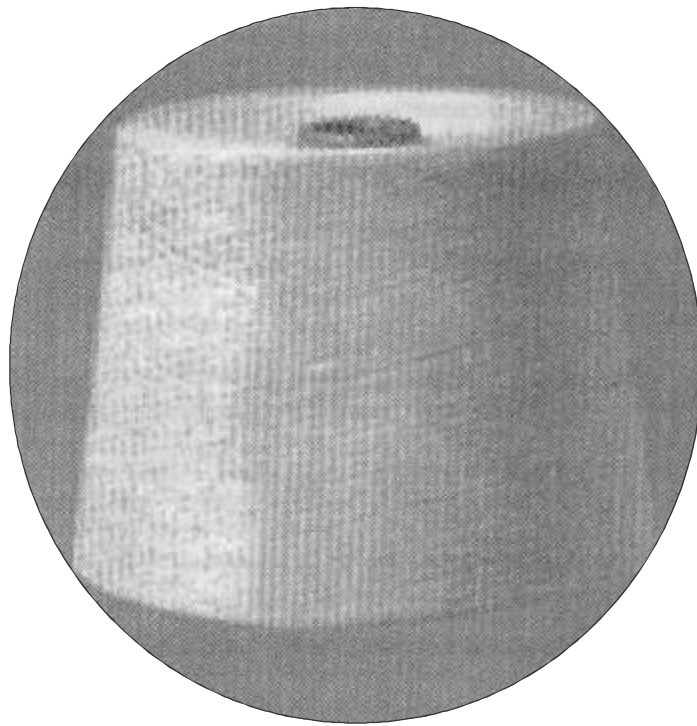




# 32<sup>nd</sup> Annual Report 2016-17



*Quality & Commitment*



## STI India Limited

A Subsidiary of Bombay Rayon Fashions Limited  
Manufacturers of quality Yarn & Knitted Fabrics

# CORPORATE INFORMATION

## Board of Directors

Dr. R. B. Baheti	Chairman
Mr. Aman Agrawal	Vice Chairman
Mr. Prashant Agrawal	Managing Director
Mr. Suresh S. Vishwasrao (w.e.f. 05.11.2016)	Independent Director
Mr. John Mathew	Independent Director
Mr. A. Arumugham	Independent Director
Mr. A. R. Mundra	Non-executive Director
Ms. Prachi Deshpande	Non-executive Director
Mr. T. N. Anand Reddy (Ceased w.e.f. 23 <sup>rd</sup> August, 2016)	Independent Director
Mr. Yudhvir Singh Jain (Ceased w.e.f. 01 <sup>st</sup> December, 2016)	Nomine Director – BIFR

## Key Managerial Personnel

Mr. Prashant Agrawal	Managing Director
Mr. Mukesh Maheshwari	Chief Financial Officer
Mr. Deepesh Kumar Nayak	Company Secretary

## Auditors

V. K. Beswal & Associates, Chartered Accountants, Mumbai	Statutory Auditor
Rao Saklecha & Co. Practicing Company Secretary, Indore	Secretarial Auditor
Fadnis & Gupte Chartered Accountants, Indore	Internal Auditor

## Bankers

State Bank of India  
Axis Bank Limited  
Indusind Bank Limited

## Regd. Office & Works

### STI India Limited

Rau-Pithampur Link Road, Tehsil - Mhow,  
Distt. Indore - 453 332 (M.P.) India,  
Ph. No. 0091 -731- 4014400,  
Fax No.: 0091-731-4020011,  
Email: share3@stitextile.net,  
Website: www.stitextile.net,  
CIN: L27105MP1984PLC002521

## Registrar & Share Transfer Agent (RTA)

### Link Intime India Private Limited

Unit – STI India Limited  
C-101, 247 Park,  
L B S Marg, Vikhroli, West  
Mumbai- 400 083, India  
Ph. No. : (022) 25946970, 25963838  
Fax No.: (022) 25946969  
Email: rnt.helpdesk@linkintime.co.in

## Equity Shares Listed At

National Stock Exchange of India Ltd. (NSE)  
BSE Ltd. (BSE)

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## NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting (“AGM”) of the members of STI India Limited will be held on Friday, the 29<sup>th</sup> September, 2017, at 11.00 a.m. at the Registered Office of the Company situated at Rau-pithampur Link Road, Tehsil – Mhow, District – Indore, 453 332 (M.P.) India, to transact the following business:

### **ORDINARY BUSINESS:**

#### **1 : Adoption of financial statements**

To consider and adopt the audited financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2017 together with reports of the Board of Directors and Independent Auditors thereon.

