

# **Restile Ceramics Limited**

*33<sup>rd</sup> Annual Report 2018-19*

## BOARD OF DIRECTORS

Sri Nalinkant Amratlal Rathod	- Chairman
Sri Viren Rathod	- Managing Director
Sri.Ramachandran N.S	- Independent Director
Sri N S Mani	- Independent Director
Sri.Seetharaman T R	- Independent Director
Sri G. Padmanabhan	- Independent Director
Smt Bharathi Rathod	- Women Director
Smt Shruthi Rathod	- Additional Director
Sri Yash Kaushik shah	- Additional Director
Sri K.Rajendra Prasad	- Nominee Director –APIDC

## KEY MANAGERIAL PERSONS

Mr. Tribhuvan Simh Rathod	- Chief Financial Officer
Ms Swinky Bathla	- Company Secretary & Compliance Officer

## SHAREHOLDERS' INFORMATION

<b>Annual General Meeting</b>	33rd AGM on 20th September 2019
<b>Venue</b>	At Registered office at 4.00 P.M 204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015, Gujarat
<b>Auditors</b>	<b>M/s. M. S. Krishnaswami &amp;Rajan</b> Chartered Accountants GB, Anand Apartments, JP Avenue, Dr. Radhakrishnan Road, 6th Street, Chennai -600 004.
<b>Bankers</b>	State Bank of India SME Adyar Chennai-600020
<b>Factory Location</b>	Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Telangana <a href="http://www.restile.com">www.restile.com</a>
<b>CIN</b>	L26931GJ1986PLC102350
<b>Book Closure Date</b>	15/09/2019 to 20/09/2019 (Both days inclusive)
<b>Listing</b>	<b>Bombay Stock Exchange Ltd</b>
<b>ISIN NO</b>	INE298E01022
<b>Stock Code</b>	515085
<b>Evoting Dates</b>	17/09/2019 to 19/09/2019
<b>Registrars &amp; Share Transfer Agents</b>	M/s. Cameo Corporate Services Ltd, Subramanian Building, 1- Club House Road, Chennai 600 002. Telephone No: 044-28460390.

## NOTICE

**NOTICE** is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of the Company will be held at 4.00 P.M on 20<sup>th</sup> September 2019 at the registered office of the Company situated at **204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015, Gujarat to transact the following business:**

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss for the year ended on that date along with Cash Flow Statement and notes forming part of accounts, together with the Reports of the Board of Directors and the Auditors there on.
2. To appoint Sri Nalinkant Amratlal Rathod (DIN: 00272129) as Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Smt Bharati Nalin Rathod (DIN: 02587701) as Director who retires by rotation and being eligible offers herself for reappointment.
4. To appoint Auditors and fix their remuneration.

In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, M/s.R. Sundararajan & associates Chartered Accountants (Firm Registration No. 08282S), be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 5th year (2024) Annual General Meeting of the Company, at such remuneration plus taxes, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS

5. Appointment of Mr. Viren Rathod as Managing Director of the Company

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 sections 196, 197, 203 and other applicable provisions of the companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with schedule-V of the companies Act, 2013, Articles of Association of the Company and on the recommendation of the Nomination & remuneration committee and the Board of Directors, approval of the members of the company be and hereby accorded to the appointment of Mr. Viren Rathod (DIN 03407158) as Managing Director of the company for a period of 5 years with effect from 04.05.2019 to 03.05.2024 at Nil remuneration.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

6. Appointment of Mrs. Shruthi Rathod as Director of the company

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 other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules made there under, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Mrs. Shruthi Rathod (DIN 1948999), who has been appointed as an Additional Director of the Company on 06/01/2019 by the Board of Directors in terms of section 161 of the Act and who holds office till the date of this Annual General Meeting, as the Director of the Company.”

