



## NOTICE

**NOTICE** is hereby given that the **26<sup>th</sup> Annual General Meeting** of the members of **N. K. Industries Limited** will be held on Saturday, the 27<sup>th</sup> day of September, 2014, at 4.00 p.m. at ATMA Hall, Ashram Road, Navrangpura, Ahmedabad- 380009 to transact the following business:

### ORDINARY BUSINESS:

1. To receive and adopt Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit and Loss Statement for the year ended on that date together with all annexure and attachment thereto including the Auditor's report and the Directors' Report thereon and to pass following resolution, with or without modification, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Balance Sheet as on 31<sup>st</sup> March, 2014 and the Profit and Loss Statement for the financial year ended on 31<sup>st</sup> March, 2014 together with all annexure and attachment thereto including the Directors' Report and Auditors' Report of the Company for the Financial year 2013-14, which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted."

2. To appoint a Director in place of Mr. Nilesh K. Patel (DIN: 00244115) as a Director, who retires by rotation and being eligible has offered himself for re-appointment as an Ordinary Resolution.

**"RESOLVED THAT** the retiring Director, Mr. Nilesh K. Patel (DIN: 00244115), be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

3. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. 26<sup>th</sup> AGM till the conclusion of the 31<sup>st</sup> Annual General Meeting (subject to ratification by the members at every subsequent Annual General Meetings) and to fix their remuneration and to pass following resolution, with or without modification, as Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 139 of the Companies Act, 2013 and rules made thereunder M/s. Parikh and Majmudar, Chartered Accountants be and are hereby appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting i.e. 26<sup>th</sup> AGM till the conclusion of the 31<sup>st</sup> Annual General Meeting (subject to ratification by the members at every subsequent Annual General Meetings).

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with them."

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** in view of Company's accumulated loss of ₹ 47841.49 Lacs, having exceeded its net worth of ₹ 3254.59 Lacs as per duly audited annual accounts for the year 2013-14, the Company continues as a sick industrial undertaking within the meaning of Section 3 (1) of The Sick Industrial Companies (Special Provisions) Act, 1985.

**RESOLVED FURTHER THAT** another reference be made to the Board for Industrial and Financial Reconstruction under Section 15 of The Sick Industrial Companies (Special Provisions) Act 1985, for determination of measures which shall be adopted with respect to the Company and that Mr. Nimish K. Patel, Chairman & Managing Director and/or Mr. Nilesh K. Patel, Managing Director and/or Mr. Hasmukhbhai K. Patel, Whole Time Director and/or any one of the Directors of the Company be and is/are hereby jointly or severally authorised to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution."

5. To appoint Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 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. Jayesh Dhirajlal Thakkar (DIN: 01247039) who was appointed as an Additional Director at the meeting of the Board of Directors held on 14<sup>th</sup> February, 2014 pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom notice under section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. 1<sup>st</sup> October, 2014, not liable to retire by rotation.

6. To appoint Mr. Jaimin Virendra Modi (DIN: 00113689) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 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. Jaimin Virendra Modi (DIN: 00113689) who was appointed as an Additional Director at the meeting of the Board of Directors held on 14<sup>th</sup> February, 2014 pursuant to the provisions of Section 260 of the

Companies Act, 1956 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom notice under section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. 1<sup>st</sup> October, 2014, not liable to retire by rotation.

7. To appoint Ms. Kinjal B. Patel (DIN: 06896114) as an Independent Director and in this regard to consider and if thought fit to pass with or without modifications the following resolution an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 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, Ms. Kinjal B. Patel (DIN: 06896114) who was appointed as an Additional Director at the meeting of the Board of Directors held on 16<sup>th</sup> July, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom notice under section 160 of the Companies Act, 2013 has been received from a member proposing her candidature for the office of the Director and who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. 1<sup>st</sup> October, 2014, not liable to retire by rotation"

8. To appoint Dr. Bharat J. Patel (DIN: 00944269) as an Independent Director and in this regard to consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 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, Dr. Bharat J. Patel (DIN: 00944269) who was appointed as an Additional Director at the meeting of the Board of Directors held on 16<sup>th</sup> July, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom notice under section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. 1<sup>st</sup> October, 2014, not liable to retire by rotation"

