



**PDS MULTINATIONAL FASHIONS LIMITED**  
*Integrated **GLOBAL SUPPLY CHAIN** Solutions*



### Board of Directors

Mr. Deepak Seth	-	Chairman
Mrs. Payel Seth	-	Managing Director
Mr. Pallak Seth	-	Director
Dr. Ashutosh Prabhudas Bhupatkar	-	Non-Executive Independent Director
Mr. Ashok Kumar Chhabra	-	Non-Executive Independent Director
Mr. Ashok Kumar Sanghi	-	Non-Executive Independent Director

### Group Chief Financial Officer

Mr. Omprakash Makam S. Setty

### Company Secretary & Group Head – Legal

Mr. Mukesh Kumar

### Audit Committee

Dr. Ashutosh Prabhudas Bhupatkar	-	Chairman
Mr. Deepak Seth	-	Member Director
Mr. Ashok Kumar Sanghi	-	Member Director

### Nomination and Remuneration Committee:

Mr. Ashok Kumar Sanghi	-	Chairman
Mr. Ashok Kumar Chhabra	-	Member Director
Dr. Ashutosh Prabhudas Bhupatkar	-	Member Director

### Stakeholders Relationship Committee:

Mr. Ashok Kumar Chhabra	-	Chairman
Mr. Deepak Seth	-	Member Director
Mr. Ashok Kumar Sanghi	-	Member Director

### Auditors

M/s S. R. Dinodia & Co. LLP  
Chartered Accountants  
K-39, Cannaught Place  
New Delhi - 110001

### Registered Office:

A-3, Community Centre,  
Naraina Industrial Area, Phase-II  
New Delhi-110028

### Bankers

Axis Bank

### Corporate Office:

No. 2339, II Floor, Krishna Complex  
17th Cross, HSR Layout, Sector-I,  
Bangalore-560102, Karnataka

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## PDS MULTINATIONAL FASHIONS LIMITED

**Registered Office:** A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110028  
**Corp. Office:** No. 2339, II Floor, Krishna Complex, 17th Cross, HSR Layout, Sector-I,  
Bangalore-560102 Tel: 080-67653030,  
Website: www.pdsmultinational.com; e-mail: investors@pdsmultinational.com  
CIN: U18101DL2011PLC217162

### NOTICE

Notice is hereby given that the 3rd Annual General Meeting of the Members of the PDS Multinational Fashions Limited, will be held on Friday, 26th September, 2014 at 12:30 PM at Sri Sathya Sai International Centre, Pragati Vihar (Near Pragati Vihar Hostel), Lodhi Road, New Delhi-110 003, to transact the following businesses:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit & Loss Account of the Company for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Deepak Seth, (DIN: 00003021) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s S. R. Dinodia & Co. LLP. Chartered Accountants, (Regn. No. 001478N/ N500005), New Delhi, pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, for a period of Five years (subject to ratification of their appointment at every Annual General Meeting) as the Auditors of the Company and to fix their remuneration.

#### SPECIAL BUSINESS

##### Ordinary Resolutions

4. To appoint Mr. Ashok Kumar Chhabra (DIN: 06869497) 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 and 160 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 requirements, Mr. Ashok Kumar Chhabra (DIN: 06869497), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."
5. To appoint Mr. Ashok Kumar Sanghi, (DIN: 00011207) 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 and 160 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 requirement, Mr. Ashok Kumar Sanghi, (DIN: 00011207), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."
6. To appoint Dr. Ashutosh Prabhudas Bhupatkar, (DIN: 01854934) 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 and 160 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 requirements, Dr. Ashutosh Prabhudas Bhupatkar, (DIN: 01854934), who was appointed as an Additional Director pursuant to the provisions of

Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."

##### Special Resolutions

7. To consider and approve appointment of Mrs. Payel Seth (DIN: 00003035) as Managing Director of the Company and if thought fit, to Pass, with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to provisions of Article 93 of Article of Association of the Company and Sections, 196, 197 read with Schedule V and Section 203 and other applicable provisions, rules, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), Mrs. Payel Seth be and is hereby appointed as the Managing Director of the company for a period of five years starting from June 01, 2014 to May 31, 2019 with effect from June 01, 2014."

**"RESOLVED FURTHER THAT** no remuneration will be paid to Mrs. Payel Seth as a Managing Director of the Company:

**"RESOLVED FURTHER THAT** Mrs. Payel Seth, Managing Director shall manage the day-to-day affairs of the Company and shall also carry out all duties and functions subject to the supervision, control and directions of the Board of Directors of the Company."