#### **2 : Appointment of Dr. R. B. Baheti as a director liable to retire by rotation**

To appoint a director in place of Dr. R. B. Baheti (DIN: 00008202), who retires by rotation and being eligible, offers himself for re-appointment.

#### **3 : Appointment of Mr. A. R. Mundra as a director liable to retire by rotation**

To appoint a director in place of Mr. A. R. Mundra (DIN: 00019234), who retires by rotation and being eligible, offers himself for re-appointment.

#### **4 : Ratification of appointment of Statutory Auditors**

To ratify the appointment of M/s. V.K. Beswal & Associates, Chartered Accountants, Mumbai (Firm Registration No. 101083W) as Statutory Auditor of the Company from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### **SPECIAL BUSINESS:**

#### **5 : To re-appoint Mr. Prashant Agrawal (DIN: 00019464) as Managing 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 Sections 196, 197 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as may be applicable, the consent of the members of the Company, be and is hereby accorded for the re-appointment of Mr. Prashant Agrawal (DIN: 00019464) as Managing Director of the Company for a period of 3 (three) years with effect from 25th November, 2016 to 24th November, 2019, without any remuneration and sitting fees, for attending the meetings of Board and Committees thereof and he shall not be liable to retire by rotation;

**FURTHER RESOLVED THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution”.

#### **6 : Approval for Investment(s), Loans, Guarantees and Security in excess of limits specified under section 186 of the Companies Act, 2013 and in this regard 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 186 sub-section (3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for loan and advances given or to be given to its Holding Company Bombay Rayon Fashions Limited, as the Board of Directors, as in their absolute discretion, deem

beneficial and in the best interest of the Company, for an amount not exceeding ` 50,00,00,000/- (Rupees Fifty Crores Only) at any time notwithstanding that such loans/advances given or to be given are in excess of the limits prescribed under Section 186 of the Companies Act, 2013;

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution.”

**7 : To appoint Mr. Suresh Shankar Vishwasrao (DIN : 00837235) as director of the Company 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 Sections 149, 152 read with schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Suresh Shankar Vishwasrao (DIN: 00837235), who was appointed as an Additional Independent Director of the Company on 05<sup>th</sup> November, 2016, pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this 32<sup>nd</sup> Annual General Meeting and in respect of whom the Company has received notice 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 a term of 5 (five) consecutive years i.e. from 05<sup>th</sup> November, 2016 to 04<sup>th</sup> November, 2021 and who shall not liable to retire by rotation;

**FURTHER RESOLVED THAT** the Board of Directors or Company Secretary of the Company be and are hereby authorised to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Indore  
Date: 08<sup>th</sup> May, 2017

By Order of the Board of  
**STI India Limited**

Regd. Off.- Rau-Pithampur Link Road,  
Tehsil-Mhow, Distt- Indore-453 332

**Deepesh Kumar Nayak**  
Company Secretary

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than 10% (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 member.

The instrument appointing the proxy, in order to be effective should be duly stamped, filled and signed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. A proxy form for the annual general meeting is enclosed.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