9. To appoint Mr. Hasmukh K. Patel (DIN: 06587284) as a Whole Time Director of the Company, liable to retire by rotation 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 Section 196, 197 and 203 read with Schedule V of 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 the appointment of Mr. Hasmukh K. Patel (DIN: 06587284) as Whole Time Director of the Company for a period of 5 (five) years from 1<sup>st</sup> June, 2014, liable to retire by rotation, on the remuneration and on such terms and conditions as recommended by the Board of Directors in their meeting held on 28<sup>th</sup> May, 2014 and as set out in the Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits during the tenure of Mr. Hasmukh K. Patel (DIN: 06587284) as a Whole Time Director of the Company, the Company shall pay to Mr. Hasmukh K. Patel (DIN: 06587284) in such financial year, remuneration by way salary but not exceeding the limits as specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to alter and vary the terms and conditions of said appointment from time to time which shall be within the scope of Section Schedule V of the Companies Act, 2013 or any amendments thereto or any re-enactment thereof and also authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and Rules made thereunder and any other applicable provisions, if any for the time being in force and subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow any sum of money on behalf of the Company from time to time, as and when required from any one or more of the Company's Bankers and/or from any other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans, debentures or bill discounting or



otherwise, whether unsecured or secured so that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, for the purposes of business or activities of the Company either in foreign currency and / or in rupee, provided, however that the total amount upto which the moneys which may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹ 200 Crores (Rupees Two Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and other things as may be required or considered necessary, expedient or incidental thereto for giving effect to aforesaid resolution."

11. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution: **"RESOLVED THAT** Company pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder and all other applicable provisions, if any for the time being in force, subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to mortgage or charge all the immovable, movable and intangible properties of the Company, wherever situated, present and future, and/or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of any Bank, Financial Institution or any other lender to secure Financial Assistance that may be granted/lent/advanced/provided to the Company by such Bank, Financial Institution or such other lender together with interest thereon at the rate, compound interest, additional interest, liquidated damages, costs, charges, expenses and other monies payable by the Company to Bank, Financial Institution or any such lender under Financial Assistance Agreement entered into or to be entered into by the Company in respect of the such Financial Assistance present or future.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalise with the Bank, Financial Institution or any such lender the documents for creating aforesaid mortgage and/or the charge and to do all such acts and things as may be necessary for giving effect to the above resolution."

12. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution: **"RESOLVED THAT** pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and the Rules made thereunder and all other applicable provisions, if any for the time being in force subject to the provisions of the Memorandum and the Articles of Association of the Company consent of the Company be and is hereby accorded to the Board of Directors of the Company, to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking/s of the Company comprising of any of its facility, offices, division, department, branch or other assets/properties etc. or any substantial part of the properties of the Company wherever situated, to any other Company, firm or other entities, and/or conferring the power to finalise the terms of such lease viz. period of lease, lease rental, other terms and conditions for lease and that any one of the Directors of the Company, be and is/are hereby jointly or severally authorised to enter into any agreement with the concerned party to sell, lease or otherwise dispose of the whole or substantial the whole of the undertaking/s of the Company for the benefit of the Company.

**RESOLVED FURTHER THAT** any one of the Directors of the Company, be and is/are hereby jointly or severally authorised to do all such acts, deeds and things and to sign, seal, execute and deliver all such documents, agreements, assignments, conveyances, deeds and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

13. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution: **"RESOLVED THAT** pursuant to provisions of Section 186 of the Companies Act, 2013 and the Rules made thereunder and all other applicable provisions, if any for the time being in force, subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and to make investments by way of subscription, purchase or otherwise in Shares, Debentures and/or any other Securities of other body corporate, whether Indian or overseas and all other loan, investment, guarantee or security covered by Section 186 of the Companies Act, 2013, as they may, in their absolute discretion, deem beneficial and in the interest of the Company, in excess of 60% of the paid up share capital, free reserves and security premium of the Company or 100% of the Free Reserves and security premium of the Company whichever is more, as prescribed under section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to a overall maximum outstanding amount of ₹ 200 Crores only (Rupees Two Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to do and perform from time to time, all such acts, deeds, matters and things as may be necessary, expedient and desirable in respect of the above investments/loan/guarantee/security, including finalization of the time, the amount and other terms and conditions of investments/loan/guarantee/security and to take such steps as may be necessary or desirable to give effect to this resolution."