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

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 27th September, 2013 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow in foreign currency and/or Indian Rupees from time to time at their discretion either from Bank(s), All Indian Financial Institution(s) or any other lending institution(s) or persons (including monies that may be borrowed by issue of debentures or other securities) on such terms and conditions, as may be considered suitable by the Board of Directors, notwithstanding, that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes provided that the maximum amount of moneys so borrowed by the Board, apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business shall not at any time exceed Rs.500 Crores(Rupees Five hundred Crores Only).

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such act, deeds and things, to execute all such documents, instruments and writings as may be required."

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the consent of the Audit Committee and the Board of Directors, the consent of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made there under, namely Multinational Textiles Group Limited and Norwest industries Limited as per details and terms & conditions as set out under the Explanatory Statement annexed to this Notice."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

By order of the Board of Directors  
for **PDS Multinational Fashions Limited**

**Place:** Delhi

**Date :** 5th June, 2014

(**Mukesh Kumar**)  
Company Secretary

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED MUST REACH THE COMPANY'S REGISTERED OFFICE ATLEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 19th September, 2014 to Friday, the 26th September 2014 (both days inclusive).
3. The relevant Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 and Clause 49 of the Listing Agreement in respect of re-appointment(s) of Directors are mentioned below.
4. Members/Proxies are requested to bring their attendance slip along with copy of Annual Report to the Meeting and are requested not to bring any article, briefcase, hand bag, carry bag etc., as the same will not be allowed to be taken inside the auditorium for security reasons. Further, the Company or any of its officials shall not be responsible for their articles, bags etc., being misplaced, stolen or damaged at the Meeting place.
5. Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those hold shares in Physical forms are requested to write their Folio Number in the attendance slip for attending the meeting.
6. In case of joint holders attending the meeting the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the RTA/Depositories for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
9. Electronic copy of the Annual Report for the financial year 2013-14 is being sent to all the members, whose email IDs are registered with the Company/RTA/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2013-14 is being sent in the permitted mode.
10. **NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 3RD ANNUAL GENERAL MEETING OF YOUR COMPANY.**
11. **Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the 3rd Annual General Meeting (AGM) by electronic means and the business contained herein may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL):

**The instructions for Members for voting electronically are as under:-**

**In case of members receiving e-mail:**

    - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - (ii) Click on "Shareholders" tab.
    - (iii) 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.
    - (iv) Next enter the Image Verification as displayed and Click on Login.
    - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
    - (vi) 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"> <li>Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field.</li> <li>Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/ NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234'.</li> </ul>
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.
Bank Details#	Enter the Bank Details as recorded in your demat account or in the records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on 14th August, 2014 in the Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> i.e. PDS Multinational Fashions Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 20th September, 2014 at 9.00 A.M and ends on 22nd September, 2014 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 18002005533 (Toll Free)
- II. Mr. Deepak Somaiya, Practicing Company Secretary (Membership No. FCS 5845) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- III. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IV. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.pdsmultinational.com](http://www.pdsmultinational.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and it shall also be communicated to the BSE Limited and National Stock Exchange of India Limited.

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013 and Clause 49 of the Listing Agreement)

A brief Resume of the Director(s) offering themselves for re-election is given below:

**Item No. 2**

Mr. Deepak Seth, 62 years is the Group Chairman of the Company. The Company through its subsidiaries is in business of providing integrated global supply chain solutions to Ready to Wear garments industry including various top brands and retailers around the world. He is a Bachelor of Economics from St. Stephens College, Delhi University and holds a MBA degree from Jamnalal Bajaj Institute of Management Studies, Mumbai, India. He is an active member of the Apparel Export Promotion Council of India and held the post of "Vice Chairman" of the Eastern Region of AEPC for 2 years, He is also an executive member of the Apparel Exporters & Manufacturers Association (AEMA) and was awarded the "Udyog Ratna" Award by the Haryana Govt. in 2006 for his entrepreneurial skills.

Mr. Seth actively participates in various philanthropic activities through various NGO's. He believes in returning back to the world a portion of his income for charity.

Details of other directorship/committee membership held by him in other Companies are as follows:

**Directorship**

1. Pearl Global Industries Limited
2. Pearl Apparels Limited
3. Aries Travels Pvt. Limited
4. NIM International Commerce Private Limited
5. Pearl Retail Solutions Private Limited
6. PS Arts Private Limited

**Committee:**

He is Member of the Audit Committee and Stakeholders Relationship Committee of your company.

