



KUNSTSTOFFE INDUSTRIES LIMITED

**33rd Annual Report
2018-2019**

KUNSTSTOFFE INDUSTRIES LIMITED

BOARD OF DIRECTORS

Ms. SONIYA P. SHETH – Managing Director
Mr. S. C. ASNOTKAR (upto 10/08/2018)
Mr. BHASKAR T. IYER
Mr. S. CHACKO
Mr. UJJWALKUMAR R. JHA
Mr. RAJENDER J. SHARMA

KEY MANAGERIAL PERSONNEL

Ms. UNNATI P. SHETH
(Chief Financial Officer)
MS. PADMINI RAVINDRAN
(Company Secretary)

STATUTORY AUDITORS

A. V. JOBANPUTRA & COMPANY
(Chartered Accountants, Mumbai)

INTERNAL AUDITORS

M/S. ATUL DEDHIA & ACCOSIATES
CHARTERED ACCOUNTANTS, MUMBAI

SOLICITORS

M/S. LITTLE & CO., MUMBAI
DIVYAKANT MEHTA & ASSOCIATES, MUMBAI

REGISTERED OFFICE

Kiran Building 128, Bhaudaji Road,
Matunga (E), Mumbai – 400 019.
Email - kunststoffe@kunststoffeindia.com
Website - www.kunststoffeindia.com

BANKERS

BANK OF BARODA, Matunga, Mumbai
STATE BANK OF INDIA, Daman

WORKS

Airport Road, Kadaiya,
Nani Daman,
Daman (U.T.) 396 210.

STOCK EXCHANGE LISTING

MUMBAI

REGISTRARS & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.,
C-101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai-400 083.



KUNSTSTOFFE INDUSTRIES LIMITED

CIN : L65910MH1985PLC037998

Registered office: Kiran Bldg., 128, Bhaudaji Road, Matunga, Mumbai – 400 019.

Tel. No. 022-2408 2689/90 Fax No. 022-2404 4853 Website - www.kunststoffeindia.com Email: kunststoffe@kunststoffeindia.com

NOTICE

Notice is hereby given that the **33rd Annual General Meeting** of the Members of **Kunststoffe Industries Limited** will be held on **Tuesday, 24th day of September, 2019 at 11.00 A.M. at The Mysore Association, Bombay, 393, Bhaudaji Road, Matunga, Mumbai– 400 019** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the thirty eight Annual General Meeting and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 3(7) of the Companies(Audit and Auditors) Rules, 2014 [as amended by the Companies(Audit and Auditors) Amendment Rules, 2018, the appointment of M/s. Akshay Kirtikumar & Associates, Chartered Accountants (Firm Registration Number.138182W), as the ‘Statutory Auditors’ of the Company, to hold office from the conclusion of this 33rd Annual General Meeting (AGM) till the conclusion of the 38th Annual General Meeting (AGM), i.e., for the Financial Years from 2019-20 to 2023-24, at such remuneration as may be mutually agreed upon between them and the Company.”

“RESOLVED FURTHER THAT the Directors of the Company and/ or the Chief Financial Officer and / or the Company Secretary be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.”

SPECIAL BUSINESS

3. To re-appoint Ms. Soniya P. Sheth (DIN: 02658794) as Managing Director and in this regard to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197,203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 (**‘Act’**) and the Companies(Appointment and Remuneration of Managerial Personnel) Rules,2014, as amended from time to time, the consent of the Members be and is hereby accorded to the re-appointment and terms of remuneration of Ms. Soniya P. Sheth (DIN: 02658794) as Managing Director (**‘MD’**) of the Company for a period of five years, with effect from 29th September, 2019 to 28th September, 2024, liable to retire by rotation, upon the terms and conditions set out in the Statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during her said tenure within the overall limits of Section 197 of the Act, as recommended by the Nomination and Remuneration Committee, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and terms of remuneration as it may deem fit and in such manner as may be agreed to between the Board and MD.

