SAVITA OIL TECHNOLOGIES LIMITED

53rd Annual Report 2013-2014

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New manufacturing facility at Silvassa

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Savita Oil Technologies Limited

Fifty-third Annual Report
2013-2014

Board of Directors	Mr. G. N. Mehra - Chairman and Managing Director Mr. C. V. Alexander - Whole-time Director Mr. N. B. Karpe - Non-Executive Director Mr. S. R. Pandit - Non-Executive Director Mr. H. A. Nagpal - Non-Executive Director
Group Chief Financial Officer	Mr. S. M. Dixit
Company Secretary & Executive VP – Legal	Mr. U. C. Rege
Bankers	State Bank of India Citibank N.A. Corporation Bank DBS Bank Limited ICICI Bank Limited Standard Chartered Bank Union Bank of India
Auditors	G. M. Kapadia & Co. Chartered Accountants Mumbai
Registered Office	66/67, Nariman Bhavan, Nariman Point, Mumbai - 400 021 Tel. No.: 91-22-6624 6200 / 6624 6228 Fax No.: 91-22-2202 9364 CIN - L24100MH1961PLC012066 Website: www.savita.com E-mail: legal@savita.com
Factories	17/17A, Thane Belapur Road, Turbhe, Navi Mumbai - 400 703 Survey No. 10/2, Kharadpada, Post Naroli, Silvassa, Dadra and Nagar Haveli - 396 230 Survey No.140/1, Village Kuvapada, Silli, P.O. Kilwani, Silvassa, Dadra and Nagar Haveli - 396 230
Share Transfer Agent	Sharepro Services (India) Pvt. Ltd. 13 AB, Samhita Warehousing Complex, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 Tel: 91-22-6772 0300/6772 0400 Fax: 91-22-2859 1568 E-mail: sharepro@shareproservices.com

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Notice

NOTICE is hereby given that the **Fifty-third Annual General Meeting** of the Members of **SAVITA OIL TECHNOLOGIES LIMITED** will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 on **Saturday, 6th September 2014 at 11.00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Balance Sheet as at 31st March 2014, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Report of the Directors and the Auditors thereon.

2. To declare dividend on Equity Shares.

3. To appoint a Director in place of Mr. C. V. Alexander (DIN: 00253736), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Statutory Auditors and to fix their remuneration 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 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the retiring auditors, G. M. Kapadia & Co., Chartered Accountants, Mumbai (Registration No.104767W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 56th Annual General Meeting of the Company, subject to ratification by shareholders at each Annual General Meeting to be held hereafter, on a remuneration of ₹12,50,000/- (Rupees Twelve Lakh Fifty Thousand only) plus service tax thereon and reimbursement of travelling and other out-of-pocket expenses for the year 2014-15."

SPECIAL BUSINESS:

5. To appoint Mr. Sanjeev R. Pandit (DIN: 00131424) as an Independent Director 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 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Mr. Sanjeev R. Pandit (DIN: 00131424) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019."

6. To appoint Mr. Ninad B. Karpe (DIN: 00030971) as an Independent Director 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 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Mr. Ninad B. Karpe (DIN : 00030971) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019."

7. To appoint Mr. Harit A. Nagpal (DIN: 00481307) as an Independent Director 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 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Shri Harit A. Nagpal (DIN : 00481307) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019."

8. To consider and if thought fit, to pass with or without modifications, the following as **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any amendments thereto), the re-appointment of Mr. C. V. Alexander (DIN: 00253736) as the Whole-time Director of the Company from 1st October 2014 up to 30th September 2015 on remuneration and perquisites and other terms and conditions as set out in the Agreement executed by the Company with Mr. C. V. Alexander and approved by the Nomination and Remuneration Committee be and is hereby approved and ratified."

   "**FURTHER RESOLVED THAT** the Board of Directors of the Company with the approval of the Nomination and Remuneration Committee be and is hereby authorised to vary or increase the remuneration, perquisites and any other entitlements including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate,

as may be permitted or authorised in accordance with the provisions of the Companies Act, 2013 or re-enactment thereof and/ or Rules or Regulations framed there under and the terms of the aforesaid Agreement between the Company and Mr. C. V. Alexander shall be suitably modified to give effect to such variation or increase as the case may be."

