



# **TWENTY NINTH ANNUAL REPORT 2013-2014**



***RAMA  
PAPER  
MILLS  
LIMITED***

NAJIBABAD ROAD, KIRATPUR (BIJNOR) U.P.



**BOARD OF DIRECTORS**

Shri Pramod Agarwal	Chairman & Managing Director
Shri Arun Goel	Executive Director
Shri Manish Garg	Director
Shri Prabhat Kumar	Director
Shri H. S. Bhim Rao	Director
Smt. Sunita Agarwal	Director
Sh. Gyanveer Singh	Additional Director

**BANKERS**

Bank of Baroda

**AUDITORS**

Shiam & Co.  
Chartered Accountant  
Muzaffarnagar (U.P.)

**COST AUDITORS**

Jain Sharma & Associates  
Cost Accountants  
New Delhi

**REGISTERED OFFICE & WORKS**

4th Km. Stone, Najibabad Road,  
Kiratpur-246731  
Distt. Bijnor (U.P.)  
Email: [delhi@ramapaper.com](mailto:delhi@ramapaper.com)  
Website: [www.ramapaper.com](http://www.ramapaper.com)

**CORPORATE OFFICE**

12/22 IInd Floor, East Patel  
Nagar, New Delhi-110008.

**REGISTRAR & TRANSFER AGENT**

Indus Portfolio (P) Limited  
ISIN INE425E01013  
G-65, Bali Nagar, New Delhi  
SEBI Registration No. INROOOOO3845

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**NOTICE**

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of RAMA PAPER MILLS LIMITED will be held on Tuesday, the 30<sup>th</sup> September, 2014 at 10.00 A.M at the Registered Office of the Company at 4<sup>th</sup> Km. Stone Najibabad Road, Kiratpur, Distt. Bijnor (U.P.) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014, Balance Sheet as at that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri Manish Garg, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** Sh. Gyanveer Singh, who was appointed as an Additional Director with effect from May 30, 2014 on the Board of the Company in terms of Section 161(1) of the Companies Act, 2013 who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all the acts deeds and things which are necessary for giving effect to the above resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (“The Act”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force, read with Schedule IV of the Act, Mr. Prabhat Kumar (DIN: 00161411), a non Executive Director of the Company, who was appointed as a Director liable to retire by rotation, who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a term of five Consecutive Years w.e.f. 30.09.2014 to 30.09.2019 and shall be eligible for re-appointment for a period not exceeding two consecutive terms and shall not be liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 (“The Act”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force, read with Schedule IV of the Act, Mr. H. S. Bhimrao (DIN: 00862933), a non Executive Director of the Company, who was appointed as a Director liable to retire by rotation, who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a term of five Consecutive Years w.e.f 30.09.2014 to 30.09.2019 and shall be eligible for re-appointment for a period not exceeding two consecutive terms and shall not be liable to retire by rotation.”



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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force, read with Schedule IV of the Act, Mr. Manish Garg (DIN: 01324631), a non Executive Director of the Company, who was appointed as a Director liable to retire by rotation, who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a term of five Consecutive Years w.e.f. 30.09.2014 to 30.09.2019 and shall be eligible for re-appointment for a period not exceeding two consecutive terms and shall not be liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force; the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 200 Crores [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties whether moveable or immovable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

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

**"RESOLVED THAT** pursuant to the Provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties as defined under the Companies Act, 2013 with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or any other transaction of whatsoever nature with related parties.

**RESOLVED FURTHER THAT** the Board of Directors of the Company 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 execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms and conditions



related thereto in the best interest of the Company and its stakeholders and all other matters arising out of or incidental thereto the proposed transaction and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this resolution.”

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

**“RESOLVED THAT** in accordance with the provisions of Sections 42, 55, 62 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, as may be amended from time to time and the Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed or imposed, while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of members of the Company be and is hereby accorded to the Board to offer or invite to subscribe, issue and allot such number of preference shares of the Company of the Face Value of Rs. 100 each, for an aggregate value not exceeding Rs. 5 Crore, as 14% Non - Convertible and Redeemable Preference Shares, for cash at par, on a private placement basis, to such person or persons and in such proportion and on such terms and conditions as set out in the Explanatory Statement annexed to and forming part of this Notice.