Mr. Deepak Seth, the retiring Director, being eligible, offers herself for re-appointment.

Directors of your Company propose to re-appoint Mr. Deepak Seth as Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors, except himself, Mrs. Payel Seth and Mr. Pallak Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

The Board recommends the Ordinary Resolution set out at the Item No. 2 of the Notice for approval by the Shareholders.

**Item No. 4**

Mr. Ashok Kumar Chhabra born on 4th March, 1952, is a Bachelor in Law. He is a practicing Advocate since 1974 in the High Courts and Supreme Court of India. His core area of practice includes Civil matters, Criminal matters, Company law, Labour law, Arbitration and other Corporate Matters. Mr. Chhabra has served as legal Adviser to MMTC, Nestle India and other Corporates during his practice.

Details of other directorship/committee membership held by him in other Companies are as follows:

**Directorship**

He does not have a directorship in other company.

He is a chairman of Stakeholders Relationship Committee and member of Nomination and Remuneration Committee of your Company.

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Ashok Kumar Chhabra as an Additional Director of the Company with effect from May 26, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Ashok Kumar Chhabra would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashok Kumar Chhabra for the office of Director of the Company.

Mr. Ashok Kumar Chhabra is not disqualified from being appointed as a Director in term 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. Ashok Kumar Chhabra that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. Mr. Ashok Kumar Chhabra possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the Opinion of the Board, Mr. Ashok Kumar Chhabra fulfills the conditions for his appointment as an Independent Director as specified in the Act and Listing Agreement requirements. Mr. Ashok Kumar Chhabra is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the best interest of the Company that Mr. Ashok Kumar Chhabra is appointed as an Independent Director.

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

Save and except Mr. Ashok Kumar Chhabra and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the at the Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at the Item No. 4 of the Notice for approval by the Shareholders.

**Item No. 5**

Mr. Ashok Kumar Sanghi, 64 years has a Bachelor Degree in Science and Masters in Management from Jamnalal Bajaj Institute of Management, Mumbai.

Mr. Sanghi currently involves in Project Management Consultancy, which provides services related to Detailed Architectural Engineering Design, Loan Syndication for various infrastructure projects under the Ministry of Textiles and Ministry of Electronics, Government of India.

Further, Mr. Sanghi is also visiting as a professor at Bhartiya Vidya Bhawan, Delhi for their MBA classes and Teaching Entrepreneurship, Corporate Social Responsibility and Ethics.

Details of other directorship/committee membership held by him in other Companies are as follows:

**Directorship:**

He is Director in (i) Tritco Engineering Training and Consultancy Pvt. Ltd (ii) B2B Management Solutions Pvt. Ltd. (iii) Shri Lakshi Textile-Park Ltd.

**Committee**

He is Chairman of Nomination and Remuneration Committee and Member of Audit Committee and Stakeholders Relationship Committee of your Company.

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Ashok Kumar Sanghi as an Additional Director of the Company with effect from May 26, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Ashok Kumar Sanghi would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashok Kumar Sanghi for the office of Director of the Company.

Mr. Ashok Kumar Sanghi is not disqualified from being appointed as a Director in term 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. Ashok Kumar Sanghi that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. Mr. Sanghi possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the Opinion of the Board, Mr. Ashok Kumar Sanghi fulfills the conditions for his appointment as an Independent Director as specified in the Act and Listing Agreement requirements. Mr. Sanghi is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the best interest of the Company that Mr. Ashok Kumar Chhabra is appointed as an Independent Director.

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

Save and except Mr. Ashok Kumar Sanghi and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at the Item No. 5 of the Notice for approval by the Shareholders.

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

Dr. Ashutosh Prabhudas Bhupatkar, born on 1st February, 1951, is a Bachelor in Commerce from Pune University, a Master in Management Studies from Bombay University and a Doctorate in Organizational Studies from Pune University. He has over 15 years' experience in the textile industry. He was the head of the Institute of Management Development and Research, Pune for 16 years.

Details of other directorship/committee membership held by him in other Companies are as follows:

#### **Directorship:**

He is a Director of (i) Twin Engineers Private Limited

#### **Committee**

He is Chairman of Audit Committee and Member of Nomination and Remuneration Committee of your Company.

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Dr. Ashutosh Prabhudas Bhupatkar as an Additional Director of the Company with effect from May 26, 2014.