RESOLVED FURTHER THAT the Board of Directors (the **‘Board’** which term includes a duly constituted Committee of the Board) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

4. To re-appoint Mr. Ujjwalkumar R. Jha (DIN: 06825669) as an Independent Director and in this regard to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT 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 (**‘Listing Regulations’**), as amended from time to time, Mr. Ujjwalkumar R. Jha (DIN: 06825669), who was appointed as an Independent Director at the 28th Annual General Meeting of the Company and who holds office up to September 29, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section

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149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendations of the Nomination and Remuneration Committee, to hold office for a second term commencing with effect from 29th September, 2019 up to 28th September, 2024, not liable to retire by rotation.”

5. To re-appoint Mr. Bhaskar T. Iyer (DIN: 01711750) as an Independent Director and in this regard to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** 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 (‘Listing Regulations’), as amended from time to time, Mr. Bhaskar T. Iyer (DIN: 01711750), who was appointed as an Independent Director at the 28th Annual General Meeting of the Company and who holds office up to September 24, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendations of the Nomination and Remuneration Committee, to hold office for a second term commencing with effect from 29th September, 2019 up to 28th September, 2024, not liable to retire by rotation.”

6. To re-appoint Mr. Sacariah Chacko (DIN: 06825623) as an Independent Director and in this regard to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** 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 (‘Listing Regulations’), as amended from time to time, Mr. Sacariah Chacko (DIN: 06825623), who was appointed as an Independent Director at the 28th Annual General Meeting of the Company and who holds office up to September 24, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendations of the Nomination and Remuneration Committee, to hold office for a second term commencing with effect from 29th September, 2019 up to 28th September, 2024, not liable to retire by rotation.”

By Order of the Board of Director
For **Kunststoffe Industries Limited**

Padmini Ravindran
Company Secretary

Place: Mumbai
Date: 8th August, 2019

Registered Office:
Kiran Building, 128,
Bhauddaji Road, Matunga (E),
Mumbai– 400 019.
CIN: L65910MH1985PLC037998
E-mail:kunststoffe@kunststoffeindia.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Instrument of Proxy, in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 Hours before the commencement of 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 PAID UP 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. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Brief resume of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Listing Regulations, are provided in the Corporate Governance Report forming part of the Annual Report.
4. The relevant details as required under Regulation 36(3) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") of the persons seeking appointment /re-appointment as Directors are provided in Annexure to this Notice.
5. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized to attend and vote on their behalf at the meeting.
6. Members holding shares in dematerialized form are requested to intimate any change in their address, bank details etc. to their respective Depository Participants (DPs) and those holding shares in physical form are to intimate the above said changes to the Registrar and Share Transfer Agent of the Company at **M/s. Sharex Dynamic (India) Private Limited, C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai- 400 083**. The Company will not entertain any direct request from such members for this.
7. The route map showing directions to reach the venue of the AGM is annexed.
8. The Share Transfer Books and the Register of Members of the Company will remain close from **17/09/2019 to 24/09/2019** (both days inclusive).
9. The relevant documents referred above to in any of the items of the Notice are available for inspection by the members at the Registered Office of the Company on any working day during the business hours of the Company upto the date of the meeting and at the meeting
10. In case of joint holders attending the meeting, only such a joint holder who is higher in the order of names will be entitled to vote.
11. 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. Only bona fide members of the Company whose names appear on the Register of Members / Proxy holders, in possession of valid attendance slips duly filled and signed along with the identity proof will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
12. Members seeking any information with regard to accounts of the Company are requested to send their queries so as to reach the registered office at least 10 days before the meeting to enable the management to keep the information ready for clarification.
13. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore members are requested to bring their copies of Annual Report to the meeting.
14. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a Green Initiative in Corporate Governance and allowed companies to serve documents on its shareholders through electronic mode. Members are requested to support this green initiative by registering/updating their e-mail address, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with company/its Share Transfer Agents.