**By Order of the Board of Directors**

Sd/-

Nimish K. Patel

Date : 16<sup>th</sup> July, 2014

Place : Ahmedabad

Chairman &

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IN THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT 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 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. Pursuant to section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Tuesday, the 26<sup>th</sup> August, 2014 to Tuesday, the 2<sup>nd</sup> September, 2014 (both days inclusive).
4. Additional information pursuant to clause 49 of the listing agreement with the stock exchange in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.
5. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
6. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address: Link Intime India Pvt. Ltd.  
Unit No. 303, 3<sup>rd</sup> Floor, Shoppers Plaza V, Opp. Municipal Market, B/h Shoppers Plaza II, Off. C.G. Road, Navrangpura, Ahmedabad – 380 009.
7. As a matter of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Therefore, Members are requested to bring their copies at Annual General Meeting.
8. Members are advised to avail nomination facility as well as Dematerialization facility with the Company.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. The Notice of the 26<sup>th</sup> AGM and instructions for e-voting along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
11. E-VOTING:

Pursuant to provision of Section 108 of the Companies Act, 2013 read with Rule no. 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolution set forth in the notice convening 26<sup>th</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The complete details of the instructions for e-voting are annexed to this notice.

12. Members/Proxies should bring their attendance slip duly filed in for attending the meeting.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 4:**

The Company's net worth continues to be negative in view of losses accumulated at ₹ 47841.49 Lacs as at the end of the year ended 31<sup>st</sup> March 2014, and it is therefore necessary to make another reference to BIFR under provisions of Sick Industrial Companies (Special Provisions) Act, 1985.

It is therefore proposed to make another reference to BIFR and authorise Board of Directors for the purpose and it is expedient that members pass the proposed resolution as an Ordinary Resolution.

None of the Directors or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as an Ordinary Resolution.

**Item No. 5:**

The Board appointed Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) as an Additional Director of the Company at the meeting held on 14<sup>th</sup> February, 2014 in compliance with the requirements of the clause-49 of the Listing Agreement and other



applicable provisions of the Companies Act, 1956 (as amended from time to time).

As per section 160 of the Companies Act, 2013, a special notice has been received from one of the shareholders of the Company proposing name of Mr. Jayesh D. Thakkar (DIN: 01247039) as Director of the Company liable to retire by rotation.

Pursuant to the provisions of section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations & Remuneration Committee has recommended the appointment of Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) as Independent Director of the Company and has given (a) consent in writing to act as director in Form DIR-2 pursuant to rule 8 of Companies (appointment & Qualification of Directors) Rules, 2014, (b) intimation in Form DIR-8 in terms of Companies (appointment & Qualification of Directors) Rules, 2014 and (c) declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039) is interested in this Resolution since it relates to his appointment as Independent Director of the Company.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company.

#### **Item No. 6:**

The Board appointed Mr. Jaimin Virendra Modi (DIN: 00113689) as an Additional Director of the Company at the meeting held on 14<sup>th</sup> February, 2014 in compliance with the requirements of the clause-49 of the Listing Agreement and other applicable provisions of the Companies Act, 1956 (as amended from time to time).

As per section 160 of the Companies Act, 2013, a special notice has been received from one of the shareholders of the Company proposing name of Mr. Jaimin Virendra Modi (DIN: 00113689) as Director of the Company liable to retire by rotation.

Pursuant to the provisions of section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations & Remuneration Committee has recommended the appointment of Mr. Jaimin Virendra Modi (DIN: 00113689) as Independent Director of the Company and has given (a) consent in writing to act as director in Form DIR-2 pursuant to rule 8 of Companies (appointment & Qualification of Directors) Rules, 2014, (b) intimation in Form DIR-8 in terms of Companies (appointment & Qualification of Directors) Rules, 2014 and (c) declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, Mr. Jaimin Virendra Modi (DIN: 00113689) fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Jaimin Virendra Modi (DIN: 00113689) as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment including brief profile and letter of appointment of Mr. Jaimin Virendra Modi (DIN: 00113689) shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. Jaimin Virendra Modi (DIN: 00113689) is interested in this Resolution since it relates to his appointment as Independent Director of the Company.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company

#### **Item No. 7:**

The Board appointed Ms. Kinjal B. Patel (DIN: 06896114) as an Additional Director of the Company at the meeting held on 16<sup>th</sup> July, 2014 in compliance with the requirements of the clause-49 of the Listing Agreement and other applicable provisions of the Companies Act, 1956 (as amended from time to time).