In terms of the provisions of Section 161(1) of the Act, Dr. Ashutosh Prabhudas Bhupatkar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. Ashutosh Prabhudas Bhupatkar for the office of Director of the Company.

Dr. Ashutosh Prabhudas Bhupatkar is not disqualified from being appointed as a Director in term 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 Dr. Ashutosh Prabhudas s Bhupatkar that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. Dr. Bhupatkar possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the Opinion of the Board, Dr. Ashutosh Prabhudas Bhupatkar fulfills the conditions for his appointment as an Independent Director as specified in the Act and Listing Agreement requirements. Dr. Bhupatkar is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the best interest of the Company that Dr. Ashutosh Prabhudas Bhupatkar is appointed as an Independent Director.

Copy of the draft letter for appointment of Dr. Ashutosh Prabhudas Bhupatkar as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Save and except Dr. Ashutosh Prabhudas Bhupatkar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at the Item No. 6 of the Notice for approval by the Shareholders.

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

Mrs. Payel Seth, 55 years, graduated from the Pearl Academy of Fashion in July 1996. She is associated with the group as a Promoter Director since incorporation. She has rich experience in designing and retailing of Indian and western Garments, Jewellery and Accessories. She is Entrepreneurial by nature and has utilized her skills in field of Designing, General Management, Sales and Marketing/Business Development and Change Management for development of the Organization.

Her retail initiative includes the establishment of a retail stores in India. She has also been actively involved in the education and Corporate Social Responsibility (CSR) initiatives of the Group.

Details of other directorship/committee membership held by him in other Companies are as follows:

#### **Directorship:**

She is Director of the following Company.

- (i) Pearl Apparels Limited
- (ii) Lerros Fashions India Limited
- (iii) NIM International Commerce Private Limited
- (iv) Vau Apparels Private Limited

#### **Committee**

She is not a member of any committee of your Company.

Mrs. Payel Seth has been appointed as a Managing Director of the Company w.e.f June 01, 2014

None of the Directors, except herself, Mr. Deepak Seth Seth and Mr. Pallak Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

The Board recommends the Special Resolution set out at the Item No. 7 of the Notice for approval by the Shareholders.

#### **Item No. 8**

#### **Borrowing Powers u/s 180(1)(c) of the Companies Act, 2013**

The members may kindly be informed that, an Annual General Meeting of the Company held on 27th September, 2013, the shareholders had authorized the Board of Directors to borrow in foreign currency and/or Indian Rupees from time to time at their discretion upto a limit of Rs. 500 crore (Rupees Five hundred Crores Only), under Section 293(1)(d) of the Companies Act, 1956.

However, after enforcement of Companies Act, 2013, the Company need to pass a Special Resolution under Section 180 (1)(c) of the Companies Act, 2013 for compliance of the provisions of this Section.

Section 180(1)(c) of the Companies Act, 2013 requires consent of the shareholders as an ordinary resolution for creation of security; however, the provisions of the Companies Act, 2013 stipulate consent of members by way of a Special Resolution.

The Board of Directors of your Company has approved this item in the Board Meeting held on 5th June, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in this Resolution except of their shareholding in the Company, if any.

The Board recommends the Special Resolution set out at the Item No. 8 of the Notice for approval by the Shareholders.

**Item No. 9****Related party transactions**

The Board of Directors of the Company has approved a proposal for entering into the following related party transactions for a maximum amount annually during the year 2014-15 and 2015-16:

Name of the related party	Nature of relationship	Name of the Director or Key Managerial Personnel who is related, if any	Nature, material terms, monetary value and particulars of the contract or arrangement	Annual Amount in ₹
Multinational Textile Group Limited	Wholly owned Subsidiary Company	Mr. Deepak Seth, Mr. Pallak Seth, Mrs. Payel Seth are Directors of MTGL	1. Sale of Services	3,00,00,000
			2. SAP Income/ Expense Reimbursement	3,00,00,000
			3. Temporary advance by MTGL on our behalf for expenses	5,00,00,000
Norwest Industries Limited.	Step down Subsidiary Company	Mr. Deepak Seth, Mr. Pallak Seth, Mr. Omprakash Makam Suryanarayana Setty are Directors of Norwest industries Limited.	1. Sale of goods-Readymade Garments	3,00,00,000

By order of the Board of Directors  
for **PDS Multinational Fashions Limited**

**Place:** Delhi

**Date:** 5th June, 2014

(Mukesh Kumar)  
Company Secretary