

KABSONS INDUSTRIES LIMITED

22nd Annual Report 2013 – 2014

Board of Directors

Sri. Rajiv Kbra	Chairman and Executive Director
Sri. P.V Subba Rao	Independent Director
Sri. Y S Sarma	Independent Director

Committees of the Board: Audit Committee

Sri.P.V Subba Rao	Chairman
Sri. Rajiv Kbra	Member
Sri. Y S Sarma	Member

Nomination and Remuneration Committee

Sri. Y S Sarma	Chairman
Sri.P.V Subba Rao	Member
Sri. Rajiv Kbra	Member

Share Transfer & Investors' Grievance Committee

Sri. Rajiv Kbra	Chairman
Sri. Y S Sarma	Member
Sri.P.V Subba Rao	Member

Auditors	:	M/s. Brahmayya & Co., Chartered Accountants, Flat No.403 & 404, Golden Green Appts, Erramanzil Colony, Somajiguda, Hyderabad - 500 082.
Bankers	:	HDFC Bank Ltd., State Bank of India
Registered Office	:	Plot No.48, 8-3-1087, Srinagar Colony, Hyderabad - 500 073.
Registrar & Share Transfer Agents	:	M/S.XL Softech Systems Ltd 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.
Factory	:	Plot No.B-3, Phase 1, MIDC, Waluj, Aurangabad - 431 133.
Bottling Plants	:	Aurangabad, Dharwad, Jaipur, Rohtak, Baroda, Bhubaneswar, Ranchi.
ISIN	:	INE645C0101
CIN No.	:	L23209TG1993PLC014458

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the members of the Company will be held **Tuesday, September 30, 2014 at 11.30 a.m.** at the registered office of the Company at 8-3-1087, Plot No.48, Opp. Ratnadeep Super Market, Srinagar Colony, Hyderabad-500 073, Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014, the Statement of Profit & Loss Account and cash flow statement for the year ended on that date together with the notes, report of the Director's and Auditor's thereon.
2. To appoint a Director in place of Sri. Rajiv Kabra (DIN: 00038605), who retires by rotation and, being eligible, offers himself for reappointment
3. To consider the appointment of M/s. Brahmayya & Co., Chartered Accountants, (Firm Regd.No.000513S) as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting, for three consecutive years until the conclusion of the 25th Annual General Meeting of the Company at such remuneration and terms as may be mutually agreed to between the Board of Directors and the Auditors.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following Resolution with or without modification(s), the following resolution as ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sec 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof as amended upto date the consent of the Company be and is hereby accorded for re-appointment of Sri. Rajiv Kabra (DIN: 00038605), as Executive Director of the Company, for a period of five years with effect from 1st August, 2014 without any remuneration as earlier and with the following perquisites.

- 1) Provision for use of chauffeur Driven Car
- 2) Company shall provide Telephone or reimburse telephone expense at residence for local and long distance official calls.

"FURTHER RESOLVED THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or reenactments thereof for the time being in force) read with schedule IV to the companies Act, 2013, Mr. P.V Subba Rao (DIN: 02299552) Director of the company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years for a term upto 2019 from the date of

this meeting.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or reenactments thereof for the time being in force) read with schedule IV to the companies Act, 2013, Mr. Y S Sarma (DIN: 06422198) Director of the company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years for a term upto 2019 from the date of this meeting.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of section 149(1) of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or reenactments thereof for the time being in force) read with Chapter XI to the companies Act, 2013, Smt. Mangal Rathi (DIN: 06966755) is being appointed as an Independent Director of the company.”

“FURTHER RESOLVED THAT pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or reenactments thereof for the time being in force) read with schedule IV to the companies Act, 2013, Smt. Mangal Rathi (DIN: 06966755), Director of the company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years for a term upto 2019 from the date of this meeting.”

By Order of the Board
For KABSONS INDUSTRIES LIMITED

Place : Hyderabad
Date : 14-08-2014

RAJIV KABRA
Executive Director

NOTES

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself. A Proxy need not be a member of the Company. Proxies, to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
2. The Register of Members of the Company will remain closed from September 26, 2014 to September 30, 2014 (both days inclusive).
3. Members are requested to quote their Registered Folio Numbers in all their Correspondence with the Company and notify change in their registered address, if any.
4. Members/proxies should bring the Attendance slips duly signed to the meeting and hand it over at the entrance. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting. Xerox copy of attendance slips will not be accepted at the entrance of the Meeting Hall. Members are requested to bring their copy of the Annual Report to the Meeting as copies will not be distributed at the Meeting hall due to prohibitive cost of printing.
5. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
6. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in this Notice. The detailed instructions for e-voting are given as a separate attachment to the Annual Report.
7. **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement executed by the company with the BSE Limited, the company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Ltd. (CDSL).

A member may exercise his/her votes at any General Meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.

During the e-voting period, members of the Company holding shares either in physical form or dematerialised form, as on the cut-off date (record date) i.e., (29th August, 2014), may cast their votes electronically.

Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. S.Srikanth, (Membership No. 22119), Company secretary in Practice, at # 6-3-626, Parameswara Appartments, 5th Floor, 5-A, Anand Nagar, Khairatabad, Hyderabad-500004, Telangana not later than Thursday, September 25, 2014 (6.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to operationslpg@gmail.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach # 6-3-626, Parameswara Appartments, 5th Floor, 5-A, Anand Nagar, Khairatabad, Hyderabad-500004, Telangana not later than Thursday, September 25, 2014 (6.00 p.m. IST).

Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Tuesday, September 23, 2014 at 9.00 a.m. and ends on Thursday, September 25, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of (29th August, 2014), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on the e-voting website www.evotingindia.com during the voting period
- iii. Click on "Shareholders" tab.
- iv. Now, select the "Company Name: Kabsons Industries Limited" from the drop down menu and click on "SUBMIT"
- v. Now Enter your User ID,
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification Code as displayed and Click on Login.
- vii. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)·</p> <ul style="list-style-type: none"> 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. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is

	Suresh Kumar with sequence number 1 then enter SU00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<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> <ul style="list-style-type: none"> 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”.

- 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 wherein 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 relevant KABSONS INDUSTRIES LIMITED EVSN Reference No: 140904054 on which you choose to vote.
- xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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.
 - After receiving the login details they have to create 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 and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- i. The e-voting period commence on Tuesday, September 23, 2014 at 9.00 a.m. and ends on Thursday, September 25, 2014 at 6.00 p.m. During this period, member of the company holding share either in physical form or in dematerialize form as on (29th August, 2014) may cast their vote electronically. The e-voting module shall be disabling by CDSL for voting Thereafter. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii. The voting rights of members shall be incorporation to their shares of the paid-up equity share capital of the company as on (29th August, 2014).
- iii. Mr. S.Srikanth, (Membership No. 22119), Company Secretary in Practice, has been appointed as the scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) and in a fair and transparent manner.
- iv. The scrutinizer, shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make scrutinizer's report of the vote cast in favour or against, if any, forthwith to the chairman of the company.
- v. The results declared along with the scrutinizers report shall be placed on the company website www.kabsonsindustrieslimited.com and with the website of CDSL within two days of passing of resolutions at the 22nd AGM of the company on September 30, 2014 and communicated to the BSE Limited where the share of the company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4:

Mr. Rajiv Kabra (DIN: 00038605) is a Post-Graduate in Business Administration and associated with your Company since inception

The Board of Directors of the Company had appointed Mr. Rajiv Kabra, as Executive Director effective from 1st August, 2014 pursuant to the provisions of Sec 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof as amended upto date the consent of the Company, the reappointment of Executive Director of the Company is to be approved by the members of the company by way of ordinary resolution as per above perquisites.

Item No. 5:

Mr. P.V. Subba Rao (DIN: 02299552) is a Non-Executive independent Director of the Company. He was co-opted to the Board of Directors of the Company in the year 2008. Mr. P.V. Subba Rao is a Chairman of Audit committee and member of Remuneration committee, investor grievances committee of the Board of Directors.

Mr. P.V. Subba Rao is a Cost Accountant and having experience in Finance and Accounts.

Mr. P.V. Subba Rao is proposed to be appointed as an independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing him as a candidature for the office of the Independent Director of the Company.

In the opinion of the Board, Mr. P.V. Subba Rao fulfils the conditions specified in section 149 (6) of the Companies Act, 2013 and Rules made there under for his appointment as an independent Director of the Company and is independent of the management.

The draft letter for appointment of Mr. P.V. Subba Rao as independent Director setting out terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

The Board considers that his continued association would be immense benefit to the company and it is desirable to continue to avail his services as an independent Director. Accordingly the Board recommends the resolution in relation to his appointment as an independent Director, for the approval of the shareholders of the Company.

Except Mr. P.V. Subba Rao being an appointee, none of the Directors and Key managerial persons of the Company and their relatives is concerned or interested, financial or otherwise in the resolution setout at Item No.5. The explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the stock exchanges.

Item No.6:

Mr. Y S Sarma (DIN: 06422198) is a Non Executive Independent Director of the Company. He was co-opted to the Board of Directors of the Company in the year 2012. Mr. Y S Sarma is a member of Audit committee, investor grievances committee and Chairman of Remuneration committee of the Board of Directors.

Mr. Y S Sarma is B.Sc. & B.Sc. (Electrical Engineering) and having 39 years of experience in various Companies dealing in Capital and Consumer Durable Goods.

Mr. Y S Sarma is proposed to be appointed as an independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing him as a candidature for the office of the Independent Director of the Company.

In the opinion of the Board, Mr. Y S Sarma fulfils the conditions specified in section 149 (6) of the Companies Act 2013 and Rules made there under for his appointment as an independent Director of the Company and is independent of the management.

The draft letter for appointment of Mr. Y S Sarma as independent Director setting out terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

The Board considers that his continued association would be immense benefit to the company and it is desirable to continue to avail his services as an independent Director. Accordingly the Board recommends the resolution in relation to his appointment as an independent Director, for the approval of the shareholders of the Company.

Except Mr. Y S Sarma being an appointee, none of the Directors and Key managerial persons of the Company and their relatives is concerned or interested, financial or otherwise in the resolution set out at item no. 6. The explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the stock exchanges.

Item No. 7:

Smt. Mangal Rath (DIN: 06966755) is proposed to be a Non Executive Independent Woman Director of the Company pursuant to the provisions of section 149(1) of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or reenactments thereof for the time being in force) read with Chapter XI to the companies Act, 2013.

Smt. Mangal Rath is a Post Graduate (M.A.) and she was an Industrialist and presently working as a Teacher in private school from last 6 years.

Smt. Mangal Rath is proposed to be appointed as an independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing her as a candidature for the office of the Independent Director of the Company.

In the opinion of the Board, Smt. Mangal Rath fulfils the conditions specified in section 149 (6) of the Companies Act, 2013 and Rules made there under for his appointment as an independent Director of the Company and is independent of the management.

The draft letter for appointment of Smt. Mangal Rath as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

Except Smt. Mangal Rath being an appointee, none of the Directors and Key managerial persons of the Company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No. 7. The explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the stock exchanges.

By Order of the Board
For KABSONS INDUSTRIES LIMITED

Place : Hyderabad
Date : 14-08-2014

Sd/-
RAJIV KABRA
Executive Director