assignments Limited  
1E/13, Alankit House, Jhandewalan  
Extension, New Delhi 110055,  
Phone No: 011-42541234/ 42541955  
Fax No: 011-4254196  
E-mail: [rta@alankit.com](mailto:rta@alankit.com)

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## NOTICE

Notice is hereby given that the 14<sup>th</sup> Annual General Meeting of the members of **GULSHAN POLYOLS LIMITED** will be held on Saturday, 20<sup>th</sup> September, 2014 at 11.30 a.m. at Lala Gulshan Rai Jain Charitable Trust Dharamshala, 54, Gher Khatti, New Mandi, Muzaffarnagar, Uttar Pradesh - 251001 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. A.K. Vats (holding DIN no. 00062413), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To declare a dividend on Preference Shares for the Financial Year ended 31<sup>st</sup> March, 2014.
4. To declare a dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2014.
5. To appoint auditors and authorize Board of Directors to fix their remuneration.

**"RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Shahid & Associates, Chartered Accountants (Firm Registration No. 002140C), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of 14<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 17<sup>th</sup> AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS

#### 6. Appointment of Mr. Suresh Kumar Tewari as a Whole Time Director of the Company

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

**"RESOLVED THAT** pursuant to provisions of section 152, and subject to the applicable provisions of the Companies Act, 2013 including the applicable rules made thereunder, Mr. Suresh Kumar Tewari (holding DIN 00062373), be and is hereby appointed as a Director of the Company, whose period of office shall be liable for retirement by rotation.

**RESOLVED FURTHER THAT** pursuant to sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with schedule V to the Companies Act, 2013 (Corresponding to sections 198, 269, 309 and any other applicable provisions of Companies Act, 1956 read with schedule XIII to the Companies Act, 1956), the consent of the company, be and is hereby accorded to the appointment of Mr. Suresh Kumar Tewari as a Whole Time Director of the Company for a period of five years effective from 1<sup>st</sup> April, 2014 on the following terms & conditions of appointment including remuneration, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified under section 197, read with Schedule V of the Companies Act, 2013:

#### 1. Basic Salary per month:

₹ 78,800/- in scale of ₹ 48,500/- to ₹ 1,33,000/- (With such annual/ special increments within the aforesaid scale as may be decided by the Board, on recommendation of Nomination and Remuneration Committee)

#### 2. Perquisites and allowances:

- a. House Rent Allowance : 45% of Basic
- b. Medical Allowance : 5% of Basic
- c. Ex-Gratia : 8.33% of Basic

3. **Commission on profits**, as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee for each financial year calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013 payable at such intervals, as may be decided by the Board of Directors.

4. **Other perquisites**

In addition to the perquisites and allowances as aforesaid, he shall also be entitled to the following benefits which will not be included in computation of the ceiling of remuneration specified in Para 1, 2 and 3 above.

- Gratuity: Gratuity payable as per the rules of the Company.
- Leave: Leaves as per the rules of the Company.
- Company Car and telephone: Use of the Company's Car, and telephone at the residence for official purposes as per rules of the Company.
- Other benefits as per rules of the Company.

7. **Variation in the Terms of remuneration of Mr. Ashwani Kumar Vats, Whole Time Director**

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

**"RESOLVED THAT** pursuant to provisions of section 152 and subject to the applicable provisions of the Companies Act, 2013 including the applicable rules made thereunder, Mr. Ashwani Kumar Vats (holding DIN 00062413) who retires by rotation, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, without any break in his tenure as Whole Time Director of the Company.

**RESOLVED FURTHER THAT** pursuant to sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with schedule V to the Companies Act, 2013, the consent of the company, be and is hereby accorded for varying the terms and conditions of remuneration being paid to Mr. Ashwani Kumar Vats, Whole Time Director of the Company for the remaining tenure of his appointment effective from 1<sup>st</sup> April, 2014, as stipulated herein below:

1. **Basic Salary per month:**

₹ 95,000/- in scale of ₹ 68,000/- to ₹ 1,33,000/- (With such annual/ special increments within the aforesaid scale as may be decided by the Board, on recommendation of Nomination and Remuneration Committee).