7. Appointment of Mr. Yash Kaushik Shah as an Independent Director of the company

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 other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules made there under, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint, Mr. Yash Kaushik Shah (DIN 02155636), who has been appointed as an Additional Director of the Company on 08/02/2019 by the Board of Directors in terms of section 161 of the Act and who holds office till the date of this Annual General Meeting, as an Independent Director of the Company for a period of 5 (five) consecutive years i.e., upto the 38<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024.”

**8. Re-appointment of Mr. Mani as an Independent Director of the Company**

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act as amended from time to time, Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Mani (DIN 02577983), an Independent Director of the Company, whose term expires on this 33rd Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for another term of 5 (five) consecutive years (second term) i.e., upto the 38<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024, notwithstanding that he has attained the age of 75 years.”

**9. Re-appointment of Mr. Nalandula Srinivasa Rao Ramachandran as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act as amended from time to time, Mr. Nalandula Srinivasa Rao Ramachandran (DIN 00089348), an Independent Director of the Company, whose term expires on this 33rd Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for another term of 5 (five) consecutive years (second term) i.e., upto the 38<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024.”

**10. Re-appointment of Mr. Rajendra Prasad Kandikattu as Nominee Director of the Company**

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 Sections 149, 152 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) Mr. Rajendra Prasad Kandikattu (DIN 00143653), a Nominee Director of the Company, who was appointed at the 28<sup>th</sup> Annual General Meeting to hold office till 28/09/2019 be and is hereby appointed as a Nominee Director of the Company.”

**11. Authority to borrow in excess of the paid up Capital and Reserves**

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 earlier resolution passed by the Members of the Company in the previous Annual General Meeting, the Board of Directors of the company be and are hereby authorized in accordance with the provisions of Sec.180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, to borrow from time to time all such sums of money as may deem requisite for the purpose of the business of the Company provided that the moneys to be borrowed together with the moneys already borrowed by the company apart from temporary loans obtained from the company’s bankers in the normal course of business shall not exceed the aggregate of the paid-up capital and free reserves by more than Rs. 50 Crores (Rupees Fifty Crores only).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize and execute such documents as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary proper or desirable in the best interest of the Company.”

**12. Authority to create mortgages, charges and hypothecations**

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

**“RESOLVED THAT** in modification of the resolution passed at the previous Annual General Meeting, the consent of the Company be and is hereby accorded to the Board of Directors pursuant to the provisions of Section 180(1)(a) of the Companies

Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, read with Articles of Association of the Company, for the creation of such mortgages, charges and hypothecations, on all immovable and movable properties of the company, both present and future, up to an amount not exceeding the aggregate of the paid up capital and free reserves by more than Rs. 50 Crores (Rupees Fifty Crores only) in favour of lending Financial Institution(s)/ Corporate Body(s)/ person(s)/ Corporation(s) / Government (s) / Lenders (s) / Bank (s) for moneys borrowed or to be borrowed.”

**“FURTHER RESOLVED THAT** the Board of Directors of the company be and are hereby authorized to finalize the terms and conditions for creating the aforesaid mortgages and / or charges and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to this resolution.”

### 13. Approval for Related Party Transactions

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Bell Granito Ceramics Ltd., a related party within the meaning of Section 2(76) of the Act, for purchase of verified tiles, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.500 lakhs for the financial year 2019-20, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

By Order of the Board of Directors

Sd/-

Nalinkant Amratlal Rathod

(DIN 00272129)

