



Muzaffarnagar, U.P.

# Committed to Growth



## **GULSHAN**

19<sup>th</sup> Annual Report  
2018-19

# Chairman's Statement



***Dear Friends & Indian Voters,***

## ***Strengthening Democracy!***

*India is the world's largest democracy. Voting in India is a Constitutional right if one is a citizen over 18 years of age. However, that also makes it optional. It has been a tendency among voters, especially in the urban areas, to treat the voting day as a day of rest. While skipping the vote may not seem to cause any harm, the long-term consequences are disastrous.*

*This year in 2019 Indian general election was held in seven phases from 11 April to 19 May 2019 to constitute the 17th Lok Sabha.*

*In **Gulshan Polyols** we have laid great stress on encouraging each and every individual whether direct or indirect employee/associate/partner to exercise his/her right diligently.*

## ***Companies Overall Performance:***

*It gives me pleasure to share with you an update on the overall performance of your Company in 2018-19. It was yet another difficult year for the global economy, characterized by low growth and geopolitical uncertainties. In India, rural demand continued to be sluggish in the early part of the year on the back of two consecutive poor monsoons. The overall market showed a steep downfall owing to steep rise in raw material prices thus imposing great pressure on selling prices and also leading to exports getting unviable for a majority of our products.*

*During the Financial Year ended 31st March 2019, Revenue from operations increased to ₹ 67388.61 lakhs from ₹ 62403.80 lakhs in the previous year. Registered growth is 8% on net revenue basis.*

EBIDTA of ₹ 8561.28 lakhs for the year against ₹ 7083.31 lakhs in the previous year, a growth of 21% Year on Year Basis. Profit after tax (PAT) of ₹ 2142.52 lakhs in F.Y 2018-19 against ₹ 1824.20 lakhs in the previous year.

Your Company in the tune of progressive Dividend Policy, the Board of Directors declared and paid an interim dividend of 40 percent (₹ 0.40 per fully paid-up equity share of ₹ 1/- each) in November, 2018. The financial year 2018-19 concluded with recommending a final dividend of 30 percent (₹ 0.30 per fully paid-up equity share of ₹ 1/- each) aggregating to 70 percent i.e. amounting to ₹ 328.42 lakhs, subject to the approval of the shareholders at the Annual General Meeting.

Despite significant pressure on margins due to higher raw material prices, higher depreciation and slower economic growth, your Company has sustained its profitable growth story.

Your Company is also committed to its social responsibility agenda and contribute meaningfully to the communities that it operates in. Your Company continues to focus in the areas of Health, Community Welfare, Education, Health & Hygiene, Rural development and Water management to enhance the livelihoods of people in its operating communities. These initiatives, along with several others, reaffirm our belief that addressing societal needs and business growth go hand-in-hand.

It has been a year of further progress – strategically, operationally and financially. In rapidly changing markets we continue to focus our energies on shorter decision timelines, rapid deployment and strong customer focus. We can only do this successfully with excellent people and, on behalf of the Board. I would like to thank all our employees and partners for their very considerable efforts in the past year. I look forward with confidence to your Company's response to further changing customer demands in the year ahead.

Jai Hind!!