As per section 160 of the Companies Act, 2013, a special notice has been received from one of the shareholders of the

Company proposing name of Ms. Kinjal B. Patel (DIN: 06896114) as Director of the Company liable to retire by rotation.

Pursuant to the provisions of section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations & Remuneration Committee has recommended the appointment of Ms. Kinjal B. Patel (DIN: 06896114) as Independent Director of the Company and has given (a) consent in writing to act as director in Form DIR-2 pursuant to rule 8 of Companies (appointment & Qualification of Directors) Rules, 2014, (b) intimation in Form DIR-8 in terms of Companies (appointment & Qualification of Directors) Rules, 2014 and (c) declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, Ms. Kinjal B. Patel (DIN: 06896114) fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Ms. Kinjal B. Patel (DIN: 06896114) as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment including brief profile and letter of appointment of Ms. Kinjal B. Patel (DIN: 06896114) shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Ms. Kinjal B. Patel (DIN: 06896114) is interested in this Resolution since it relates to her appointment as Independent Director of the Company.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company.

**Item No.8:**

The Board appointed Mr. Bharat J. Patel (DIN: 00944269) as an Additional Director of the Company at the meeting held on 16<sup>th</sup> July, 2014 in compliance with the requirements of the clause-49 of the Listing Agreement and other applicable provisions of the Companies Act, 1956 (as amended from time to time).

As per section 160 of the Companies Act, 2013, a special notice has been received from one of the shareholders of the Company proposing name of Mr. Bharat J. Patel (DIN: 00944269) as Director of the Company liable to retire by rotation.

Pursuant to the provisions of section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nominations & Remuneration Committee has recommended the appointment of Mr. Bharat J. Patel (DIN: 00944269) as Independent Director of the Company and has given (a) consent in writing to act as director in Form DIR-2 pursuant to rule 8 of Companies (appointment & Qualification of Directors) Rules, 2014, (b) intimation in Form DIR-8 in terms of Companies (appointment & Qualification of Directors) Rules, 2014 and (c) declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, Mr. Bharat J. Patel (DIN: 00944269) fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Bharat J. Patel (DIN: 00944269) as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment including brief profile and letter of appointment of Mr. Bharat J. Patel (DIN: 00944269) shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. Bharat J. Patel (DIN: 00944269) is interested in this Resolution since it relates to his appointment as Independent Director of the Company.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company

**Item No. 9:**

The Board at its meeting held on 28<sup>th</sup> May, 2014 appointed (subject to the approval of members in the general meeting), Mr. Hasmukh K. Patel (DIN: 06587284) as Whole Time Director of the Company for a period of 5 years w.e.f 1<sup>st</sup> June, 2014.

The terms and conditions of his appointment are as follows:

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mr. Hasmukh Patel (DIN: 06587284) Whole Time Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.



**II.** The Whole-time Director shall be liable to retire by rotation.

**III.** The Whole-time Director shall be entitled to receive the remuneration as stated below even in the event of inadequacy or absence or profit by the Company in any year.

**Remuneration:** CTC of ₹ 33,853/- per month with liberty to the Board to increase or decrease the remuneration within the limits laid down under Para A of Section II of Part II of the Schedule V of the Companies Act, 2013.

The said resolution requires approval of members in terms of provisions of Section 196 and 197 read with Schedule V of the Companies Act, 2013 and and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Mr. Hasmukh Patel (DIN: 06587284) is interested in this Resolution since it relates to his appointment.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution except to the extent of their respective shareholding in the Company

The Board therefore recommends this resolution to be passed by way of Ordinary resolution.

**Item No. 10:**

At present, your Company has very insignificant amount of debt. However, in the time to come, the Company may be required to borrow money to increase the business volume further. Therefore, it is proposed to have the authorisation of the members for borrowing which may be made by the Company from Financial Institution/Banks/other lender.

The Board of Directors feels that the borrowing limits be made to ₹ 200 Crores. The Resolution at item No.9 is of an enabling nature and would authorise the Board of Directors to borrow from time to time sums not exceeding outstanding amount of ₹ 200 Crores.

Pursuant to provisions of section 180(1)(c) in The Companies Act, 2013, the Board of Director of any company shall exercise the power to borrow money in excess of the paid up share capital and free reserve only with the consent of the company by way of Special Resolution. So the Board of Directors recommend the proposed resolution be considered and passed at the ensuing Annual General Meeting as a Special Resolution to give general authority to any one the directors under section 180(1)(c) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as Special Resolution.