9. To approve the remuneration of the Cost Auditor for the financial year 2014-2015 and in this regard, if thought fit, to pass with or without modifications, the following as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s. Sevekari, Khare & Associates, Cost Accountants (Firm Registration No.000084), appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

By Order of the Board

Mumbai
21st July 2014

U. C. Rege
Company Secretary & Executive VP - Legal

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member.
2. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **01.09.2014 to 06.09.2014** (both days inclusive).
4. The payment of dividend, if approved, will be made to the shareholders whose names stand on the Register of Members on **06.09.2014**. For shares held in the electronic form, dividend will be paid on the basis of beneficial ownership as per details received from the Depositories.
5. The shareholders seeking information on Accounts published herein are requested to kindly furnish their queries to the Company at least seven days before the date of the Meeting to facilitate satisfactory replies.
6. The shareholders who attend the Meeting are requested to fill in the attendance slip and deliver the same at the entrance of the Meeting hall. The shareholders holding shares in dematerialised form should indicate the DP ID and Client ID numbers in the attendance slip.
7. The shareholders are requested to bring their copy of the Annual Report to the Meeting.
8. The shareholders are requested to (a) intimate, if shares are held in the same name or in the same order and names, but more than one folio to enable the Company to consolidate the said folios into one folio, and (b) notify immediately any change in their recorded address, along with pin code numbers, to the Company.
9. The shareholders are requested to forward shares for transfer and related communication to the Share Transfer Agent or to the Registered Office of the Company.
10. Under Sections 205A (5) and 205 C of the erstwhile Companies Act, 1956 the unclaimed and unpaid dividend amount for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Accordingly, during the year the Company had transferred amount of ₹6,21,325/- pertaining to the unpaid and unclaimed annual dividend for the year 2005-2006 to the IEPF.
11. The Ministry of Corporate Affairs has taken a corporate "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies. Accordingly, the Notice of the Annual General Meeting along with Annual Report for the year 2013-2014 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any member has specifically requested for a physical copy of the same. In order to support the "Green Initiative", the Members who have not yet registered their e-mail addresses are requested to register the same with R&T Agent/ Depositories.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 and rules framed thereunder alongwith with revised clause 35B of the SEBI Listing Agreement, the Members are provided with the facility to cast their vote electronically, through e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under –

(A) In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".

(iv) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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) 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 last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. 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 number of shares held by you as on the cut off date in the Dividend Bank details field.

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

(ix) Members holding shares in physical form will then reach directly the 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 <SAVITA OIL TECHNOLOGIES LIMITED> to 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then enter the User ID and 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 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@cdslindia.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@cdslindia.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.

(B) In case of members receiving the physical copy:

(i) Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast their vote.

(ii) The voting period begins on Friday, 29th August 2014 (9.00 a.m. IST) and ends on Sunday, 31st August 2014 (6.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of Friday, 1st August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(C) Other instructions:

(i) The Notice for e-voting shall be sent to all the shareholders of the Company by electronic mail and/or by speed post/courier on or before 10th August 2014. The e-voting period will commence on Friday, 29th August 2014 (9.00 a.m. IST) and will end on Sunday, 31st August 2014 (6.00 p.m. IST). The e-voting module shall be disabled thereafter.

(ii) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently.

(iii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Record Date, Friday, 1st August 2014.

(iv) Mehta & Mehta, Practising Company Secretaries have been appointed as "the Scrutinizer" to scrutinize the e-voting process in a fair and transparent manner.

(v) The Scrutinizer shall, within a period not exceeding 3 (three) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, as the case may be, and submit the same to the Chairman of the Company.

(vi) The results declared along with the Scrutinizer's Report shall be displayed on the website of the Company www.savita.com and on the website of CDSL www.evotingindia.com within two days from the passing of the resolutions at the 53rd Annual General Meeting of the Company to be held on Saturday, 6th September 2014 at 11.00 A.M. and shall be communicated to the stock exchanges, where the shares of the Company are listed.

By Order of the Board

U. C. Rege
Company Secretary & Executive VP - Legal

Mumbai
21st July 2014

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 5 to 7

The Board of Directors in its meeting held on 29th May 2014 has appointed Mr. Sanjeev R. Pandit, Mr. Ninad B. Karpe and Mr. Harit A. Nagpal as Independent Directors pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force) for a period of 5 years upto 31st March 2019, subject to the approval of shareholders.

As per the provisions of Schedule IV of the Companies Act, 2013, appointments of these Independent Directors are set out in items 5 to 7 of the Notice for approval of shareholders. All the Independent Directors have furnished their declaration of independence to the Company, as required pursuant to Section 149(7) of the Companies Act, 2013, confirming that they meet the prescribed criteria of independence as provided under Section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, all the appointee Independent Directors are persons of integrity, possess relevant experience and expertise required to conduct the Company's business and it would be fruitful for the Company to continue their association with the Company as Directors.

