

*safari*



ANNUAL  
REPORT  
2017-18

## 38<sup>TH</sup> ANNUAL GENERAL MEETING

Monday, 13<sup>th</sup> August 2018

at 2.00 p.m.

at The Gem Banquet, Podium level,

The QUBE, CTS no. 1498,

A/2, MV Road, Marol,

Andheri (East), Mumbai 400 059.

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## BOARD OF DIRECTORS :

**Mr. Sudhir Jatia** (Chairman & Managing Director)

**Dr. Shailesh Mehta**

**Mr. Punkajj Lath**

**Mr. Dalip Sehgal**

**Mrs. Vijaya Sampath**

**Mr. Rahul Kanodia**

**Mr. Anujj Patodia**

**Mr. Piyush Goenka**

## CHIEF FINANCIAL OFFICER :

**Mr. Vineet Poddar**

## COMPANY SECRETARY :

**Mr. Rameez Shaikh**

## REGISTERED OFFICE :

302-303, A Wing, The Qube, CTS No. 1498,

A/2, MV Road, Marol,

Andheri (East), Mumbai 400059

(T) +91-22-40381888

(F) +91-22-40381850

(E) [investor@safari.in](mailto:investor@safari.in)

(W) [www.safari.in](http://www.safari.in)

## CIN :

L25200MH1980PLC022812

## FACTORY :

1701/2200/2201, GIDC Industrial Estate,

Halol 389 350, Dist Panchmahal (Gujarat)

## BANKERS :

Axis Bank Ltd

HDFC Bank Ltd

IndusInd Bank Ltd

## AUDITORS :

M/s. Lodha & Co.

Chartered Accountants

## LEGAL ADVISORS :

M/s. Vertices Partners

Advocates & Solicitors

## REGISTRAR & SHARE TRANSFER AGENT :

Adroit Corporate Services Pvt. Ltd.

17-20, Jafarbhoy Industrial Estate, Makwana Road,

Marol Naka, Andheri (E), Mumbai - 400 059.

Tel.: 91-22-4227 0400, 2859 4060 / 6060

E-mail: [info@adroitcorporate.com](mailto:info@adroitcorporate.com)

**FINANCIAL HIGHLIGHTS****(₹ in Lakh)**

	<b>IND AS</b>		<b>IGAAP</b>		
	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>
<b>A. Statement of Profit and Loss</b>					
Sales including excise duty	<b>41,808.54</b>	35,116.81	28,404.01	22,079.78	17,127.50
Other Income	<b>154.79</b>	109.53	78.43	57.62	58.63
Total Income	<b>41,963.33</b>	35,226.34	28,482.44	22,137.40	17,186.13
Earnings Before Interest, Depreciation and Tax (EBIDTA)	<b>4,236.32</b>	2,500.42	1,874.06	1,256.93	747.22
Finance Cost	<b>288.61</b>	371.42	261.91	290.91	537.71
Depreciation and Amortisation expenses	<b>612.80</b>	509.76	406.50	289.05	127.85
Profit/(Loss) Before Exceptional and Extraordinary Items	<b>3,334.92</b>	1,619.25	1,205.65	676.97	81.66
Exceptional and Extraordinary Items	<b>-</b>	89.06	5.57	95.90	27.70
Profit/(Loss) Before Tax	<b>3,334.92</b>	1,530.19	1,200.08	581.07	53.96
Tax Expense	<b>1,213.97</b>	524.00	420.01	154.04	42.36
<b>Profit/(Loss) After Tax</b>	<b>2,120.95</b>	1,006.19	780.07	427.03	11.60
Dividend and Dividend Distribution Tax*	<b>134.38</b>	99.90	59.94	47.96	-
Dividend %	<b>25.00</b>	20.00	12.00	10.00	-
<b>B. Balance Sheet</b>					
Share Capital	<b>445.00</b>	415.00	415.00	398.50	299.00
Reserves & Surplus	<b>16,800.34</b>	9,677.59	8,696.37	7,250.24	934.38
Loan Funds	<b>5,500.16</b>	4,186.67	5,826.32	3,298.13	5,427.83
<b>Total Capital Employed</b>	<b>22,745.50</b>	14,279.26	14,937.69	10,946.87	6,661.21
Fixed Assets	<b>3,162.69</b>	2,439.96	2,456.57	1,240.28	1,214.62
Investments	<b>5.00</b>	5.00	5.99	11.17	-
Cash and other bank balances	<b>278.77</b>	485.36	492.74	394.03	336.68
Net Assets (Current and Non Current)	<b>19,299.04</b>	11,348.94	11,982.39	9,301.39	5,109.91
<b>Total Assets</b>	<b>22,745.50</b>	14,279.26	14,937.69	10,946.87	6,661.21

\*Under Ind AS, final dividend including taxes are accounted only after approval in AGM whereas in IGAAP such dividends were recognised in the same year to which they relate to.

