



28TH ANNUAL REPORT 2018-2019

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CIN : L17120DN1990PLC000440

An ISO 9001 : 2015 Certified Company

CORPORATE INFORMATION

Board of Directors

- | | |
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| <p>1. Mr. Mukesh Ramniranjan Ruia
Chairman & Managing Director</p> <p>3. Mr. Sushil Kumar Poddar
Independent Director (Retired w.e.f. 01.04.2019)</p> <p>5. Ms. Swati Sahukara
Independent Director (Resigned w.e.f. 12.08.2019)</p> | <p>2. Mr. Ravi Jogi
Whole-Time Director</p> <p>4. Mrs. Rohini Pradyumna Dandekar
Independent Director</p> <p>6. Mr. Vikas Damodardas Rathi
Independent Director (Appointed w.e.f. 30.04.2019)</p> |
|---|--|

Chief Financial Officer

Mr. Suresh Chandra Gattaini

Registrar & Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai – 400 083

Company Secretary & Compliance Officer

Mrs. Meena A. Agal

Statutory Auditors

M/s. Ajay Shobha & Co.
Chartered Accountants

Corporate Office

Express Zone 'A' Wing,
Unit No. 1102/1103, Patel Vatika,
off Western Express Highway,
Malad(East)Mumbai- 400 097,
Maharashtra, India

Lenders

State Bank of India
Axis Bank Ltd
Union Bank of India
Allahabad Bank
Omkara Assets Reconstruction Pvt. Ltd.

Plant Locations

Registered Office

Unit –III,

Plot No. 185/1,
Naroli Village, Near Kanadi Phatak,
Dadra & Nagar Haveli – 396 235
(Union Territory), India

Unit II

Plot no. 44 Government Industrial Estate,
Masat, Samarvani,
Dadra & Nagar Haveli – 396 230
(Union Territory), India

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses to the Company or its Registrar and Share Transfer Agents (RTA).

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of Shekhawati Poly-Yarn Limited will be held on 30th September, 2019 at 11.30 a.m. at the Survey No. 185/1, Naroli Village, Near Kanadi Phatak, Silvassa, Dadra & Nagar Haveli -396 235 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on March 31, 2019 including Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss Account and Cash flow statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravi Sanjay Jogi (DIN No. 06646110), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Mr. Vikas Damodardas Rathi as an Independent Director for 5 consecutive year

To appoint Mr. Vikas Damodardas Rathi (DIN No. 03633856) as an Independent 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 provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with the Article of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Regulation 27 of Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015 Mr. Vikas Damodardas Rathi (DIN No. 03633856), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

4. Appointment of Mr. Sushil Kumar Poddar as an Independent Director for 5 consecutive year

To appoint Mr. Sushil Kumar Poddar (DIN No. 03605830) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

“RESOLVED THAT pursuant to the provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with the Article of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, Mr. Sushil Kumar Poddar (DIN No. 03605830), aged 76 years proposed for appointment with effect from the conclusion of this Annual General Meeting subject to approval of Members. Mr. Sushil Kumar Poddar who has given his consent for appointment as Independent Director, in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing him as Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

5. To Re-appointment of Mr. Mukesh Ramniranjan Ruia as Chairman & Managing Director

To consider and if thought fit, to pass with or without modification, the following resolution as an **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V as amended upto date and all guidelines for managerial remuneration issued by the Central Government from time to time and in accordance with the approval of Nomination and Remuneration Committee and the Board of Directors at their meeting held on August 12, 2019 and subject to the approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Mukesh Ramniranjan Ruia (holding DIN No. 00372083) as a Chairman & Managing Director of the Company for a period of 5 (Five) years w.e.f. March 2, 2020 on the terms and conditions, inclusive expressly the remuneration payable to him as Chairman & Managing Director and the minimum remuneration payable to him in case of absence or inadequacy of profits in any year, set out in the Draft Agreement prepared in that behalf and submitted to this meeting and initialed by the Chairman himself for the purpose of identification, the broad details of which are given in the Explanatory Statement in respect of this item of the Notice, is hereby specifically approved with liberty to the Board to vary or increase the terms & conditions of the remuneration including salary, commission, perquisites, etc. and appointment and /or the Agreement in such manner as may be agreed to between the Board and Mr. Mukesh Ramniranjan Ruia in the best interest of the Company within the limitations in that behalf as contained in Schedule V to the Act or any amendments thereof or otherwise as may be permissible at law and that the Agreement, when finalized be executed by the Company by affixing its common seal thereon in accordance with the relevant provisions contained in the Article of Association of the Company.”

