

Board of Directors

S. S. Kapashi
I. S. Kapashi
P. S. Kapashi
N. I. Kapashi
M. P. Shah
A. V. Vora

Registered Office:

‘Nishuvi’, 4th Floor, 75 Dr. Annie Besant Road, Worli, Mumbai 400018.
CIN: L51900MH1985PLC037452
Phone: 43005100 Fax: 43005105
Website: www.kapashicommercial.com
Email: kc ltd@rediffmail.com

Auditors:

D. V. Vora & Co.

Bankers:

Oriental Bank of Commerce
Axis Bank Ltd.

Registrar & Transfer Agents:

Purva Sharegistry (India) Pvt. Ltd.,
9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg,
Opp. Kasturba Hospital,
Lower Parel (East),
Mumbai – 400 011.
Phone: 23018261 / 23016761
Fax: 23012517
Email: busicomp@vsnl.com, purvashr@mtnl.net.in

NOTICE

NOTICE is hereby given that the Twenty-Ninth Annual General Meeting of the Members of KAPASHI COMMERCIAL LIMITED will be held on Wednesday, 24th day of September, 2014 at 11.00 a.m. at the Registered Office of the Company at 'NISHUVI', 4th Floor, 75, Dr. Annie Besant Road, Worli, Mumbai – 400 018, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Paresh Sevantilal Kapashi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sevantilal Shantilal Kapashi, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Messrs. D. V. Vora & Co., Chartered Accountants, Mumbai (Registration No. 111624W) be and are hereby appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. To appoint Mr. Mahasukhlal Popatlal Shah. (DIN:00073676) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mahasukhlal Popatlal Shah, who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019.”

6. To appoint Mr. Atul Vrajlal Vora. (DIN:00073693) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Atul Vrajlal Vora. (DIN:00073693), who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019.”

7. To re-appoint Mr. Sevantilal S. Kapashi (DIN: 00008435) as Whole-Time Director and in this regard to consider and if thought fit to pass, with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Company be and is hereby accorded to re-appointment of Mr. Sevantilal S. Kapashi (DIN: 00008435) as Whole-Time Director of the Company, for a period of 5 (Five) years with effect from 1st September, 2014 on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting, with the liberty to the Board of directors (herein after referred to as ‘Board’ which term shall be deemed to include the Human Resource, Nomination and Remuneration Committee of the Board) to alter and vary terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Sevantilal S. Kapashi, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 or any statutory modification(s) or enactment thereof.

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

8. To re-appoint Mr. Indukumar S. Kapashi (DIN: 00008413) as Whole-Time Director and in this regard to consider and if thought fit to pass, with or without modification the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Company be and is hereby accorded to re-appointment of Mr. Indukumar S. Kapashi (DIN: 00008413) as Whole-Time Director of the Company, for a period of 5 (Five) years with effect from 1st September, 2014 on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting, with the liberty to the Board of directors (herein after referred to as ‘Board’ which term shall be deemed to include the Human Resource, Nomination and Remuneration Committee of the Board) to alter and vary terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Indukumar S. Kapashi, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013 or any statutory modification(s) or enactment thereof.

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

By Order of the Board of Directors

Place: Mumbai

Dated: 28th May, 2014

Regd. Office:

‘NISHUVI’, 4th Floor,
75, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

(S. S. KAPASHI)

CHAIRMAN.

DIN: 00008435

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member of the Company. A proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Transfer Books of the Company will remain closed from Tuesday, 16th day of September, 2014 to Wednesday, 24th day of September, 2014 (both days inclusive).
3. The Details of the Directors seeking re-appointment and appointment at the forthcoming Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are also annexed.
4. Members are requested to bring their copies of the Annual Report to the Meeting.
5. Members or their proxies, as the case may be, are further requested to fill in the enclosed attendance slip and deposit the same at the time of attending the Annual General Meeting.
6. Members are requested to:
 - (i) Quote their registered folio number in all correspondence with the Company.
 - (ii) Notify the Company immediately of change if any, in their registered address.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the meeting as set out above is annexed hereto and forms part of the Notice.
8. **GREEN INITIATIVE IN CORPORATE GOVERNANCE- Electronic mode of documents.**

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies. The Companies Act, 2013 read with The Companies Act (Management and Administration) Rules, 2014 and Listing Agreement permits circulation of financial statement, notice, etc. to shareholders in electronic mode.