## NOTICE

**NOTICE** is hereby given that the 38<sup>th</sup> Annual General Meeting of the Members of Safari Industries (India) Limited ("Company") will be held on Monday, 13<sup>th</sup> day of August, 2018 at The Gem Banquet, Podium Level, The Qube, CTS no- 1498, A/2, M.V. Road, Marol, Andheri (East), Mumbai 400059 at 2.00 pm, to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt:
  - a) the audited standalone financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2018, the reports of the Board of Directors and Auditors thereon; and
  - b) the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 and the Auditors Report thereon.
2. To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2018.
3. To appoint a Director in place of Mr. Piyush Goenka (DIN: 02117859), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to assent or dissent to the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act 2017 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and in partial modification of resolution passed by the Members of the Company at the 37<sup>th</sup> Annual General Meeting (AGM) of the Company held on 30<sup>th</sup> August, 2017, the appointment of M/s. Lodha & Co., Chartered Accountants (Firm Registration No. 301051E ) as Statutory Auditors of the Company for a period of five years commencing from the conclusion of 37<sup>th</sup> AGM till the conclusion of 42<sup>nd</sup> AGM of the Company be and hereby continues for the said term, without seeking any further ratification of the shareholders of the Company for their appointment as statutory auditors till the conclusion of their tenure and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration for the said period in addition to reimbursement of actual out of pocket expenses as may be incurred by them in the performance of their duties"

### **SPECIAL BUSINESS :**

5. **To re-appoint Mr. Sudhir Jatia (DIN 00031969) as the Managing Director of the Company:**

To consider and if thought fit, to assent or dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification (s) or re-enactment thereof for the time being in force, and on the recommendation of the Nomination, Remuneration and Compensation Committee and the Board of Directors at their meeting held on 9<sup>th</sup> February 2018, the approval of the members be and is hereby accorded for the re-appointment of Mr. Sudhir Jatia (DIN No. 00031969) as the Managing Director of the Company to exercise substantial power of management subject to supervision, control and direction of the Board of Directors of the Company for a period of 3 years with effect from 18<sup>th</sup> April 2018 to 17<sup>th</sup> April 2021 at a remuneration not exceeding 5% of the net profits of the Company and on such other terms and conditions as are set out in explanatory statement and the Employment Agreement entered between the Company and Mr. Sudhir Jatia, which is specifically approved and sanctioned with the authority to the Board of Directors, to alter and vary the terms and condition of the said re-appointment and/or Agreement so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 or any amendment thereto, as may be agreed to between the Board of Directors and Mr. Sudhir Jatia."

**"RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits of the Company in any financial year, during Mr. Sudhir Jatia's tenure as Managing Director, he shall be entitled to receive remuneration, not exceeding the monetary ceiling provided under Section II, Part II of Schedule V to the Companies Act, 2013."



**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

**6. To approve payment of remuneration by way of Commission to non-executive directors:**

To consider and if thought fit, to assent or dissent to the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions Section 197, Section 149(9) and all other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members be and is hereby accorded for payment of remuneration by way of commission to the non-executive directors of the Company, the aggregate of which shall not exceed one percent per annum of the Net Profit of the Company in any financial year (computed in the manner prescribed in Section 198 of the Companies Act, 2013) or ₹ 25,00,000 (Rupees Twenty Five Lakh only) per annum plus taxes at applicable rate, whichever is less in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors subject to aforesaid limit."

**"RESOLVED FURTHER THAT** the above remuneration shall be in addition to fees payable to the director(s) for attending the meetings of the Board or any Committee thereof as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings."

**ON BEHALF OF THE BOARD OF DIRECTORS  
For SAFARI INDUSTRIES (INDIA) LIMITED**

**SUDHIR JATIA**

Chairman & Managing Director

DIN:00031969

**Place:** Mumbai

**Date:** 21<sup>st</sup> May 2018

**NOTES :**

- i. A statement pursuant to Section 102 of the Companies Act 2013 in respect of the Special Business to be transacted at the ensuing Annual General Meeting ('AGM') is annexed hereto.
- ii. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
A person can act as a proxy on behalf of Members not exceeding 50 (Fifty) and holding in aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital can appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxy form, in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the AGM. A proxy form for the AGM is enclosed herewith.
- iii. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.
- iv. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 4<sup>th</sup> August 2018 to Monday, 13<sup>th</sup> August 2018 (both days inclusive) for the purpose of the ensuing AGM and payment of dividend, if declared at the AGM.