**ITEM NO. 11:**

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors shall not, without the consent of Members in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Since the mortgaging by the Company of its immovable and creation of charge by way of hypothecation or otherwise of movable properties in favour of the Banks/Financial Institution or other lenders may be regarded as disposal of the Company's properties/undertakings etc., it is considered prudent to have the approval of the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as Special Resolution.

**ITEM NO.12:**

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors shall not, without the consent of Members in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Sometime, the Company is required to sale or dispose of its various assets. As per the applicable requirement, it may tantamount to sale, lease or disposal of undertaking within the meaning of Section 180(1)(a) of the Act. Therefore, it is found prudent for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as Special Resolution.

## ITEM NO. 13:

As you are aware that the Company has made investments by way of acquisition of shares/securities of various bodies corporate. The Company may also be required to give loan to various parties and may provide also provide guarantee or security in respect of borrowing made by various person.

The growth in the levels of operations is also expected to increase in view of the same, it is expected that the total amount of loans and investments made by the Company together with loans/investments/guarantees/securities to be made in future to bodies corporate may exceed the limits prescribed under section 186 of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, your company can make loans, investments, give any guarantee or provide security to bodies corporate in excess of 60% of the paid-up share capital and free reserves or 100% of free reserves whichever is more, only with the prior approval of shareholders by a Special Resolution.

It is proposed to have authorization of the members for the overall outstanding limit of ₹ 200 Crores comprising of total amount of outstanding loan, investment, guarantee or security excluding the loan, investment etc. which are otherwise exempt from the applicability of Section 186 of the Companies Act, 2013.

The Register of Inter-corporate Loans and Investments containing the details of the Loan, investment etc. already made by the Company is open for inspection during the office hours on any working day at the Registered Office of the company.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as Special Resolution.

**By Order of the Board of Directors**  
sd/-  
**Nimish K. Patel**  
**Chairman & Managing Director**

**Date : 16<sup>th</sup> July, 2014**

**Place : Ahmedabad**

**Details of Directors Seeking Appointment/Re-appointment at the Annual General Meeting**

Particulars	Mr. Jayesh Dhirajlal Thakkar (DIN: 01247039)	Mr. Jaimin Virendra Modi (DIN: 00113689)	Mr. Hasmukhbhai K. Patel (DIN: 06587284)	Ms. Kinjal B. Patel (DIN:06896114)	Dr. Bharat J. Patel (DIN: 00944269)	Mr. Nileshbhai K. Patel (DIN: 00244115)
Date of Birth	18/06/1965	10/10/1959	14/12/1954	26/04/1985	07/08/1955	23/03/1965
Date of Appointment	01/04/2014	01/04/2014	01/06/2013	16/07/2014	16/07/2014	19/08/1987
Qualification	Graduate	Graduate	SSC (Matric)	Graduate	Doctor	B.A
Expertise in Specific functional areas	Finance & Administration	Finance, Accounts, HR & General Administration	Accounts	General Administration	Corporate Strategy and Ethics	Finance, Accounts and Overall management
Directorships held in other companies	D.M. Warehousing and Logistics Private Limited	1) Teknirvana Tradelink Private Limited 2) K Kyemistry (India) Private Limited	-	-	1) Ganesh Housing Corporation Limited 2) Samved Hospital Private Limited 3) Starnet Software (India) Limited 4) Interactive Medical Tourism Private Limited 5) S.P. Renewable Energy Sources Private Limited 6) Bharat Bio-gas Energy Limited 7) D.B. Ginning Private Limited	1) N. K. Proteins Limited 2) N. K. Flour Mills Limited 3) N.K. Infraventures Private Limited 4) N.K. Roadways Private Limited
No. Of Memberships/ Chairmanships of committees of other companies	Nil	Nil	NA	NA	One	One
Number of shares held in the Company	Nil	Nil	Nil	Nil	196	20954





## INSTRUCTIONS FOR E-VOTING:

The instructions for members for voting electronically are as under:- (EVSN - **140809006**)