Dr. C. K. Jain  
Chairman & Managing Director

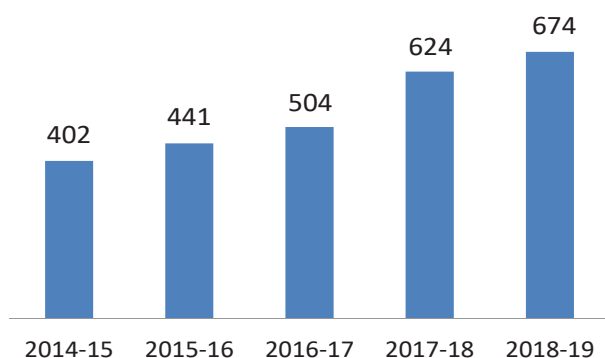


Company's efforts to encourage voters

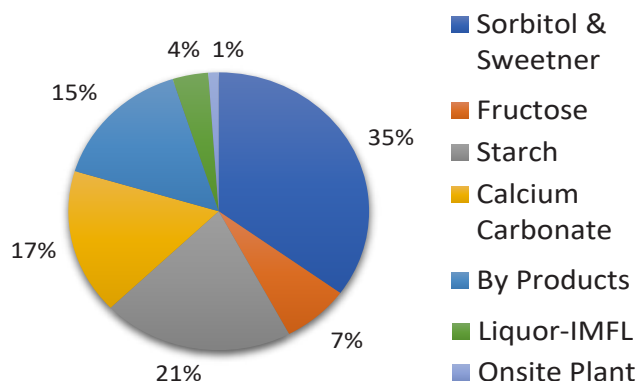


# FINANCIAL HIGHLIGHTS

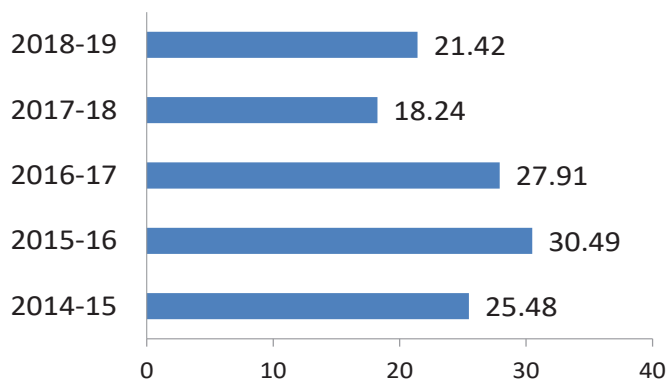
**NET SALES**  
(₹ in Crore)



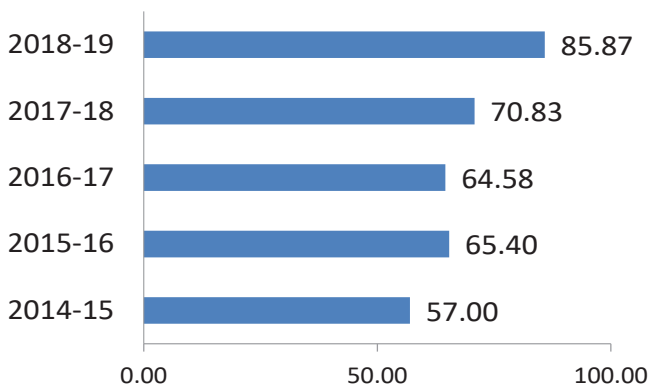
**PRODUCT WISE  
REVENUE BREAK-UP**



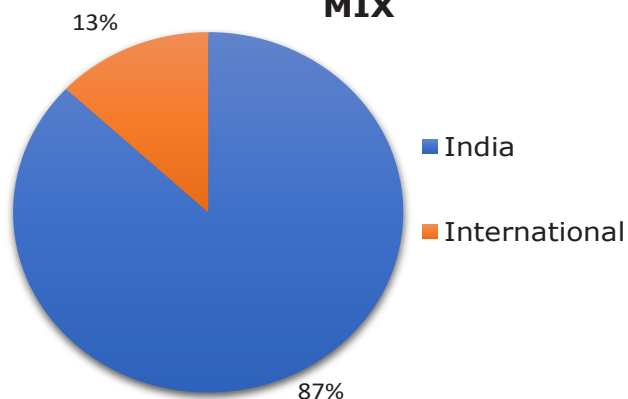
**PROFIT AFTER TAX**  
(₹ in Crore)