2. The Register of Members and Share Transfer Books shall remain closed from **Saturday, the 23<sup>rd</sup> September, 2017 to Friday, the 29<sup>th</sup> September, 2017** (both days inclusive).
3. The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item nos. 5 to 7 set out in the notice as annexed hereto.
4. Additional information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "Listing Regulations") in respect of director(s) seeking appointment / re-appointment at the ensuing Annual General Meeting, is annexed hereto. The director(s) have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 read with rules made thereunder.
5. A copy of Audited Standalone Financial Statements for the year ended 31st March, 2017 together with the Board's and Auditor's Report thereon are enclosed herewith.
6. Corporate Members intending to send their authorized representative(s) to attend the meeting, pursuant to section 113 of the act, are requested to send a certified true copy of the Board Resolution, authorizing their representative(s) to attend and vote on their behalf at the meeting.
7. Members are requested to bring their copies of the Annual Report to the meeting.
8. Member / Proxy / Authorised Representative attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
9. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Secretarial Department at the Registered Office well in advance or may email at [share3@stitextile.net](mailto:share3@stitextile.net), so that the same may reach at least seven days before the date of the Meeting to enable the management to keep the required information readily available at the Meeting.
10. The Members having physical shares are requested to convert their holding in demat form in their own interest and notify immediately any change in their addresses with the Postal Identity Number (PIN) and quoting their folio number(s) to the Company. The Members holding shares in Demat form are required to update their addresses through their Depositories.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their E-mail address either with the Company or with the Depository Participant(s).  
Accordingly, the Notice of AGM along with the Annual Report for 2016-17 is being sent by electronic mode to those members whose e-mail address is registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, hard copies are being sent by the permitted mode.
12. To ensure prompt receipt of communication, avoid loss in postal transit and reduce paper consumption besides entailing other benefits, the members are requested to provide their email IDs to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filled form to our Registrar and Share Transfer Agent Link Intime India Private Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, India for sending the document in electronic form.
13. Electronic copy of the Annual Report will be sent to the members in future whose email IDs are registered with the Company / Registrar and Share Transfer Agent for communication purposes unless any member requests for a physical copy of the same. Therefore, members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company electronically.  
A positive consent letter is annexed with the report is being sent to the members for giving consent to receive documents in electronic mode.
14. Members may also note that the Notice of the 32<sup>nd</sup> Annual General Meeting and the Annual Report of 2016-17 will be available on the Company's website [www.stitextile.net](http://www.stitextile.net). The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours.
15. Members who hold shares in the physical form in the multiple folios in identical names or joint holdings in the same order of names are requested to send the Share Certificate to RTA, for consolidation into single folio.



16. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company or the Registrar and Share Transfer Agent.
19. Members are requested to provide their detail / information in the prescribed format as annexed with the annual report, to the Company or the Registrar and Share Transfer Agent Link Intime India Private Limited, for updation of their information in the record of the Company and Registrar and Share Transfer Agent.
20. The Register of Directors' and Key Managerial Personnel and their Shareholding, maintained under Section 170 and Register of contracts or arrangement in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
21. A route map showing directions for easy reach to the venue of annual general meeting is annexed with the annual report.
22. The annual report along with the notice of annual general meeting is being sent to the members, whose names appears in the register of members / depositories as at closing hours of business on Friday, the 25<sup>th</sup> August, 2017.

#### **VOTING THROUGH ELECTRONIC MEANS**

- A. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide its members the facility to exercise their right to vote at the 32<sup>nd</sup> Annual General Meeting ("AGM") by electronic means. The facility of casting vote by a member using an electronic voting system from a place other than the venue of the AGM (remote e-voting) will be provided by Central Depository Services India Limited (CDSL) and the items of business as detailed in this notice may be transacted through remote e-voting.

The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already casted their votes by remote e-voting, shall be able to exercise their right at the AGM through ballot paper. In case a member votes through remote e-voting as well as cast his / her vote at the venue of the meeting, then the vote casted through remote e-voting shall only be considered and the voting done at the venue of the meeting shall not be considered by the scrutinizer.

- B. A member whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the cut-off date i.e. Friday, the 22<sup>nd</sup> September, 2017 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- C. The instructions for shareholders voting electronically are as under:
  - (i) The remote e-voting period begins on **Tuesday, the 26<sup>th</sup> September, 2017, at 09.00 a. m. and ends on Thursday, the 28<sup>th</sup> September, 2017 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) i.e. **Friday, the 22<sup>nd</sup> September, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) To initiate the voting process log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders tab to cast your vote.
  - (iv) Now enter your User ID:
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DPID followed by 8 Digits Client ID,
    - (c) 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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	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 sequence number which is printed on Address Slip indicated in the PAN Field. Address Slip with sequence number is pasted on the annual report.
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both 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 (iv).