CHAIRMAN

Place: Mumbai

Date: 10.08.2019

## NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The proxy in order to be effective must be received by the Company at its registered office not less than 48 hours before the commencement of the meeting.
3. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 15th september 2019 to 20th september 2019 ( both days inclusive)
5. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents. Members are also requested to intimate their email to the Company's Share and Depository Agent.
6. Members holding shares in physical form are requested to convert their holdings into Demat. The Company's Id with CDS (I) L and NSDL is INE298E01022. The Company's Registrar and Share Transfer Agents are M/s CAMEO CORPORATE SERVICES LIMITED, "Subramanian Building", 1- Club House Road, Chennai 600002.
7. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
8. Copies of Annual Report are being sent by electronic mode only to all the members whose email address are registered with Company/Depository participant for communication purposes unless any member requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode.
9. The shares of the Company are listed with Bombay Stock Exchange. The Listing Fee for the year 2018-2019 has been paid to Stock Exchange.
10. Brief resume of the Directors seeking reappointment and other details as stipulated under SEBI (LODR) Regulation, 2015, are provided as part of the AGM Notice.
11. Share holders are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
12. Voting through Electronic Means:
13. 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 inform you the facility to exercise your voting right at the Annual General Meeting by electronic means (e-Voting) and the business may be transacted through e-voting Services provided by Central Depository Services Ltd (CDSL).
14. The procedure and instruction for e-voting are asunder:
  - (i) The e-Voting period begins on 17th September, 2019 on 09:00 A.M. and ends on 19th September 2019 at 5.00 P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13/09/2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.

- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits folio number in the PAN field.</li> <li>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 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank details as recorded in your demat account or in the company records for the said demat account or folio</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 for the relevant <Company Name> 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 Resolution details.
- (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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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).

By Order of the Board of Directors

Sd/-

Nalinkant Amratlal Rathod

(DIN 00272129)

Chairman

**Place:** Mumbai

**Date:** 10.08.2019

## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part of the 33<sup>rd</sup> Annual General Meeting of the Company**

### **Item No. 5**

Consequent to the resignation of Mr. Tribhuvan Simh Rathod as Managing Director, the Board of Directors at their meeting held on 4<sup>th</sup> May 2019 have appointed Mr. Viren Rathod as Managing Director of the Company for a period of five years commencing from 4<sup>th</sup> May 2019.

Mr. Viren Rathod aged about 33 years, has got Degree in Mechatronics from Melbourne University ,Australia .He has been Trained in the same industry over a period of 7 years and have gained substantial knowledge in the field of Vitrified Tiles and related technologies .He Expertise , creativeness and energy will help to turnaround the company .

He is not holding any shares in the Company.He holds directorships in Atreya Finance Pvt Ltd, Bell Granito Ceramica Ltd., AVP trading PvtLtd. and Sologuard Medical Devices Private Limited. Considering his dynamism and commitment in the industry,it would be in the interest of the Company to appoint him as Managing Director.

The Remuneration and terms of appointment were approved by Nomination and Remuneration committee. The Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director. Approval of the members is sought for appointment of Mr.Viren Rathod as Managing Director as set out in the resolution. The Board recommends his appointment for your approval.

Except Mr.Viren Rathod being an appointee and Mr. Nalinkanth Amritlal Rathod, Mrs. Bharathi Rathod, Ms. Shruti Rathod, Tribhuvan Simh Rathod being relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Additional Disclosure about the appointee as per Schedule V Part II of the Companies Act, 2013:

- **Nature of Industry:**  
M/s. Restile Ceramics Limited is the manufacturer of full body Vitrified Tiles. The Company was incorporated in 1986 and is based in Telangana, India.
- **Date of Commencement of Commercial Production:**  
The commercial operations of the Company started during the year 1986



- Financial Performance: Performance of the Company for the last three years is as follows:

(₹. in Lakhs)

Item	2018-19 (Rs.)	2017-18 (Rs.)	2016-17 (Rs.)
Income from Operations (Gross)	205.95	66.25	25.96
Profit / (Loss) before Tax	(590.76)	(307.81)	(749.13)
Profit / (Loss) after Tax	(590.32)	(313.85)	(748.87)

- Export Performance and net foreign exchange earnings :NIL
- Foreign Investments or Collaborations, if any : NIL

**Nature of Duties:**

- The MD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

**Item No. 6**

Mrs. Shruti Rathod was appointed as an Additional Director at the Board meeting held on 06.01.2019 in the capacity of Non Executive Director, in terms of section 161 of the Act and who holds office upto 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 Act from a member proposing her candidature for the office of Director.