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15. In terms of provisions of section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's **Share Transfer Agent, M/s. Sharex Dynamic (India) Private Limited, C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083** for nomination form quoting their folio number. Shareholders holding shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.
16. The Equity Shares of the Company are listed at the following stock exchange:
The BSE Ltd., Phiroze Jeebhoy Towers, Dalal Street, Fort, Mumbai-400001.
The listing fee to the above exchange has been paid.
17. **Information and other instruction relating to e-voting are as under:**
 - (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted vide notification dated March 19, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote at the Thirty Third Annual General Meeting of the Company by electronic means and the business may be transacted through remote e-voting services provided by CDSL.
 - (ii) For Members attending the Meeting who have not cast their vote by remote e-voting, the Company shall be making arrangements for the Members to cast their votes in respect to the business stated in this Notice through ballot form. The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
 - (iii) The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Agency to provide e-voting facility.
 - (iv) The Board of Directors of the Company has appointed **M/s. K. Pratik & Associates, Company Secretary in Practice, Mumbai** as Scrutinizer to scrutinise the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - (v) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **September 17, 2019**.
 - (vi) A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **September 17, 2019** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot paper.
 - (vii) Any person who acquires shares and become member of the Company after despatch of the notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at www.evotingindia.com or issuer / RTA.
 - (viii) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Saturday, 21/09/2019 at 9.00 a.m.** and ends **Monday, 23/09/2019 at 5.00 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 **Tuesday, 17/09/2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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 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 | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 Ramesh Kumar with sequence number 1 then enter RA00000001 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 | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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 (iv) |

- (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 **KUNSTSTOFFE INDUSTRIES LIMITED** 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) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

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(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- 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 a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com 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.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- I. At the Annual General Meeting at the end of the discussion of the Resolution on which voting is to be held, the chairman shall with the assistance of the Scrutinizer order voting for all those members who are present but have not cast their vote electronically using the Remote e-voting facility.
- II. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- III. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes at the Annual General Meeting. The Scrutinizer shall not later than 48 hours of conclusion of the meeting, make a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing who shall countersign the same.
The Chairman or a person authorized by him in writing shall declare the result of voting forthwith.
- IV. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.kunststoffeindia.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.

MANDATORY REQUIREMENT

Updation of Bank Account Details for Payment of Dividend

SEBI vide its Circular dated 20th April, 2018, made it mandatory to incorporate Bank details in dividend warrants. Shareholders holding shares in physical or demat form and not provided the bank details are requested to submit the bank details along with original cancelled cheque leaf to the Company’s Share Transfer Agent at the address mentioned herein above in Note 6. The cancelled cheque leaf shall have the shareholder’s name printed on it. If cheque leaf does not contain the name of shareholder, then along with cancelled cheque leaf, shareholder is required to submit copy of bank passbook page / bank statement having the name of shareholder, address and bank account number, duly attested by the officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

Updation of PAN details

Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members having shares in electronic form are therefore, requested to submit their PAN details to their depository participant. Members holding shares in physical form are required to submit their self attested copy of PAN card to the Company’s Share Transfer Agent at the address mentioned hereinabove in Note 6.

No Effect of Transfer of Shares in Physical Form w. e. f. 1st April, 2019

Securities and Exchange Board of India has amended the Regulation 40 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 that has mandated transfer of shares would be carried out only in dematerialized form and no transfer of shares in physical form will be processed w. e. f. 1st April, 2019, except in case of transmission or transposition.

Shareholders holding shares in Physical form should consider dematerialization of shares as it facilitates easy liquidity, change in particulars of Shareholders such as bank details, address, no loss of share certificates, etc.

The details of various banks and agencies providing dematerialization of shares services are available on the website of NSDL and CDSL.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 2:

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made there under, the present Statutory Auditors of the Company, M/s. A. V. Jobanputra & Co., Chartered Accountants (Firm Registration No. 104314W), will hold office until the conclusion of the ensuing Annual General Meeting and will not seek re-appointment. The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty eight Annual General Meeting.

The Board of Directors at its meeting held on August 8, 2019, after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. Akshay Kirtikumar & Associates, Chartered Accountants (Firm Registration No.138182W), as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five consecutive years from the conclusion of the thirty third Annual General Meeting till the conclusion of thirty eight Annual General Meeting of the Company.