**RESOLVED FURTHER THAT** in accordance with the provisions of Section 43 of the Companies Act, 2013, the Preference Shares shall be non participating, carry a preferential right, vis-à-vis Equity Shares of the Company, with respect to payment of dividend and repayment in case of a winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors of the Company authorized to do all acts, deeds and things and execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental, and pay such fees and incur such expenses in relation thereto as it may deem appropriate.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 13 sub-section (1), read with Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) the Authorised Share Capital of the Company be and is hereby increased from the existing Rs. 27,00,00,000/- (Rupees twenty seven crores only) divided into 2,20,00,000 (Two crore twenty lakhs) Equity Shares of Rs. 10/- (Rupees ten only) each and 5,00,000 (Five lakhs only) Preference Shares of Rs. 100/- (Rupees one hundred only) each to Rs. 32,00,00,000/- (Rupees thirty two crores only) divided into 2,20,00,000 (Two crore twenty lakhs) Equity Shares of Rs. 10/- (Rupees ten only) each and 10,00,000 (Ten lakhs only) Preference Shares of Rs. 100/- (Rupees one hundred only) each and that clause 5 of the Memorandum of Association of the Company be and is hereby altered accordingly and in its place the following new clause 5 shall be substituted”.

**“The Authorised Share Capital of the Company is Rs. 32,00,00,000 (Rupees Thirty Two Crores Only) divided into 2,20,00,000 (Two Crore Twenty Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 10,00,000 (Ten Lacs Only) Preference Shares of Rs. 100/- (Rupees One Hundred only) each.”**

**“RESOLVED FURTHER THAT** Sh. Pramod Agarwal, Managing Director of the Company be and is hereby authorized to do all such acts, deeds and things which are required in this connection and to file the required form with the Registrar of Companies, Uttar Pradesh & Uttarakhand and all other matters connected and incidental thereto.”

Place: Kiratpur  
Date: 14.08.2014

By Order of the Board  
FOR RAMA PAPER MILLS LIMITED

**SD/-**  
(HIMANSHU DUGGAL)



**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 in respect of the Special business(es) under Item Nos. 4, 5, 6, 7, 8, 9, 10 and 11 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, the 25<sup>th</sup> September, 2014 to Tuesday, the 30<sup>th</sup> September, 2014**, both the days inclusive.
4. Members seeking any information regarding Accounts should write to the Company at its Registered Office at least seven days before the date of the Meeting so as to enable the management to keep the information ready, if the Chairman so permits.
5. The Members are requested to intimate to the Registrar & Share Transfer Agent of the Company immediately any change in their address alongwith the Pin Code Number and email ID indicating their DPID/ Folio Number to **“M/s Indus Portfolio Private Limited”** G-65, Bali Nagar, New Delhi.
6. The Members holding Shares in the physical form, who are desirous of making nominations as permitted under Section 72 of the Companies Act, 2013 in respect of the Shares held by them may write to the RTA for the prescribed form.
7. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting is given in the Annexure.
8. Members are requested to intimate to the Company's Registrar and Share Transfer Agent viz., M/s Indus Portfolio Private Limited in respect of shares held in physical form and to their Depository Participants in respect of shares held in electronic form; a) any change in their addresses; b) details about their e-mail addresses, so that all notices and other statutory documents can be sent to their e-mail addresses as a measure of “Green Initiative”.
9. Annual Report of 2013-2014 will be available on the Company's website [www.ramapaper.com](http://www.ramapaper.com). Members who require communication in physical in addition to e-communication may write to us at [cs@ramapaper.com](mailto:cs@ramapaper.com).
10. The SEBI has mandated the submission of PAN by every participant in Securities Market. Members holding shares in electronic form are requested to submit PAN to their Depository Participants with whom they are maintaining their D-Mat accounts. Members holding shares in the physical for are requested to submit their PAN details to the Company at its Registered Office.

**11. Voting through electronic means**

- a. In compliance with the 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 its members, the facility to exercise their right to vote at this Annual General Meeting by electronic means in respect of the businesses to be transacted at the AGM through e-voting services provided by National Securities Depositories Limited (NSDL).

The instructions for voting through electronic means are as under:





- I. Members whose e-mail Id's are registered with the Company/Depository Participants will receive an e-mail from NSDL. Members are requested to follow instructions given below:
  - i. Open e-mail and open PDF File viz; "Rama Paper Mills Limited e-voting.pdf" with your Client ID or Folio No. as the Password. The said PDF file contains your user ID and Password/PIN for e-voting. Please note that the password is an initial password and users are required to change the same upon the first login.
  - ii. Launch internet browser by using the URL: <https://www.evoting.nsdl.com>.
  - iii. Click on Shareholders Login.
  - iv. Enter your User ID and Password/PIN for Login.
  - v. Password change menu will appear. Change the password/PIN with the new password of your choice with minimum of 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi. After log in, the home page of e-voting will open. Click on "e-voting active voting cycles".
  - vii. Select "EVEN" (E-Voting event Number) of Rama Paper Mills Limited.
  - viii. Now, you are ready for e-voting as "Cast Vote" Page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
  - xi. Once you have voted on the Resolution, you will not be allowed to modify your vote.
  - xii. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy of the relevant Board Resolution/Authority Letter etc. together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cs.sukhwindersingh@gmail.com](mailto:cs.sukhwindersingh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in); failing which the votes cast shall be held invalid.
- II. Members whose e-mail Id's are not registered with the Company/Depository Participants will receive the physical copy of the notice of Annual General Meeting.
  - i. EVEN, User ID and password is provided in the attendance slip.
  - ii. Please follow the instructions given in the sub para (ii) to (xii) in Para I above.
- b. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for the shareholders and e-voting user manual for shareholders are available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c. If you are already registered with NSDL for e-voting, then you can use your existing user ID and Password/PIN for casting your vote.
- d. You can also update your mobile no. and e-mail ID in the user profile details of the folio which may be used for future communication(s).
- e. The cut-off date/Record date for the purpose of ascertaining shareholders, who are eligible to receive this notice and e-voting is 29<sup>th</sup> August, 2014.
- f. The e-voting period commences on 25<sup>th</sup> September, 2014 i.e. Thursday at 10:00 AM and ends on 26<sup>th</sup> September, 2014 i.e. Friday at 06:00 PM. During this period, the shareholders of the Company holding shares in physical form or in dematerialized form as on the cut off/Record Date (29<sup>th</sup> August, 2014) may cast their vote electronically. Thereafter, e voting module shall be disabled by the NSDL for voting and members will not be allowed to vote.
- g. Once, the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to subsequently change it.
- h. The voting rights of the shareholders will be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut off date.



- i. M/s Sukhwinder Singh & Co. has been appointed as Scrutinizer to scrutinize the e voting process in a fair and transparent manner.
- j. The scrutinizer will submit report on e voting to the Chairman of the Company.
- k. The results will be declared on or after the AGM of the Company. The results declared along with the scrutinizer report will be placed on the Company's website [www.ramapaper.com](http://www.ramapaper.com) and on the website of NSDL within two days of passing of resolution at the AGM of the Company and will be communicated to the Bombay Stock Exchange.
- l. The Notice has been placed on the website of the Company and also on the website of the NSDL.

**ANNEXURE TO NOTICE**

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

**Item No. 4:**

Sh. Gyanveer Singh was appointed as an Additional Director by the Board of Director w.e.f. May 30, 2014 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Sh. Gyanveer Singh on the Board is desirable and would be beneficial to the company and hence recommend resolution No.4 for adoption.

None of the Directors, except Sh. Gyanveer Singh is concerned or interested in this resolution.

The Board recommends resolution under Item No.4 to be passed as ordinary resolution.

**Item No. 5 & 6:**

Sh. Prabhat Kumar, and Sh. H S Bhimrao had been appointed as Non Executive Directors of the Company who satisfied the criteria of being Independent Directors as per clause 49 of the Listing Agreement entered into with the Stock Exchanges and whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 2013. However in terms of section 149 (13) of the Companies Act, 2013 an Independent Director is not liable to retire by rotation. Therefore in terms of section 149 and other applicable provisions of the Companies Act, 2013 Sh. Prabhat Kumar, and Sh. H S Bhimrao being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors for five consecutive years for a term upto 30th September, 2019.

The Company has received notices in writing from members alongwith the deposit of requisite amount under section 160 of the Act proposing the candidatures of Sh. Prabhat Kumar, and Sh. H S Bhimrao for the office of Director of the Company.

Further, the Board of Directors of the Company are of the opinion that the above referred Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder for being appointed as Independent Directors and they are Independent of the Management. The Board considers that their continued association would be of immense benefits to the Company and it is desirable to continue to avail their services as Independent Directors.

The Board of Directors recommends resolutions at item Nos. 5 & 6 of the Notice for your consideration and approval.





Except the aforesaid Directors none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the aforesaid resolutions. This Explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

**Item No. 7:**

Sh. Manish Garg had been appointed as Non Executive Directors of the Company who satisfied the criteria of being Independent Directors as per clause 49 of the Listing Agreement entered into with the Stock Exchanges and whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 and whose term expire at the ensuing Annual General Meeting of the Company. However in terms of section 149 (13) of the Companies Act, 2013 an Independent Director is not liable to retire by rotation. Therefore in terms of section 149 and other applicable provisions of the Companies Act, 2013 Sh. Manish Garg being eligible and offering himself for appointment, are proposed to be appointed as Independent Director for five consecutive years for a term upto 30th September, 2019.

The Company has received notices in writing from members alongwith the deposit of requisite amount under section 160 of the Act proposing the candidatures of Sh. Manish Garg for the office of Directors of the Company.