- (viii) 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) Now, click on the **EVSN for STI India Limited**.
- (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.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.
- (xix) Additional instructions 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. Corporate and custodians already registered with CDSL should use their existing login details.
  - After registering online, scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details from CDSL 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 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 / 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. It may be sent to the scrutinizer through email [pankajsaklecha@yahoo.com](mailto:pankajsaklecha@yahoo.com). You can also forward the documents at the Company’s email id [share3@stitextile.net](mailto:share3@stitextile.net).
- (xx) 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 to [share3@stitextile.net](mailto:share3@stitextile.net).
- (xxi) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Friday, the 22<sup>nd</sup> September, 2017 may follow the same instructions as mentioned above for e-Voting.
- D. Mr. Pankaj Kumar Saklecha (Membership No. FCS-6292) M/s Rao Saklecha & Co., Practicing Companies Secretaries, Indore has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
- E. The Chairman shall, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer by use of “Ballot Paper” for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
- F. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Chairman shall declare the result of the voting forthwith.
- G. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website [www.stitextile.net](http://www.stitextile.net) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) after the same is declared by the Chairman. The Results shall also be simultaneously forwarded to the stock exchanges.

Place: Indore  
Date: 08<sup>th</sup> May, 2017

By Order of the Board of  
**STI India Limited**

Regd. Off.- Rau-Pithampur Link Road,  
Tehsil-Mhow, Distt- Indore-453 332  
(M.P.) India,

**Deepesh Kumar Nayak**  
Company Secretary

**EXPLANATORY STATEMENTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND DETAIL OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS PER REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

**ITEM NO. 2 - DR. R. B. BAHETI – RETIRING DIRECTOR**

<b>Date of Birth</b>	<b>Date of Appointment</b>	<b>Directorship held in public Companies</b>	<b>No. of shares held in Company</b>	<b>Relationship between directors inter-se</b>
02.04.1946	07.08.1984	01 (One)	42	No

Dr. R.B. Baheti, Director and Chairman of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Dr. R. B. Baheti, born in the year 1946, is currently the Chairman of the company. He is M. Com (Gold Medalist) and Ph. D, having rich experience of more than four decades in running business of Cotton Yarn & Textile, Copper Coated Automotive Components, Precision Steel Tubes & Granite etc.

He is a well-known and reputed industrialist of Central India and is associated with many educational and social organizations. He is recognized and respected as a veteran industrialist in the domestic as well as international market.

Dr. R.B. Baheti has served as the Chairman and Managing Director of the Company up to 31<sup>st</sup> October, 2010. Thereafter, he expressed his willingness to relinquish the office of the Managing Director and continue as Non-executive Chairman on the Board w. e. f. 1<sup>st</sup> November, 2010.

He has been providing his expert advice and guidance to the Company since its incorporation and managing business affairs of the Company and under his able stewardship, the Company has achieved several milestones. Needless to say, as a Chairman of the company, Dr. R.B. Baheti is continuously adding immense value towards the long-term growth of the Company.

He has also served on the boards of various prestigious institutes viz. Indian Institute of Management, Indore, Ahmedabad and Lucknow, Chairman, Board of Governors, Atal Bihari Vajpayee Indian Institute of Information Technology & Management, Gwalior, North Eastern Electric Power Corporation Limited (NEEPCO) etc.

None of the Director, Key Managerial Personnel of the Company and their relatives, except Dr. R. B. Baheti and his relatives, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 2 for approval of the Members.

**List of Public Company (ies) in which Dr. R. B. Baheti holds Directorship, Chairmanship and Membership in Committees as on 31<sup>st</sup> March, 2017:**

<b>Directorship</b>	<b>Committee Chairmanship / Membership</b>
- STI India Limited	<b>STI India Limited:</b>
- STI Amenities and Hospitality Limited	- Stakeholders Relationship Committee-Member

**ITEM NO. 3 - MR. A.R. MUNDRA – RETIRING DIRECTOR**

<b>Date of Birth</b>	<b>Date of Appointment</b>	<b>Directorship held in public Companies</b>	<b>No. of shares held in Company</b>	<b>Relationship between directors inter-se</b>
21.07.1956	25.11.2010	01 (One)	NIL	Director in Holding Company

Mr. A. R. Mundra, Director of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. A.R. Mundra has an experience of over 36 years in finance, commercial and managerial related matters. He is also an Executive Director - Finance of Bombay Rayon Fashions Limited (BRFL), Holding Company and his core strength lies in fund procurement, internal controls, organizational systems and strategic planning. He has worked with organizations like Bhansali Engineering Polymers Limited (President), Welspun group of companies (Senior VP-Finance, CS and Chief Executive-Commercial). In the initial years of career, he has worked with Indian Rayon and Industries Limited, Birla group of companies and Gujarat Ambuja Cement Limited in various capacities.