She is not holding any shares in the Company. Her other directorships include M/s. AVP Trading Private Limited, M/s. Bell Granito Ceramica Limited, M/s. Sologuard Medical Devices Private Limited and M/s. Solocare Medicals Private Limited. The Board recommends her appointment for your approval.

Except Smt. Shruti Rathod, being an appointee and Sri. Nalinkant Amratlal Rathod and Mrs. Bharathi Rathod, Mr. Viren Rathod and Mr. Tribhuvan Rathod being relatives of Smt. Shruti Rathod, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution as set out.

**Item No. 7**

Mr. Yash kaushik shah was appointed as an Additional Director at the Board meeting held on 08.02.2019 in the capacity of Independent Director, in terms of section 161 of the Act and who holds office upto 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 Act from a member proposing his candidature for the office of Independent Director.

As per the provisions of Section 149 of the Companies Act, 2013 an Independent Director shall hold office for a term of five consecutive years on the Board of a Company and is not liable to retire by rotation. Mr. Yash kaushik shah has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In the opinion of the Board, Mr. Yash kaushik shah fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

He is not holding any other directorships. He is not holding any shares in the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Yash kaushik shah as Independent Director is now being placed before the Members in general meeting for their approval. The Board recommends his appointment for your approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered office during normal business hours on any working day of the Company. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Except Mr. Yash kaushik shah being an appointee none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

#### Item Nos. 8 and 9

Mr. Mani and Mr. Ramachandran were appointed as Independent Directors of the Company by the Members at the 28<sup>th</sup> Annual General Meeting (AGM) held in the year 2014 for a period of FIVE years. As per section 149(10) of the Act, an Independent Director shall hold office for a term upto five years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another (second) term of 5 (five) years, subject to the approval of shareholders by Special Resolution. Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes their re-appointment as Independent Directors of the Company to hold office for another 5 (five) (second term) i.e., upto the conclusion of the 38<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024. The Company has, in terms of Section 160(1) of the Act received in writing notice(s) from a Member, proposing their candidature for the office of Director.

As per Regulation 17(1 A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), with effect from April 1, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Independent Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment. Mr. Mani is aged about 77 years and his continuation on the Board is considered desirable.

The Company has received declarations from them to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

A brief justification for their continuation as Independent Directors on the Board of the Company is as under:

Mr. Mani is a engineering graduate. He joined the Board of Directors of the Company on 30<sup>th</sup> January, 2010. . He is not holding any shares in the Company. His other Directorships include Bell Granito Ceramica Limited and Trans Medica (India) Limited. He has been very helpful and instrumental in guiding our Company management for the past 20 years. His rich and diverse experience in business will immensely benefit the Company.

Mr. Ramachandran is a chartered accountant. He joined the Board of Directors of the Company on 30<sup>th</sup> August, 2008. He is not holding any shares in the Company. His other Directorships include Bell Granito Ceramica Limited and KSK Ventures Limited. He has been very helpful and instrumental in guiding our Company management for the past 20 years. He has vast experience in various industry to his credit and will immensely benefit the Company.

The terms and conditions of approval for continuation of their directorship shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolutions in relation to their appointment as Independent Directors, for the approval by the shareholders by way of special resolution. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Except Mr. Mani and Mr. Ramachandran, being appointees, none of the other Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolutions.

#### Item No. 10

The Board of Directors has co-opted Mr. K Rajendra Prasad as Nominee director on behalf of APIDC w.e.f 31<sup>st</sup> January 2005 and reappointed at the 28<sup>th</sup> AGM held in the year 2014 to hold office till September 28, 2019. It was proposed to re-appoint him as Nominee Director. The Board recommends the resolution in relation to appointment of Mr. Prasad as Nominee Director, for the approval by the shareholders of the Company.