M/s. Akshay Kirtikumar & Associates, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made there under.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Akshay Kirtikumar & Associates, Chartered Accountants as the Statutory Auditors of the Company and to fix their remuneration.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item no. 3:

Ms. Soniya P. Sheth Age: 34 years, Qualification: M.A. Nature of Expertise: She is Interior Decorator, Investment consultant & Dynamic professional also having good marketing experience. Name of Company in which she holds Directorship: 1) Kunststoffe Industries Limited, 2) Fiberweb (India) Limited, 3) Stallion Breweries Limited, 4) Chemical & Alkali Distributors Limited, 5) Parijat Private Limited, 6) Star Developers Private Limited, 7) Sun Capital And Consultancy Private Limited, 8) Sun Properties Private Limited, 9) Bharat Capital and Holdings Limited.

The Board of Directors of the Company (the 'Board'), at its meeting held on August 8, 2019 has, subject to the approval of members, appointed Ms. Soniya P. Sheth as Managing Director liable to retire by rotation for a period of 5 (five) years with effect from September 29, 2019 to September 28, 2024, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the appointment of and remuneration payable to Ms. Soniya P. Sheth as Managing Director in terms of the applicable provisions of the Act. Broad particulars of the terms of appointment of and remuneration payable to Ms. Soniya P. Sheth is as under:

1. Salary of ₹3,00,000/- per month including dearness allowance, with an annual increase of ₹15,000/-.
2. A commission @ 1% of the net profits of the Company subject to the ceiling prescribed under Schedule V (as amended) of the Companies Act, 2013.
3. The Company's contribution towards Provident Fund as per the Company's Rules but not exceeding 12% of the salary as laid down in the Income Tax Rules, 1962.
4. Privilege Leave on full pay and allowance as per the Rules of the Company but not exceeding 1 month's leave for every 11 months of service completed.
5. The Chairman & Managing Director shall not be entitled to any sitting fees for attending the meeting of the Board of Director or any Committee thereof.
6. Gratuity not exceeding half month's salary for each completed year of service.

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PERQUISITES:

Ms. Soniya P. Sheth shall be entitled to the following perquisites as Managing Director of the Company. However, the perquisites shall be counted for fulfilling the conditions mentioned in Schedule V of the Companies Act, 2013.

- a. Reimbursement of medical expenses actually incurred for self and family subject to a ceiling of one month's salary in any year or three month's salary in a block of three years.
- b. Leave Travel Concession for self and family once in a year in accordance with the Rules of the Company.
- c. Fees of clubs and credit/debit card for official use only.
- d. Personal accident and travel insurance, premium whereof shall not exceed ₹10,000/- per annum.
- e. For the purpose of computing the aforesaid ceiling, perquisites would be valued as per the Income Tax Rules, 1962, wherever applicable. Provision for use of Company's car for official duties and cellular phone and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of computing the aforesaid ceiling.

Further she will be paid the above mentioned remuneration even if there is loss/ inadequacy of profit as per Schedule V of the Companies Act, 2013.

General:

- (i) The Managing Director will perform her respective duties as such with regard to all work of the Company and she will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Business, Conduct & Ethics for Directors and Management Personnel.
- (iv) The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

Ms. Soniya P. Sheth satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for her appointment.

She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Ms. Soniya P. Sheth under Section 190 of the Act.

Ms. Soniya P. Sheth is interested in the resolution set out at Item No. 3 of the Notice, which pertain to her re-appointment and remuneration payable to her.

The relatives of Ms. Soniya P. Sheth may be deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of her shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Special Resolution set out at Item Nos. 3 of the Notice for approval by the shareholders.

Item Nos. 4, 5 and 6

Mr. Ujjawalkumar R. Jha, Age: 53 years. Qualification: B.Com, ICWA (Inter), Nature of expertise: He has 24 years experience in Auditing, Accounting and Finance, Name of the Companies in which he also holds Directorship: None other than Kunststoffe Industries Limited., Name of the Companies in which he also holds Membership/ Chairmanship: Chairman of share transfer cum stakeholder relations committee and Audit committee of Kunststoffe Industries Limited.

He is not holding any shares of the Company.

It will be in the interest of the Company that Mr. Ujjawalkumar R. Jha continues as an Independent Director of the Company.