- v. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies, Act 2013 and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 and Certificate from Auditors of the Company certifying that the Safari Employee Stock Option Scheme, 2016 is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 will be available for inspection at the AGM.
- vi. The dividend on the equity shares, if approved, at the AGM will be paid to those Members whose names appear on the Company's Register of Members as on Friday, 3<sup>rd</sup> August 2018 after giving effect to all valid transfer deeds in physical form lodged with the Company/RTA on or before Friday, 3<sup>rd</sup> August 2018 and in respect of shares held in dematerialized form, to the beneficial owners whose names appear in the statements to be furnished by the Depositories for this purpose as at the close of business hours on Friday, 3<sup>rd</sup> August 2018. The dividend declared at the AGM shall be paid within 30 days from the date of declaration.
- vii. Members holding shares in physical form are requested to notify any change in their address including pin code, bank mandate, etc to the Company's Registrar and Transfer Agent, M/s. Adroit Corporate Services Pvt Ltd. Members holding shares in electronic form are requested to furnish details for change/update to their respective Depository Participant.
- viii. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification for attendance at the AGM.
- ix. Members holding shares in the dematerialize form are requested to register/update their e-mail address with the concerned Depository Participant. Members holding shares in physical form are requested to register/update their e-mail address with the Registrar and Share Transfer Agent of the Company Alternatively, Members may intimate the e-mail address along with their respective Client ID and DP ID/Folio No. by letter / e-mail to the Company on investor@safari.in
- x. Corporate Members are required to send to the Company a certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote at the AGM.
- xi. The Members/proxies/authorised representatives should bring attendance slips duly filled in and signed for attending the AGM and handover the same at the entrance of the Hall.
- xii. Members desirous of obtaining any information with regards to accounts and operations of the Company are requested to write to the Company at least one week before the AGM to enable the Company to make available the required information at the AGM.
- xiii. Pursuant to the provisions of Section 124 of the Companies Act, 2013 as amended from time to time and/or other relevant provisions of the Companies Act, 2013, dividend declared by the Company which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. The unclaimed dividend upto the financial year 2009-10 has been transferred to the Investor Education and Protection Fund of the Central Government of India.
- xiv. Members who have not encashed the dividend warrant/demand drafts so far for the financial year ended 31<sup>st</sup> March 2011, 31<sup>st</sup> March 2012, 31<sup>st</sup> March 2016 or 31<sup>st</sup> March 2017 are requested to make their claims to the office of the Registrar & Share Transfer Agent of the Company.
- xv. As per the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules 2016), all shares in respect of which unpaid or unclaimed dividend has been transferred to the Investor Education & Protection Fund shall also be transferred to the IEPF suspense account, if the shareholder has not claimed for atleast 1 year. Accordingly, shareholders are therefore requested to encash any unpaid/unclaimed dividend immediately to avoid transfer of the underlying shares to the IEPF.
- xvi. Applicable listing fees for the financial year 2018-19 have been paid to BSE Ltd.
- xvii. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April 2018, members whose ledger folios have incomplete details with respect to PAN and/or Bank particulars are mandatorily required to furnish

these details to the Company/RTA for registration in the folio. The Company has sent separate communication to all the members whose aforesaid details were not updated. You are requested to kindly update your PAN and/or Complete Bank details so that the investments held by you are in compliance with the aforementioned circular.

- xviii. Electronic copy of the Notice of Annual General meeting along with Annual Report for the financial year 2017-18 is being sent to all Members whose email IDs are registered with the Company/ Depository Participant for communication purpose unless a Member has requested for hard copy of the same. For Members who have not registered their email address, the Annual Report is being sent in physical mode.
- xix. Members to whom the above documents have been sent in e-mail are entitled to receive the same in physical form, upon request. The request may be sent in writing to the Registrar & Share Transfer Agent of the Company or the Company at its Registered Office or through email at [info@adroitcorporate.in](mailto:info@adroitcorporate.in)
- xx. The Notice of the 38<sup>th</sup> AGM & the Annual Report for the financial year 2017-18 is also available on the Company's website [www.safari.in](http://www.safari.in). The Notice of the AGM is also available on the website of the National Securities Depositories Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Physical copies of said documents alongwith the relevant documents referred to in the Notice and the Statement under Section 102 of the Companies Act 2013, will also be available for inspection at the Registered Office of the Company during business hours (10.00 am to 5.00 pm) on all working days except Saturdays, Sundays and Public Holidays upto and at the AGM.
- xxi. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2), in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as Annexure to the Notice.
- xxii. Voting through electronic means:

In accordance to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended from and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on the resolutions proposed to be considered at the ensuing 38<sup>th</sup> Annual General Meeting of the Company by electronic means. The Company has engaged the services of National Securities Depositories Limited ("NSDL") as the Agency to provide the remote e-voting facility. (Remote e-voting means the facility to cast votes by a Member using electronic voting system from a place other than the venue of the AGM). The facility for voting through poll paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote e-voting shall be able to exercise their right at the AGM through poll. The Members who have cast their vote by Remote e-voting prior to the AGM can also attend the AGM but shall not be entitled to cast their vote again.