He holds a bachelor degree in Commerce and Law (Gold Medalist). He is an Associate Member of The Institute of Chartered Accountants of India (All India Ranker) and also of The Institute of Company Secretaries of India (Silver Medalist). He is also a Member of the International Institute of Business Management, London and Alumni of Asian Institute of Management, Manila.

He was awarded (a) 'SamajShri' for excellence in management by Indian Institute of Management Executives, Mumbai in 1994 (b) National awards for CFO Excellence – Best CFO with exemplary all round performance, Mumbai 2016. (c) The Middle East CFO Leadership awards for CFO Excellence – Best CFO with exemplary all round performance, Dubai 2016. Mr. Mundra has sound knowledge and experience on Mergers, Amalgamations, Restructuring, Funds Mobilization, Project Advisory & Financing and Working Capital Arrangements etc. Besides, he has deep understanding of Investment and Portfolio Management, Derivatives and Capital Market Operations, Corporate Governance and Compliance matters. Mr. Mundra played a lead role in issue of Global Depository Receipts and Listing of Securities of BRFL at Overseas Exchange.



None of the Director, Key Managerial Personnel of the Company and their relatives, except Mr. A. R. Mundra, being the appointee, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 3 for approval of the Members.

**List of Public Company (ies) in which Mr. A. R. Mundra holds Directorship, Chairmanship and Membership in Committees as on 31<sup>st</sup> March, 2017:**

Directorship	Committee Chairmanship / Membership
<ul style="list-style-type: none"> <li>- Bombay Rayon Fashions Limited</li> <li>- STI India Limited</li> </ul>	<b>STI India Limited:-</b> <ul style="list-style-type: none"> <li>- Audit Committee - Member</li> <li>- Stakeholders Relationship Committee – Member</li> <li>- Nomination and Remuneration Committee – Member</li> </ul> <b>Bombay Rayon Fashions Limited</b> <ul style="list-style-type: none"> <li>- Audit Committee – Member</li> <li>- Stakeholders Relationship Committee – Member</li> </ul>

**ITEM NO. 5: RE-APPOINTMENT OF MR. PRASHANT AGRAWAL AS MANAGING DIRECTOR.**

Mr. Prashant Agrawal was appointed as Managing Director of the Company by members in their 29<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2014, for a period of 03 years with effect from 25<sup>th</sup> November, 2013 to 24<sup>th</sup> November, 2016, without remuneration, pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

As per terms of earlier appointment, the tenure of office of Mr. Prashant Agrawal as Managing Director was expiring on 24<sup>th</sup> November, 2016. Therefore, subject to the confirmation of members in the ensuing annual general meeting, the Board of Director, at its meeting held on 05<sup>th</sup> November, 2016 re-appointed Mr. Prashant Agrawal as Managing Director of the Company for further period of three years w.e.f. 25<sup>th</sup> November, 2016 to 24<sup>th</sup> November, 2019, without remuneration.

A brief profile of Mr. Prashant Agrawal is given below:

Date of Birth	Date of Appointment in Companies	Directorship held in Public Company	No. of shares	Relationship between directors inter-se
26.01.1974	25.11.2013	04 (Four )	NIL	Director in Holding

Mr. Prashant Agrawal aged 43 years holds Degree in Chemical Engineering from Institute of Chemical Technology, Bombay and MS in Chemical Engineering and Petroleum Refining, USA, has over 15 years of rich experience in the textile industry. He is also a Promoter Director designated as Managing Director of Bombay Rayon Fashions Limited (BRFL) having extensive knowledge and good command through his global vision contributed for new business opportunities and converting them into remunerative projects, consolidation of the business activities by way of acquisitions/ mergers and setting up of subsidiaries.

Mr. Prashant Agrawal is not disqualified from being appointed as a managing director in terms of Section 164 and other applicable provisions of the Companies Act, 2013 and rule made thereunder.

None of the Director, Key Managerial Personnel of the Company and their relatives, other than Mr. Prashant Agrawal, Mr. Aman Agrawal, Mr. A. R. Mundra and Ms. Prachi Deshpande, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 5 for approval of the Members.