**EBITDA**  
(₹ in Crore)



**INDIA INTERNATIONAL REVENUE  
MIX**



**DEBT EQUITY RATIO**  
(in times)



# Corporate Information

## BOARD OF DIRECTORS

Dr. C. K. Jain  
*Chairman & Managing Director*

Ms. Arushi Jain  
*Whole Time Director*

Ms. Aditi Pasari  
*Whole Time Director*

Mr. Ashwani Kumar Vats  
*Executive Director & CEO*

Mr. Suresh Kumar Tewari  
*Whole Time Director*

Mr. Ajay Jain  
*Independent Director*

Mr. A. K. Maheshwari  
*Independent Director*

Mr. J. J. Bhagat  
*Independent Director*

Mr. Rakesh Kumar Gupta  
*Independent Director*

Mr. K. C. Gupta  
*Independent Director*

## AUDIT COMMITTEE

Mr. Ajay Jain  
*Chairman*

Mr. A. K. Maheshwari  
*Member*

Dr. C. K. Jain  
*Member*

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. A. K. Maheshwari  
*Chairman*

Mr. Ajay Jain  
*Member*

Ms. Aditi Pasari  
*Member*

## NOMINATION & REMUNERATION COMMITTEE

Mr. Ajay Jain  
*Chairman*

Mr. A. K. Maheshwari  
*Member*

Mr. Rakesh Kumar Gupta  
*Member*

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ajay Jain  
*Chairman*

Ms. Arushi Jain  
*Member*

Ms. Aditi Pasari  
*Member*

## CHIEF FINANCIAL OFFICER

Mr. Rajiv Gupta

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Vijay Kumar Garg

## BANKERS

Bank of Baroda  
Citi Bank  
HSBC Bank

## REGISTRAR & SHARE TRANSFER AGENT

M/s Alankit Assignments Limited  
1E/13, Alankit Heights,  
Jhandewalan Extension,  
New Delhi - 110055  
Ph. No: 011-42541234/ 955  
Fax No: 011-42541201  
E-mail: rta@alankit.com

## AUDITORS

Rajeev Singal & Co.,  
Muzaffarnagar

## COST AUDITORS

Rahul Jain & Associates,  
Cost Accountants, Delhi

## SECRETARIAL AUDITORS

Mr. Sanjay Chugh,  
Practicing Company Secretaries,  
Delhi

## REGISTERED OFFICE

9<sup>th</sup> K.M., Jansath Road,  
Muzaffarnagar, Uttar Pradesh -  
251001  
Tel: 0131-32958800  
Fax: 0131 - 2661378  
Email: gscmzn@gulshanindia.com  
Website: www.gulshanindia.com  
CIN: L24231UP2000PLC034918

## CORPORATE OFFICE

G-81, Preet Vihar, Delhi- 110092  
Tel: 011-49999200  
Fax: 011-49999202

## PLANT LOCATIONS

Plot No. 762, Jhagadia Industrial  
Estate, Bharuch, Gujarat-393110

9<sup>th</sup> K. M., Jansath Road,  
Muzaffarnagar, U.P. - 251001

Plot No. 769/2, G.I.D.C.  
Industrial Estate, Distt. Bharuch,  
Gujarat - 393110

Village Rampur Majri, Dhaula  
Kuan, Distt. Sirmour, Himachal  
Pradesh -173001

E - 21 & 22, RIICO Growth  
Centre Phase-II, Abu Road,  
Disst. Sirohi, Rajasthan- 307026

Plot No.-10, 11 & Part of 9,  
Borgaon Industrial Growth  
Centre, Tehsil - Sausar, Dist.  
Chhindwara, Madhya Pradesh