Keeping in view of the above objective the Company proposes treating the e-mail addresses available in the records of Depository Participant/the Company/the Registrars for sending the notice calling the Annual General Meeting and Annual Report containing its Balance Sheet, Statement of Profit and Loss and Directors' Report, etc. and other communication in electronic form.

In this regard we seek your whole hearted support for this initiative. We would request you to register your e-mail ID with your depositories or register the same with Registrars or email us at kcldtd@rediffmail.com

As and when there is change in your email address, you are requested to update the same with your Depository Participant.

9. Voting through electronic means

In Compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by the National Securities Depository Limited (NSDL). e-voting detailed instructions form is attached.

ANNEXURE TO THE NOTICE:

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 and forming part of the Notice dated 28th May, 2014.

Item No.5:

Mr. Mahasukhlal Popatlal Shah was appointed as an Independent Director by the Board of Directors of the Company under the Provisions of Listing Agreements with stock exchanges.

Mr. Mahasukhlal Popatlal Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Mahasukhlal Popatlal Shah that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Mahasukhlal Popatlal Shah fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Mahasukhlal Popatlal Shah is independent of the management.

Mr. Mahasukhlal Popatlal Shah is a B. Sc. (Chem) (U.S.A) and he does not hold any shares in the Company.

Mr. Mahasukhlal Popatlal Shah is on the Board of Electro Engineering Company Private Limited., STG Heating Private Limited, Steefab Engineering Co. Private Limited, Chandra Prabha Engineers Private Limited, STG Infrastructure Private Limited, STG Refractory Services Private Limited, and VMC Refractory Solutions Private Limited.

Your Directors recommend the Resolution for your approval. None of the other Directors except Mr. Mahasukhlal Popatlal Shah is deemed to be concerned or interested in this item of business.

Copy of the draft letter for appointment of Mr. Mahasukhlal Popatlal Shah as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Item No.6:

Mr. Atul Vrajlal Vora was appointed as an Independent Director by the Board of Directors of the Company under the Provisions of Listing Agreements with stock exchanges.

Mr. Atul Vrajlal Vora is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Atul Vrajlal Vora that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Atul Vrajlal Vora fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Atul Vrajlal Vora is independent of the management.

Mr. Atul Vrajlal Vora is a B. Com., LL.B and he does not hold any shares in the Company.

Mr. Atul Vrajlal Vora is on the Board of Khodiyar Fininvest Private Limited.,

Your Directors recommend the Resolution for your approval. None of the other Directors except Mr. Atul Vrajlal Vora is deemed to be concerned or interested in this item of business.

Copy of the draft letter for appointment of Mr. Atul Vrajlal Vora as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Item No. 7:

Mr. Sevantilal S. Kapashi, Whole-Time Director has been looking after the business of the Company. He is of 79 years of age and is B. Sc., B. Sc. (Tech) and M. S. (U.S.A.). He is an Industrialist having diversified experience of more than 49 years in the area of Automobile, Steel, Construction, Investment, etc. and under his stewardships business has expanded many folds.

The Board has recommended his re-appointed him as Whole-Time Director with effect from 1st September, 2014 subject to consent of the members of the Company for a further period up to 31.08.2019 to comply with provision of Section 196, 197, 203, Schedule V of the Companies Act, 2013. The remuneration payable to Mr. Sevantilal S. Kapashi and other terms of employment are set out as under keeping in view the provisions of Sections 269, 309, 311 & Schedule XIII of the Companies Act, 1956 and Sections 196, 197, 203 & Schedule V of the Act. His appointment and the remuneration payable to him are subject to the approval of shareholders of the Company at the general meeting.

The general terms of the remuneration payable to Mr. Sevantilal S. Kapashi referred to in resolution in item no.7 of the notice are as under:

REMUNERATION: Salary : Rs. Nil

None of the Directors is interested in the Resolution except Shri Sevantilal S. Kapashi is concerned or interested in the resolution. Shri Indukumar S. Kapashi and Shri Paresh S. Kapashi being relative of Shri Sevantilal S. Kapashi may be deemed to be interested in the resolution.

Your Board recommends the resolution for your approval.

Item No. 8:

Mr. Indukumar S. Kapashi, Whole-Time Director has been looking after the business of the Company. He is of 78 years of age and is Matriculate. He is having diversified experience of more than 49 years in the area of Automobile, Steel, Construction, Investment, etc. and under his stewardships business has expanded many folds.