**List of Public Company (ies) in which Mr. Prashant Agrawal holds Directorship, Chairmanship and Membership in Committees as on 31<sup>st</sup> March, 2017:**

Directorship	Committee Chairmanship / Membership
<ul style="list-style-type: none"> <li>- Reynold Shirting Limited</li> <li>- Bombay Rayon Holdings Limited</li> <li>- STI India Limited</li> <li>- Bombay Rayon Fashions Limited</li> <li>- Bombay Rayon Clothing Limited</li> </ul>	<b>Bombay Rayon Fashions Limited</b> <ul style="list-style-type: none"> <li>- Stakeholders Relationship Committee – Member</li> </ul>

**ITEM NO. 6: APPROVAL UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of loan and advance proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders, under section 186 (3) of the Act, by way of special resolution as contained in the notice for an amount not exceeding ` 50,00,00,000 (Rupees Fifty Crores Only) notwithstanding that such loans and advances given or to be given are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the special resolution as set out at Item No. 6 for approval of members.

**ITEM NO. 7: APPOINTMENT OF MR. SURESH SHANKAR VISHWASRAO AS DIRECTOR.**

Mr. Suresh Shankar Vishwasrao was appointed as an Additional Director of the Company w.e.f. 05<sup>th</sup> November, 2016 by the Board of Directors, as recommended by Nomination and Remuneration Committee, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Suresh Shankar Vishwasrao would hold office up to the date of the ensuing Annual General Meeting. He possesses requisite skills, experience and knowledge.

The Company has received a notice proposing the candidature of appointment of Mr. Suresh Shankar Vishwasrao as an Independent Director pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013. The Company has received from Mr. Suresh Shankar Vishwasrao (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013. (iii) declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Being an Independent Director, Mr. Suresh Shankar Vishwasrao will not be liable to retire by rotation in AGM and to hold office for a term of 5 (five) consecutive years i.e. from 05<sup>th</sup> November, 2016 to 04<sup>th</sup> November, 2021.

The Ordinary Resolution seeking the approval of members for the appointment of Mr. Suresh Shankar Vishwasrao as an Independent Director is set forth in the Item No. 7 of the Notice.

None of the Director, Key Managerial Personnel of the Company and their relatives, except Mr. Suresh Shankar Vishwasrao, being the appointee, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 7 for approval of the Members.

**BRIEF PROFILE OF MR. SURESH SHANKAR VISHWASRAO:**

Date of Birth	Date of Appointment	Directorship held in public Companies	No. of shares held in Company	Relationship between directors inter-se
04.10.1946	05.11.2016	02 (Two)	NIL	Independent Director in Holding Company

Mr. Suresh Shankar Vishwasrao is a retired Bank Officer. Mr. Shankar born in 1946 and has more than 45 (forty five) years of professional experience in the areas of banking regulations, FEMA, loan syndication(s), capital market activities etc. He holds Masters degree in Arts and Diploma in Risk Management from New York University. He is also a member of Certified Associated Indian Institute of Bankers.

Mr. Vishwasrao has considerable experience in the field and knowledge about the business and affairs of the Company. As a member of the Board, Mr. Vishwasrao is expected to add immense value for the long-term growth of the Company.

**List of Public Company (ies) in which Mr. Suresh Shankar Vishwasrao holds Directorship, Chairmanship and Membership in Committees as on 31<sup>st</sup> March, 2017:**

Directorship	Committee Chairmanship / Membership
<ul style="list-style-type: none"> <li>- Quest Softech (India) Limited</li> <li>- Bombay Rayon Fashions Limited</li> <li>- STI India Limited</li> </ul>	<b>Bombay Rayon Fashions Limited-</b> Audit Committee – Member Stakeholders Relationship Committee –Member <b>Quest Softech (India) Limited-</b> Audit Committee – Member- Stakeholders Relationship Committee – Member Nomination and Remuneration Committee- Member

Place: Indore  
Date: 08<sup>th</sup> May, 2017

By Order of the Board of  
**STI India Limited**

Regd. Off.- Rau-Pithampur Link Road,  
Tehsil-Mhow, Distt- Indore-453 332  
(M.P.) India,

**Deepesh Kumar Nayak**  
Company Secretary