The Remote e-voting period commences on Friday, 10<sup>th</sup> August 2018 (9:00 am) and ends on Sunday, 12<sup>th</sup> August 2018 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 6<sup>th</sup> August 2018 may cast their vote by Remote e-voting. The Remote evoting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- xxiii. Process of Remote e-Voting:

**Members are requested to follow the instructions below to cast their vote through Remote e-voting:**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
7. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
10. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
11. Now, you will have to click on "Login" button.
12. After you click on the "Login" button, Home page of e-Voting will open.



13. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
14. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
15. Select "EVEN" of company for which you wish to cast your vote.
16. Now you are ready for e-Voting as the Voting page opens.
17. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
18. Upon confirmation, the message "Vote cast successfully" will be displayed.
19. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
20. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ninadawchat@yahoo.co.in](mailto:ninadawchat@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

xxiv. Route-map to the venue of the Meeting is provided at the end of this Notice.

**ON BEHALF OF THE BOARD OF DIRECTORS  
For SAFARI INDUSTRIES (INDIA) LIMITED**

**SUDHIR JATIA**

Chairman & Managing Director

DIN:00031969

**Place:** Mumbai

**Date:** 21<sup>st</sup> May 2018

## Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting

### Item no. 5

#### To re-appoint Mr. Sudhir Jatia (DIN 00031969) as the Managing Director of the Company:

The members of the Company vide their resolution dated 27<sup>th</sup> March 2015 had approved the appointment of Mr. Sudhir Jatia as the Managing Director of the Company for a term of 3 years w.e.f. 18<sup>th</sup> April 2015. The said term has expired on 17<sup>th</sup> April 2018 and hence it is proposed to reappoint Mr. Jatia as the Managing Director of the Company for a further term of 3 years i.e. from 18<sup>th</sup> April 2018 to 17<sup>th</sup> April 2021.

The Board of Directors at its meeting held on 9<sup>th</sup> February 2018, on the recommendation of the Nomination, Remuneration and Compensation Committee has approved the reappointment of Mr. Jatia along with the terms and conditions thereof and the Employment Agreement that is executed between Mr. Sudhir Jatia and the Company.

The terms and conditions of the reappointment are mentioned herein below as proposed to be approved:

#### Remuneration Structure:

##### A. In case of adequate profits:

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Jatia are as under:

- a. Basic Salary: ₹ 6,00,000/- per month with authority to the Board of Directors of the Company on the recommendations of the Nomination Remuneration and Compensation Committee to grant such increments as they may deem fit.

- b. Perquisites:

Following perquisites/allowances shall be allowed as per rules of the Company. For the purpose of calculating the ceiling, the perquisites and allowances (including performance pay) shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, the same shall be evaluated at actual cost.

1. Reimbursement of expenses including gas, electricity, water, etc.
2. Mediclaim: Premium on Medical Insurance in accordance with the rules specified by the Company.
3. Club Fees: Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
4. Provision of 2 (TWO) cars with chauffeur.
5. Personal Accident Insurance: Premium on Personal Accident Policy.
6. Any other perquisites as may be determined by the Board of Directors of the Company from time to time within the overall limits specified in the Companies Act, 2013.
- c. Performance linked pay: Not exceeding 1% of the Net Profits of the Company as computed in the manner laid down in Section 198 of the Act
- d. Earned / Privilege leave: As per policy of the Company. Encashment of leave accumulated but not availed during the tenure or at the end of tenure of office, as the case may be, in accordance with the policy of the Company. Encashment of accumulated leave shall not be included in the computation of limits for the remuneration or perquisites as aforesaid.

For the purpose of Superannuation/Pension/Provident Fund/ Gratuity/ Commission and Privilege leave, the service of the Chairman & Managing Director will be considered from the original date of his joining the services and change of role/termination/renewal of service agreement will not be considered as a break of service.

The overall remuneration payable every year to the Managing Director by way of salary, perquisites and allowances, incentive/ bonus/ performance linked incentive, remuneration based on net profits, etc., as the case may be, shall not exceed in the aggregate 5% (five percent) of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof.

##### B. In event of inadequate profits:

Where in any financial year during the currency of the tenure of the Managing Director, the Company does not have any profits or the profits are inadequate, the Managing Director shall be paid remuneration as under:

Remuneration payable not exceeding the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013, based on the effective capital of the Company and in accordance with the approval of the Nomination, Remuneration and Compensation Committee and Board of Directors of the Company.