- (i) Log on to the e-voting website <https://www.evotingindia.com>
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and
- (v) Next then enter the Captcha Code / image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to <https://www.evotingindia.com> and casted your vote earlier for EVSN of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vii) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in 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)	
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.	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the EVSN 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN - **140809006** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in>, click on 'registration' and fill up the required details. After that they have to take printout and submit at Email Id: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) for receiving their login details. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. Before casting vote, they should upload a scanned copy of the Board Resolution/Power of Attorney (POA) in PDF format in the system for the scrutinizer to verify the same.  
Corporate Shareholder may send copy of Board Resolution on Email Id of scrutinizer viz. [manojhurkat@hotmail.com](mailto:manojhurkat@hotmail.com) with cc to Company on [nkil@nkproteins.com](mailto:nkil@nkproteins.com). The original copy of Board Resolution should be send to Company at its Registered Office.
- (xix) 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The voting period begins on **22<sup>nd</sup> September, 2014 at 9.00 a.m. IST and ends on 24<sup>th</sup> September, 2014 at 6.00 p.m. IST** 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 26<sup>th</sup> August, 2014** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xxi) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) 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 will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) The Results declared along with the Scrutinizer's Report(s) will be communicated to CDSL and all the stock exchanges where the shares of Company are listed.

## DIRECTORS' REPORT

To  
THE MEMBERS  
**N. K. INDUSTRIES LIMITED**

Your Directors present their 26<sup>th</sup> Report together with Audited Statements of Accounts of the Company for the year ended on 31<sup>st</sup> March, 2014.

**FINANCIAL RESULTS:**

(₹ in lacs)

Particulars	2013-14	2012-13
Export Sales	Nil	Nil
Domestic Sales of Product & Other Income	33976.66	44318.60
Total Income	35708.30	45324.03
Profit/(Loss) before Tax & Depreciation	(275.65)	(17707.41)
Deduct: Depreciation	1981.48	2424.66
Less: Transfer from Revaluation Reserves	(1509.18)	( 2052.30)
Profit/(Loss) before Exceptional Items	(747.94)	(18079.76)
(Add)/ Less: Exceptional Items	4257.52	226.59
Profit/(Loss) before prior period items and tax	(5005.46)	(17853.18)
Deduct : Prior Period Adjustment	-	(10454.39)
Profit before tax for the year	(5005.46)	(28307.57)
(Add)/ Less: Deferred Tax	-	-
Profit/(Loss) after Tax	(5005.46)	(28307.57)

**OPERATIONS**

During the year, the company continued to sell manufactured goods on its own as against also the job work previously, as the main activity. The Company's sales turnover decreased to ₹ 33,976.66 Lacs. After providing for depreciation of ₹ 1981.48 lacs, there was loss in the current year amounting to ₹ 5,005.46 Lacs as against Loss of ₹ 28,307.56 Lacs in the previous year.

As per the compromise settlements arrived at, the Company has paid off all the outstanding balances with all the banks. On having paid off all the dues of secured creditors, the BIFR has disposed off our first reference case no. 35/1999. It has however agreed to register our subsequent references and declared our unit as a sick one. The BIFR has, therefore, appointed Canara Bank as an Operating Agent vide its Order dated 1<sup>st</sup> March, 2012 to prepare a draft rehabilitation scheme which is in progress. The draft rehabilitation scheme is under preparation.

**DIVIDEND**

Your Directors express their inability to recommend any dividend for the year 2013-14 owing to accumulated losses incurred by the Company.

**DIRECTORS:**

Mr. Nilesh K. Patel(DIN: 00244115)shall retire by rotation in terms of the Articles of Association of the Company at the ensuing Annual General Meeting of the Company. He, however, being eligible, has offered himself for reappointment.

Mr. Jayesh D. Thakkar (DIN: 01247039) and Mr. Jaimin V. Modi (DIN: 00113689) were appointed as additional directors of the Company w.e.f. 1<sup>st</sup> April, 2014.

Ms. Kinjal B. Patel (DIN: 06896114) and Dr. Bharat J. Patel (DIN: 00944269) were appointed as additional directors of the Company w.e.f. 16<sup>th</sup> July, 2014.

Mr. Ashokbhai Patel (DIN: 05323213) and Mr. Ashvinbhai Patel (DIN: 01622437) ceased to be directors of the Company on account of resignation w.e.f. 1<sup>st</sup> April, 2014.

All the existing Independent Directors of the Company viz. Mr. Jayesh D. Thakkar (DIN: 01247039), Mr. Jaimin V. Modi (DIN: 00113689), Ms. Kinjal B. Patel (DIN: 06896114) and Dr. Bharat J. Patel (DIN: 00944269) are proposed to be appointed for the period of 5 years under section 149 of the Companies Act, 2013 read with revised clause 49 of the listing agreement.