On-site Plant of PCC at DSG  
Papers Pvt. Ltd., Patiala, Punjab

On-site Plant of PCC at ITC Ltd.,  
Hooghly, West Bengal

On-site Plant of PCC at Orient  
Paper Mills, Amlai, Madhya  
Pradesh

## WHAT'S INSIDE

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**NOTICE**

Notice is hereby given that the 19<sup>th</sup> Annual General Meeting of the members of **GULSHAN POLYOLS LIMITED** will be held on Saturday, 21st September, 2019 at 12.30 p.m. at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh-251002 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2019 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on Preference Shares for the financial year ended on 31st March, 2019.
3. To confirm the payment of interim dividend during the financial year 2018-19 and to declare a final dividend on equity shares for the financial year ended on 31st March, 2019.
4. To appoint a director in place of Ms. Arushi Jain (holding DIN no. 00764520), who retires by rotation and, being eligible, offers herself for re-appointment.
5. To ratify the appointment of Rajeev Singal & Co. (Firm Registration no.-008692C), Statutory Auditors of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and all other applicable provisions, if any, read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, the appointment of Rajeev Singal & Co. (Firm Registration no. - 008692C), Chartered Accountants, as Statutory Auditors of the Company be and is hereby approved and ratified from the conclusion of 19<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 20<sup>th</sup> AGM of the Company to be held in the year 2020, 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. **Revision in terms of remuneration of Mr. Ashwani Kumar Vats, Whole Time Director & CEO of the Company**

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

**"RESOLVED THAT** pursuant to sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with schedule V to the Companies Act, 2013, and also as recommended by the Nomination and Remuneration/Compensation Committee and approved by the Board of Directors of the Company, approval of the members be and is hereby accorded for revision and varying the terms and conditions of remuneration being paid to Mr. Ashwani Kumar Vats (holding DIN 00062413), Whole Time Director & CEO of the Company, for the remaining tenure of his appointment, effective from 1<sup>st</sup> April, 2019, as stated in the Explanatory Statement annexed to the Notice and details stipulated herein below:

**1. Basic Salary per month:**

Basic Salary: Rs.2,65,000/- per month w.e.f. April 01, 2019 in scale of Rs. 1,50,000/- to Rs. 4,00,000/- (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.

- a. Gratuity: Gratuity payable as per the rules of the Company.
- b. 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.

**7. Re-appointment and Revision in terms of remuneration of Mr. Suresh Kumar Tewari, 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 FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder read with Schedule V to the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and subject to such other approvals as may be required, consent and approval of the Members of the Company, and also as recommended by the Nomination and Remuneration/ Compensation Committee, be and is hereby accorded to the re-appointment of **Shri Suresh Kumar Tewari (holding DIN 00062373)**, as the Whole Time Director of the Company for a further period of 3 (three) years, with effect from 1 April 2019 to 31 March 2022, whose term of office shall be liable to retirement by rotation, upon the terms and conditions including those relating to remuneration and perquisites more specifically set out in the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice, and details stipulated herein below."

**1. Basic Salary per month:**

Basic Salary: Rs.1,83,000/- per month w.e.f. April 01, 2019 in scale of Rs. 1,50,000/- to Rs. 4,00,000/- (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.

- a. Gratuity: Gratuity payable as per the rules of the Company.
- b. 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. Re-appointment of Mr. Ajay Jain as an Independent 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 recommendation of the Nomination and Remuneration/Compensation Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the approval of the Members of the Company be and is hereby accorded for re-appointment of **Mr. Ajay Jain (DIN:00062146)**, Non-Executive and Independent Director of the Company, Who is reappointed for second term for a period of 5 years w.e.f 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2024 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution"



**9. Re-appointment of Mr. Akhilesh Kumar Maheshwari as an Independent 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 recommendation of the Nomination and Remuneration/Compensation Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the approval of the Members of the Company be and is hereby accorded for re-appointment of **Mr. Akhilesh Kumar Maheshwari (DIN:00062645)**, Non-Executive and Independent Director of the Company, Who is reappointed for second term for a period of 5 years w.e.f 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2024 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution"

**10. Re-appointment of Mr. Rakesh Kumar Gupta as an Independent 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 recommendation of the Nomination and Remuneration/Compensation Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the approval of the Members of the Company be and is hereby accorded for re-appointment of **Mr. Rakesh Kumar Gupta (DIN: 06909233)**, Non-Executive and Independent Director of the Company, Who is reappointed for second term for a period of 5 years w.e.f 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2024 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution"

**11. Re-appointment of Mr. Jeewan Jyoti Bhagat as an Independent 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 recommendation of the Nomination and Remuneration/Compensation Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the approval of the Members of the Company be and is hereby accorded for re-appointment of **Mr. Jeewan Jyoti Bhagat (DIN: 00007743)**, Non-Executive and Independent Director of the Company, Who is reappointed for second term for a period of 5 years w.e.f 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2024 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation."