The Company has received notices in writing from the Members along with the requisite amount of deposit under Section 160 of the Companies Act, 2013 proposing their candidatures for the office of Directors of the Company.

The Board is also of the opinion that the proposed appointment of Independent Directors fulfills the requirements of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under for the proposed appointment of Independent Directors on the Board of the Company.

Detailed profiles of the Independent Directors are given below –

1. **Mr. Sanjeev R. Pandit**

   Mr. Sanjeev R. Pandit was born on 7th September 1957. He is a commerce graduate and is also a member of the Institute of Chartered Accountants of India. He has experience of over 33 years in the profession of Chartered Accountancy.

   He is a Director of India SME Asset Reconstruction Company Limited.

   Committee positions in the Company:

   - Chairman of Audit Committee
   - Member of Shareholders' Grievance Committee
   - Member of Corporate Social Responsibility Committee
   - Member of Nomination and Remuneration Committee

   Shareholding in Company: Nil

2. **Mr. Ninad B. Karpe**

   Mr. Ninad B. Karpe was born on 4th March 1961. He is a commerce graduate, has completed LL. B. (Gen.) and is also a member of the Institute of Chartered Accountants of India. He has experience of over 16 years in profession of Chartered Accountancy and over 15 years in employment. He has authored books on taxation while in profession and he was also a part-time lecturer at H. R. College, Mumbai and a Guest lecturer at Jamnalal Bajaj College of Management Studies, Mumbai.

   He is currently the Managing Director and CEO of Aptech Limited. His other Directorships are as under –

   1. Maya Entertainment Limited
   2. BNP Paribas Asset Management India Pvt. Ltd.
   3. India SME Asset Reconstruction Co. Ltd.
   4. BJB Career Education Co. Ltd.
   5. Aptech Venture Limited
   6. Aptech Investment Enhancers
   7. Aptech Global Investment
   8. Franchising Association of India

9. EDC Limited
10. IDBI Bank

Committee positions in the Company:

- Chairman of Shareholders' Grievance Committee
- Chairman of Stakeholders' Relationship Committee
- Member of Audit Committee
- Member of Nomination and Remuneration Committee

Shareholding in Company: Nil

3. Mr. Harit A. Nagpal

Mr. Harit A. Nagpal was born on 2nd November 1961. He is a Chemical Engineer from Punjab University, Chandigarh (1983) and has also completed an MBA from Faculty of Management Studies, University of Delhi in 1985. He has over three decades of experience in the industry. He is currently the President of DTH Operators Association of India. He has previously worked for reputed brands like Lakme, Marico, Pepsi, Shoppers' Stop and Vodafone.

He is currently the Managing Director and CEO of Tata Sky Limited. His other Directorships are as under –

1. OnMobile Global Limited
2. Vox Mobili
3. OnMobile SA
4. Onmobile Global for Telecommunication Services

Committee positions in the Company:

- Chairman of Nomination and Remuneration Committee
- Member of Audit Committee

Shareholding in Company: Nil

The terms and conditions of appointment of Independent Directors shall be open for inspection to the Members at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting or any adjournments thereof.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested, in any way, in the resolutions set out respectively at Item Nos.5 to 7 of the Notice.

Your Directors recommend these Ordinary Resolutions for your approval.

Item No. 8

The Board of Directors in its meeting held on 29th May 2014 re-appointed Mr. C. V. Alexander (DIN: 00253736), as the Whole-time Director of the Company from 1st October 2014 up to 30th September 2015, subject to the approval of the Members by Special Resolution at the ensuing Annual General Meeting. Separate Agreement in this regard has been executed between the Company and Mr. C. V. Alexander on 21st July 2014 and the same has been approved by the Nomination and Remuneration Committee.

The appointment of Mr. C. V. Alexander is subject to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any amendments thereto).

The remuneration and terms and conditions as contained in the Agreement executed with **Mr. C. V. Alexander** are as under:

1. Basic Salary of ₹ 1,28,400/- (Rupees One Lakh Twenty Eight Thousand Four Hundred only) per month.
2. House Rent Allowance at the rate of 25% of the Basic Salary.
3. Education Allowance and Special Allowance of ₹ 100/- and ₹ 13,440/- per month respectively.
4. Reimbursement of medical expenses incurred on himself and his family subject to a ceiling of 5% of the salary.
5. Leave Travel Allowance for himself and his family once in a year in accordance with the Rules of the Company for the time being in force.