Further, the Board of Directors of the Company are of the opinion that the above referred Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder for being appointed as Independent Director and he is Independent of the Management. The Board considers that his continued association would be of immense benefits to the Company and it is desirable to continue to avail his services as Independent Director.

The Board of Directors recommends resolutions at item Nos. 7 of the Notice for your consideration and approval.

Except the aforesaid Directors none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the aforesaid resolutions. This Explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

**Item No. 8:**

The Board of Directors was authorized in pursuant to Section 293(1)(d) of the Companies Act, 1956 to borrow moneys for Company's activities in excess of aggregate of its Paid-up Capital and Free Reserves, either in Rupees or in such other Foreign Currency from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs.200 crores or equivalent thereof as prescribed in the Resolution passed by the Members at General Meeting held on August 11, 2004.

Sections 180(1)(c) of the Companies Act, 2013 empowers the Board to borrow moneys in excess of the aggregate of its Paid-up Capital and Free Reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the Ordinary course of business), subject to the approval of the Members of the Company in General Meeting.

The Ministry of Corporate Affairs, Government of India vide its Circular No. 4 / 2014 dated 25th March, 2014 has clarified that the Resolution passed under Section 293 of the Companies Act, 1956, prior to 12th September, 2013 with reference to borrowing (subject to the limits prescribed) and/or creation of security on assets of the Company will be effective for a period of 1 (one) year from the date of notification of Section 180 of the Act. In view of the enactment of the Act, the Company would be required to pass a fresh Resolution as aforesaid enabling it to exercise powers under Sections 180(1)(c) of the Companies Act, 2013.

The proposed Special Resolution will have to be considered in the above context. This will enable the Board to borrow funds and create any mortgage / charge, if necessary in connection with such borrowings, from time to time.

This Resolution supersedes the Resolution passed by the Members on August 11, 2004.

None of the Directors, Key Managerial Personnel of your Company and their relatives are concerned or interested in the above Resolution.



Your Directors recommend the above Resolution for your approval.

**Item No. 9:**

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into the transaction mentioned under aforesaid resolution, which are not in the Ordinary Course of business and/or are not on arm length basis, only with the approval of the shareholders accorded by way of a special resolution. Though your Company always seeks to enter into transactions with the related parties in the ordinary course of business and at arm's length basis; still there may be some transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

The proposal outlined above is in the best interest of the Company and the Board recommends the resolution as set out in Item No. 9 for your approval.

None of the Directors of the Company are concerned or interested in the resolution except to the extent of their shareholding in the Company or any their interest as director or shareholder or partner or otherwise in such other related entity, if any.

**Item No. 10:**

Section 62 of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014 provides, *inter alia*, that, whenever it is proposed to increase the subscribed capital of the Company by issue of further shares, such shares may be offered to any persons, whether or not, those persons are the holders of the equity shares of the Company or employees of the Company, if authorized by way of a Special Resolution.

Furthermore, as per Section 42 of the Companies Act, 2013 read with the rules framed there under, a company offering or making an invitation to subscribe to securities, including 14%Non - Convertible and Redeemable Preference Shares on a private placement basis, is required to obtain the prior approval of the Shareholders by way of Special Resolution, for each of the offers and invitations.

The approval of the members is accordingly being sought by way of Special Resolution under Section 42, 55 and 62 of the Companies Act, 2013 read with the rules made thereunder for the issue of 14%Non - Convertible and Redeemable Preference Shares aggregating an amount not exceeding Rs. 5 Crore and to offer and allot the 14%Non - Convertible and Redeemable Preference Shares on a private placement basis on the terms and conditions set out hereunder:

Given below is a statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014:

1. The 14%Non - Convertible and Redeemable Preference Shares shall be Cumulative, Redeemable, Non-participating and Non - Convertible into the Equity Shares of the Company.
2. The objective of the issue is to raise funds to strengthen the long term capital base of the Company.
3. The 14%Non - Convertible and Redeemable Preference Shares will be issued and offered on a private placement basis in accordance with the Section 42 of the Companies Act, 2013 and the rules made thereunder.
4. Other Terms:

Issue Size	Upto Rs. 5,00,000 Preference Shares of Rs. 100 each for an amount not exceeding Rs. 5 Crores.
Issue Price	The above Preference Shares will be issued at par.
Offer Period	As may be determined by the Board.
Rate of Dividend	14%per annum
Terms of redemption	Redemption at par in accordance with Section 55 of the Act, out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption.
Tenure of the Preference Shares	Not exceeding 5 years with or without a put / call option as may be determined by the Board.
Expected dilution in the equity upon conversion	No point of dilution in the equity arises as the shares are non convertible.