The Board has recommended his re-appointed him as Whole-Time Director with effect from 1st September, 2014 subject to consent of the members of the Company for a further period up to 31.08.2019 to comply with provision of Section 196, 197, 203, Schedule V of the Companies Act, 2013. The remuneration payable to Mr. Indukumar S. Kapashi and other terms of employment are set out as under keeping in view the provisions of Sections 269, 309, 311 & Schedule XIII of

the Companies Act, 1956 and Sections 196, 197, 203 & Schedule V of the Act. His appointment and the remuneration payable to him are subject to the approval of shareholders of the Company at the general meeting.

The general terms of the remuneration payable to Mr. Indukumar S. Kapashi referred to in resolution in item no.7 of the notice are as under:

REMUNERATION: Salary : Rs. Nil

None of the Directors is interested in the Resolution except Shri Indukumar S. Kapashi is concerned or interested in the resolution. Shri Sevantilal S. Kapashi and Shri Nimish I. Kapashi being relative of Shri Indukumar S. Kapashi may be deemed to be interested in the resolution.

Your Board recommends the resolution for your approval.

By Order of the Board of Directors

Place: Mumbai

Dated: 28th May, 2014

Regd. Office:

`NISHUVI', 4th Floor,
75, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

(S. S. KAPASHI)

CHAIRMAN.

DIN: 00008435

Details of the Directors seeking re-appointment/appointment at the Annual General Meeting

Particulars	Mr. Mahasukhlal P. Shah	Mr. Atul V. Vora
Date of Birth	May 19, 1937	December 12, 1956
Date of Appointment	November 28, 2000	November 28, 2000
Expertise in specific area	A qualified B. Sc. (Chem) (U.S.A) with over 47 years experience in Management, Commercial, HRD, Factory operations, Projects, etc.	A qualified Commerce and Law Graduate with over 40 years having expertise in Finance, Accounting and Taxation.
Directorship held in other public Companies (excluding Foreign Companies And Section 25 Companies)	Nil	Nil
Memberships/ Chairmanships of other Public Companies (includes only Audit and Shareholders'/ Investors' Grievance Committees)	Nil	Nil
Number of shares held	Nil	1,165

Particulars	Mr. Sevantilal S. Kapashi	Mr. Indukumar S. Kapashi
Date of Birth	March 12, 1935	January 3, 1936
Date of Appointment	September 11, 1985	September 11, 1985
Expertise in specific area	A qualified B. Sc. (Chem) (U.S.A) with over 49 years experience in more than 49 years in the area of Automobile, Steel, Construction, Investment, etc.	A Matriculate with over 49 years in the area of Automobile, Steel, Construction, Investment, etc.
Directorship held in other public Companies (excluding Foreign Companies And Section 25 Companies)	Nil	Nil
Memberships/ Chairmanships of other Public Companies (includes only Audit and Shareholders'/ Investors' Grievance Committees)	Nil	Nil
Number of shares held	80,202	72,494

BOARD'S REPORT

To,
The Shareholders,

The Board of Directors has pleasure to submit their Twenty-Ninth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS AND DIVIDEND

(i) Financial Results:

	(Rs. in Lakhs)	
	As at 31.03.2014	As at 31.03.2013
Sales	0.00	0.00
Other Income	64.76	52.28
Total	64.76	52.28
Profit / (Loss) Subject to Depreciation & Tax	(111.09)	5.78
Less: Depreciation	0.00	0.00
Profit / (Loss) before extra-ordinary items and Tax	(111.09)	5.78
Add: Share of Profit / (Loss) from Partnership firm	0.00	0.00
Excess/(short) Provision of Taxation	(13.10)	3.91
Profit / (Loss) before Provision for Taxation	(124.19)	9.69
Profit / (Loss) after Tax	(140.19)	7.69
Less: Special Reserve	0.00	1.92
	(140.19)	5.77
Profit / (Loss) brought forward from previous year	(543.92)	2537.51
Less: On Demerger	0.00	3087.20
Profit / (Loss) carried to Balance Sheet	(684.11)	(543.92)

2. OPERATION

There have been nil sales in the current financial year compared to Rs. Nil in the previous financial year.

3. DIVIDEND

Due to the Surplus in the Profit and Loss account has been negative to the tune of Rs.68,410,696/-. The Board of Directors regret their inability to recommend dividend for the year under review.

4. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134 of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year of the profit or loss of the Company for the year under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;