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution"



**12. 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 Ordinary Resolution

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other provisions of applicable law, the consent of the members be and is hereby accorded, approving and ratifying the transactions between the Company and Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors of the Company (related parties as defined under section 2(76) of the Companies Act, 2013) for entering into contracts and/or agreements with respect to their re-appointment to the office or place of profit in the company.

**"RESOLVED FURTHER** although all the related party transactions are generally based on ordinary course of business and at the arms' length basis, the aforesaid consent is being sought as an abundant caution and thus the Board of Directors of the Company and/or Audit Committee is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above, if any, and to settle all matters arising out of and incidental thereto and to do all acts, deeds, things as may be necessary proper or expedient to give effect to these resolutions."

**13. Approval for waiver of Recovery of Excess Managerial Remuneration paid to Dr. Chandra Kumar Jain (Din: 00062221) Chairman cum Managing Director of the Company for the period 01st April, 2018 to 31st March 2019.**

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 197, read with Schedule V and other applicable provisions of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and subject to receipt of necessary consents and approvals, if any, and also as recommended by the Nomination and Remuneration/Compensation Committee and subject to such other approvals as may be required, consent and approval of the Members of the Company for waiver of the recovery of excess remuneration paid to **Dr. Chandra Kumar Jain (DIN: 00062221)**, Chairman and Managing Director, amounting to Rs. 12,33,421/- for the financial year 2018-19 which is in excess of the limits of 5% of the Net Profit of the Company but is within the limit of 10% of prescribed under Section 197 of the Act."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company ("Board") and/or the Nomination and Remuneration Committee of the Directors of the Company ("NRC") and/or any other person authorized by the Board or the NRC, be and is hereby authorized to take necessary actions and steps required to give effect to the aforesaid resolution and settle any question or difficulty arising in connection therewith or incidental thereto."

**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 members be and is hereby accorded for the payment of remuneration of Rs.80,000/- ( Rupees Eighty Thousand only) to Company's Cost Auditor, M/s. Rahul Jain & Associates, Cost Accountants, for carrying out Cost Audit of the Company for the financial year 2019- 20."

**Explanatory Statement Pursuant to section 102 of the Companies Act, 2013 and Pursuant to Regulation 36 (3) of the Listing Regulations****Item No. 6**

Mr. Ashwani Kumar Vats was appointed as Whole Time director of the Company in the AGM of the Company held on 19<sup>th</sup> September, 2015, w.e.f. from 1st April, 2015 up to 31st March, 2020, at remuneration given in the resolution of that AGM, with annual increments effective 1st 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. Ashwani Kumar 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 19<sup>th</sup> September, 2015, remain unchanged. He is, aged 57 years, B.Com, Diploma in Marketing and Management and having over a 35 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. Ashwani Kumar Vats as set out in Item No.6 of the Notice.

Except Mr. Ashwani Kumar Vats, none of the Director and KMP of the Company and their respective relatives are concerned or interested in the resolution set out at item no. 6.



## Item No. 7

The tenure of Mr. Suresh Kumar Tewari, Whole Time Director of the Company, was expired on 31st March, 2019. The Board of Directors of your Company in the Board Meeting held on 13th February, 2019 has reviewed his performance and unanimously decided to re-appoint him as Whole Time Director of the Company for a period of Three years effective from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022 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 59 years, is being re-appointed as Whole Time Director of the Company. He is M. Tech,

PGDPM and having a 33 years' 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. 7.

## ITEM No. 8, 9, 10 & 11

The Nomination and Remuneration/Compensation Committee (NRC) of the Board of Directors at its Meeting held on 13 February 2019 & 27th March 2019 was recommended the appointment of 1. Mr. Ajay Jain, 2. Mr. Akhilesh Kumar Maheshwari, 3. Mr. Jeewan Jyoti Bhagat and 4. Mr. Rakesh Kumar Gupta, as a Non-Executive Independent Director to the Board of the Company for a period of five years with effect from 01st April 2019 to ending 31st March 2024, Subject to the approval of the Members.