2. **Perquisites and allowances:**

- House Rent Allowance : 45% of Basic
- Medical Allowance : 5% of Basic
- Ex-Gratia : 8.33% of Basic

3. **Commission on profits**, as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee for each financial year calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in section 197 and 198 read with Schedule V of the Companies Act, 2013 payable at such intervals, as may be decided by the Board of Directors.

4. **Other perquisites**

In addition to the perquisites and allowances as aforesaid, he shall also be entitled to the following benefits which will not be included in computation of the ceiling of remuneration specified in Para 1, 2 and 3 above.

- Gratuity: Gratuity payable as per the rules of the Company.
- Leave: Leaves as per the rules of the Company.

- c. Company Car and telephone: Use of the Company's Car, and telephone at the residence for official purposes as per rules of the Company.
- d. Other benefits as per rules of the Company.

**8. Appointment of Mr. Krishna Kumar Pandey as an Independent Director**

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

**"RESOLVED THAT** Mr. Krishna Kumar Pandey (holding DIN 02241232), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the company pursuant to Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, with effect from 1<sup>st</sup> April, 2014 for a term of five consecutive years."

**9. Appointment of Mr. Akhilesh Kumar Maheshwari as an Independent Director**

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

**"RESOLVED THAT** Mr. Akhilesh Kumar Maheshwari (holding DIN 00062645), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the company pursuant to Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, with effect from 1<sup>st</sup> April, 2014 for a term of five consecutive years."

**10. Appointment of Mr. Ajay Jain as an Independent Director**

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

**"RESOLVED THAT** Mr. Ajay Jain (holding DIN 00062146), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the Company pursuant to Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, with effect from 1<sup>st</sup> April, 2014 for a term of five consecutive years."

**11. Creation of charge/mortgage in terms of section 180(1)(a) of the Companies Act, 2013**

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

**"RESOLVED THAT** pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to lease, mortgage and/or charge, in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situated, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding ₹500/- crore (Rupees Five Hundred Crores only).

**FURTHER RESOLVED THAT** lease, mortgage/charge created and /or all agreements, documents executed and all acts done in terms of the above resolution by and within the authority of the Board of Directors be and is hereby confirmed and ratified."

**12. Borrowing powers of the Company under section 180(1)(c) of the Companies Act, 2013**

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

"**RESOLVED THAT** in supersession of the resolution passed under section 293(1)(d) of the Companies Act, 1956 at the 11<sup>th</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2011 and pursuant to Section 180(1)(c) 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), the consent of the Company be and is hereby accorded to the Board of Directors to borrow from time to time, at its discretion, on such terms and conditions as to repayment, interest or otherwise, any sum or sums of monies which, together with money already borrowed by the company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business upto a limit of ₹ 500 Crores (Rupees Five Hundred Crores Only) over and above the aggregate of paid up share capital and free reserves of the Company."

### 13. Adoption of New Set of Articles of Association

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

"**RESOLVED THAT** pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this Resolution."

### 14. Approval of Remuneration of Cost Auditor of the Company

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

"**RESOLVED THAT** pursuant to Section 148 and any other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 75,000/- ( Rupees Seventy Five Thousand only) to Company's Cost Auditor, M/s. JMS & Co., Cost Accountants, for auditing the cost records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2015."

### 15. Authorization for Related Party Transactions of the Company

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

"**RESOLVED THAT** pursuant to the provisions of section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties as defined under the Act with respect to leasing property of any kind and /or appointment of such related party to any office or place of profit in the company or its subsidiary or associate company or any other transaction of whatever nature with related parties.

#### **Name of the Related Parties**

1. Dr. Chandra Kumar Jain
2. Mridula Jain
3. Aditi Pasari
4. Arushi Jain

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters, and things and to give such directions as may be

necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

**16. Keeping of Registers and Annual Returns at a place other than the Registered Office**

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

**"RESOLVED THAT** pursuant to the provisions of Section 94 of the Companies Act 2013 and any other applicable provisions, rules and regulations made thereunder, Consent of the Company be accorded to the Board of Directors for keeping and maintaining the Statutory registers, index, returns and copies of certificates and other documents at the Company's Corporate Office at G - 81, Preet Vihar, Delhi - 110092 and at the premises of Registrar & Share Transfer Agent (RTA).