1. **Mr. Ajay Jain**, aged 58 years, is an independent director of the Company. He is FCA and ACS and having a 32 years' experience in Finance, Taxation and Management. He does not hold any Directorship/Committee membership in other companies. He joined the Board of our company in October, 2005. He is the Chairman of Audit Committee and Nomination & Remuneration Committee and member of Stakeholders' Relationship Committee of the Board.

Mr. Ajay Jain holds 435 Equity Shares of the Company

Mr. Ajay Jain's first term commenced from 1st April 2014 to 31st March 2019 for five consecutive years as an Independent Director on the Board of the Company after enacting the Companies Act 2013. Previously his appointment was confirmed at the Annual General Meeting of the Company (AGM) held on 20th September 2014, Seeking Shareholder/Member's approval for the second consecutive term commencing from 01st April 2019 to ending 31st March 2024 in the forthcoming AGM for re-appointment as an Independent Director of the Company.

2. **Mr. Akhilesh Kumar Maheshwari**, aged 55 years, is an independent director of the Company. He is B.Com, FCA and ACS and having over a 35 years long and varied experience in Finance, Banking, Project Finance, Funds Raising, Taxation and Company Secretarial matters etc. He is also director in ACE Integrated Solutions Limited and New Habitat Housing Finance And Development Limited. He joined the Board in October, 2007. He is the Chairman of Stakeholders' Relationship Committee of the Board and member of Nomination and Remuneration//Compensation Committee and Audit Committee of Board.

Mr. Akhilesh Kumar Maheshwari holds 2610 Equity Shares of the Company.

Mr. Akhilesh Kumar Maheshwari's first term commenced from 1st April 2014 to 31st March 2019 for five consecutive years as an Independent Director on the Board of the Company after enacting the Companies Act 2013. Previously his appointment was confirmed at the Annual General Meeting of the Company (AGM) held on 20th September 2014, Seeking Shareholder /Member's approval for the second consecutive term commencement from 01st April 2019 to ending 31st March 2024 in the forthcoming AGM for re-appointment as an Independent Director of the Company.

3. **Mr. Jeewan Jyoti Bhagat**, aged 71 years, is an Independent Director of the Company. He is Post Graduate in Sugar Technology and having over 40 years long experience in Sugar and Allied Industries including Ethanol, Bio-Poner etc. He is also director in STM Projects Limited and Divya Energytech Private Limited.

Mr. Jeewan Jyoti Bhagat holds 15370 Equity Shares of the Company

Mr. Jeewan Jyoti Bhagat's first term commenced from 2nd August 2014 to 31st March 2019 for five consecutive years as an Independent Director on the Board of the Company after enacting the Companies Act 2013. Previously his appointment was confirmed at the Annual General Meeting of the Company (AGM) held on 20th September 2014, Seeking Shareholder /Member's approval for the second consecutive term commencement from 01st April 2019 to ending 31st March 2024 in the forthcoming AGM for re-appointment as an Independent Director of the Company.

4. **Mr. Rakesh Kumar Gupta**, aged 56 years, is an Independent Director of the Company. He is FCA and having a 31 years' experience in Finance, Taxation and Management. He is also director in Exhume Services Private Limited.

Mr. Rakesh Kumar Gupta holds 1000 Equity Shares of the Company

Mr. Rakesh Kumar Gupta's first term commenced from 2nd August 2014 to 31st March 2019 for five consecutive years as an Independent Director on the Board of the Company after enacting the Companies Act 2013. Previously his appointment was confirmed at the Annual General Meeting of the Company (AGM) held on 20th September 2014, Seeking Shareholder /Member's approval for the second consecutive term commencement from 01st April 2019 to ending 31st March 2024 in the forthcoming AGM for re-appointment as an Independent Director of the Company.

All Four re-appointed Directors have submitted declarations Individually, confirming the criteria of independence under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.