**RESOLVED FURTHER THAT** Dr. C. K. Jain, Managing Director and Ms. Nisha Gupta, Company Secretary of the Company be and are hereby severally authorized to file the necessary e-forms with the Registrar of Companies."

**17. Alteration in Object Clause in Memorandum of Association of the Company**

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution through Postal ballot**:

**"RESOLVED THAT** pursuant to the Provisions of 13,110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded for alteration of the Main object clause of the Memorandum of Association of the Company by adding the following new clause after the existing clause no.12 thereof;

13. To carry on the business as manufacturer, producer, trader, seller, buyers, exporters, distributor, commission agents, brokers, stockiest, consignment and indenting agents in all kind of cosmetics & toiletries including skin care, beauty care, health care, body care products and Ayurvedic, Herbal, Allopathic, Unani, Siddha, Homeopathic, Bio-Chemic Medicines, Aroma therapy Products, their derivatives, by-products, residue, deodorants, all kinds of perfumery & other compounds, disinfecting and cleansing compounds, aerosol and pump- spray products, baby products, skin creams and other cosmetics creams, soaps & shampoos and other bath products, pre-shave shaving and after-shave shaving preparations, oils, greases, ointments, pomades, health tonics, general medicines, and other allied goods and cosmetics."

**By the order of the Board of Directors**

Date : May 28, 2014

Sd/-

Place: Delhi

**Nisha Gupta**  
Company Secretary

**NOTES:**

- (a) The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 in respect of the special business under item nos. 6 to 17 are annexed hereto.
- (b) The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under Item Nos. 6 to 10 of the Notice, are also given.
- (c) **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies and such proxy need not be a member of the company. The instrument appointing proxy should be deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting, 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 ten percent of the total share capital of the company.**

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- (d) The register of Members and Transfer Books of the Company will be closed from Monday, 21<sup>st</sup> July, 2014 to Tuesday, 22<sup>nd</sup> July, 2014, both days inclusive.
- (e) Dividend on the Shares, if declared, will be paid at par after 20<sup>th</sup> September, 2014 to those Members/Beneficial owners whose names appear on the Company's Register of Members/Register of Beneficiaries as at the end of business hours on 19<sup>th</sup> July, 2014.
- (f) The Notice of the AGM along with the Annual Report 2013-14 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.
- (g) Members who have neither received nor encashed their dividend warrant(s) for the financial years 2006-07 to 2012-13, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
- (h) In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7(seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 is due for transfer to the said Fund. In terms of provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), no claim shall lie against the Company or the said Fund after the said transfer.
- (i) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), 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 (RTA), Alankit Assignments Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
- (j) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
- (k) Members who holds shares in physical form or in multiple folios, in identical names or joint holding in the order of names are requested to send share certificates to Company's Share Transfer Agent for consolidation into a single folio.
- (l) Members / Proxies should bring the Attendance slip duly filled in for attending the meeting along with their copy of the Annual Report.
- (m) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA /Depositories.
- (n) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company.
- (o) Voting through electronic means for Annual General meeting and for Postal Ballot Resolution.**
  - I. In compliance with the provisions of Section 108 and/ or 110 of the Companies Act, 2013 and Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members facility to exercise their right to vote at the Annual General Meeting (AGM) and for Postal Ballot by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The instructions for e-voting are as under:

The instructions / procedure for e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

- a. Open email and open PDF file viz.; .Gulshan Polyols Limited\_e-voting.pdf. with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>; Click on Shareholder - Login.
  - c. Put user ID and password as .Initial Password/ PIN noted in step (a) above. Click .Login.
  - d. Password change menu will appear. Change the Password / PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note your new password. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
  - e. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - f. Select .EVEN. of Gulshan Polyols Limited.
  - g. Now you are ready for e-voting as. Cast Vote. page opens.
  - h. Cast your vote by selecting appropriate option and click on. Submit. and also .Confirm. When prompted.
  - i. Upon confirmation, the message .Vote cast successfully will be displayed.
  - j. Once you have voted on a Resolution, you will not be allowed to modify your vote.
  - k. Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are 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 to [tarunkharbanda2008@rediffmail.com](mailto:tarunkharbanda2008@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in);
- B. In case a member receives physical copy of the Notice of AGM and for Postal Ballot [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy] :
- (i) Initial password will be provided separately:

EVEN (E Voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps from Sl. No. (b) to (k) above, to cast your vote electronically.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and Password / PIN for casting your vote.
  - IV. You are required to fill in the Postal ballot form and enclose it in a sealed pre-paid envelope and send it to the Scrutinizer. The ballot forms must be received by the scrutinizer on or before 16<sup>th</sup> September, 2014(6.00p.m.) Scrutinizer decision on the validity of the forms will be final. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the Postal ballot vote would be ignored.
  - V. The e-voting period commences for AGM on Monday, 15<sup>th</sup> September, 2014 (9:00 a.m.) and ends on Tuesday, 16<sup>th</sup> September, 2014 (6:00 p.m.) and period for e-voting commence for Postal Ballot on Monday, 18<sup>th</sup> August, 2014 (9:00 a.m.) and ends on Tuesday, 16<sup>th</sup> September, 2014 (6:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> July, 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast, the member(s) shall not be allowed to change it subsequently.

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- VI. Mr. Tarun Kharbanda, of M/s Tarun Kharbanda & Co., Chartered Accountant, House No.-41, Lane No.-9, Gandhi Colony, Muzaffarnagar-255001, (U.P) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period of not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes cast in the presence of at least 2 (two) witnesses not in the employment of the Company and prepare a Scrutinizer's Report forthwith to the Chairman of the Company.
- VIII. The Results shall be declared on or after the date of the AGM. The Results declared along with the Scrutinizer. Report shall be placed on the website of NSDL within 2 (two) days of passing of the Resolutions at the AGM of the Company and communicated to BSE Limited.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND PURSUANT TO CLAUSE 49 TO LISTING AGREEMENT**

#### **ITEM No 6**

The tenure of Mr. Suresh Kumar Tewari, Whole Time Director of the Company, has expired on 31<sup>st</sup> March, 2014. The Board of Directors of your Company in the Board Meeting held on 28<sup>th</sup> May, 2014 has reviewed his performance and unanimously decided to re-appoint him as Whole Time Director of the Company for a period of five years effective from 1<sup>st</sup> April, 2014 on the terms and conditions including remuneration as set out in the above resolution and in respect of whom Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature as director of the Company and shall be liable to retire by rotation.

Mr. Suresh Kumar Tewari, aged 55 years, is being re-appointed as Whole Time Director of the Company. He is M. Tech, PGDPM and having a 33 year's experience in Projects and Managerial of Industrial Operations. He does not hold any Directorship/Committee membership in other companies.

Except Mr. Suresh Kumar Tewari, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned and interested or in the resolution set out at item no. 6.

#### **ITEM NO. 2 & 7**

In terms of the Explanation to section 152(6) of the Companies Act, 2013 for the purpose of computing the number of directors liable to retire by rotation, Independent Directors are not to be considered. Therefore, for the purpose of computing the number of directors liable to retire by rotation, only Executive Directors are to be considered, and hence, it is proposed to appoint Mr. A. K. Vats who retires by rotation and being eligible and offers himself for re-appointment as director of the Company. With this re-appointment, his tenure as Whole Time Director (WTD) will not break.

Further, Mr. A. K. Vats was appointed as Whole Time director of the Company in the AGM of the Company held on 22<sup>nd</sup> September, 2012, w.e.f. from 1<sup>st</sup> April, 2012 up to 31<sup>st</sup> March, 2015, at remuneration given in the resolution of that AGM, with annual increments effective 1<sup>st</sup> April every year, as may be decided by the Board, based on merit and taking into account the Company's performances, benefits, perquisites and allowances as determined by the Board from time to time.

Considering the performance of Mr. A. K. Vats as Whole Time Director of your Company, in leading the company consistently improved performance over the years, your Board considers the revision in the salary payable to him as appropriate and recommends the same for approval by the Members. All other terms and conditions of his appointment as WTD of the Company, as approved by the Members at the AGM of the Company held on 22<sup>nd</sup> September, 2012, remain unchanged.

He is, aged 52 years, B.Com, Diploma in Marketing and Management and having over a 30 years experience in matters related to marketing and production. He does not hold any Directorship/Committee membership in other companies.

Pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions of the Act, the approval of the Members in General Meeting is required to be obtained for the revision in the terms of the remuneration of Mr. Vats as set out in Item No.7 of the Notice.