“RESOLVED FURTHER THAT any of the Director and/or Company Secretary of the Company be and is hereby jointly or severally to do all the acts, deeds and things which are necessary to give effect to the above said resolution.”

6. Ratification of Remuneration to Cost Auditor :

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 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2015 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration as decided between the company and auditor to M/s. N. Ritesh & Associates, Cost Accountants (Registration No. 26963), who were appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-2020, be and is hereby ratified and confirmed.”

7. Approval for Related Party Transaction

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

RESOLVED THAT pursuant to the provision of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions if any, read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation

and Disclosure Requirements) Regulations, 2015 ("Listing Regulation) and Company Policy on Related Party Transaction(s), approval of shareholders be and is hereby accorded to the Board of Director of the Company to enter into contract(s)/arrangement(s)/transaction(s) with Vinayak Clothings Private Limited a related Party within the meaning of Companies Act, 2013 and SEBI Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015 for Purchase of Partially Oriented Yarn (POY) and other materials and sell of Texturized Yarn, Twisted Yarn, Knitting Fabrics and assets on such terms and conditions as the Board may deem fit, up to a maximum aggregate value of ₹ 250 crore for purchase and ₹ 250 crore for sale for the Financial Year 2019-20, provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

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

8. Approval for sell / transfer / dispose of Masat Unit of the Company

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

"RESOLVED THAT, pursuant to the provisions of Section 181(1)(a) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and subject to other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the provision of the Memorandum and Articles of Association of the Company, the provision of the Listing Obligation and Listing Requirement (LODR) Regulations, 2015 entered into by the Company with the Stock Exchange where the shares of the Company are listed, and such other approvals, consent and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred a the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell/transfer / dispose off its Masat Unit situated at Plot No. 44, Government Ind. Estate, Masat, Samarvani, Dadra & Nagar Haveli – 396 230 (Union Territory), India ("Undertaking"), together with all assets, including land, Plant and Machinery and other assets in relation to the Undertaking on an "as is where is" basis or any other manner as the Board may deem fit in the interest of the Company and subject to approval of lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to finalise and execute necessary documents including but not limited to definitive Agreement, Deeds of assignment/conveyance and other ancillary documents, w.e.f. such date and in such manner as it is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any question, difficulties or doubts that may arise in regard to sale and transfer of the undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreement and instruments."

9. Approval for Sell / transfer / dispose off Corporate Office of the Company

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

“RESOLVED THAT, pursuant to the provisions of Section 181(1)(a) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and subject to other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the provision of the Memorandum and Articles of Association of the Company, the provision of the Listing Obligation and Disclosure Requirement (LODR), 2015 entered into by the Company with the Stock Exchange where the shares of the Company are listed, and such other approvals, consent and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off its Corporate office of the Company situated at Express Zone, Unit No. 1102/1103, A-wing, Patel Vatika, Off. Western Express Highway, Malad East, Mumbai – 400 097 Maharashtra, India. (“Undertaking”), together with all its Furniture and Fixture other assets in relation to the Undertaking on an “as is where is” basis or any other manner as the Board may deem fit in the interest of the Company and subject to approval of lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to finalise and execute necessary documents including but not limited to definitive Agreement, Deeds of assignment/conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any question, difficulties or doubts that may arise in regard to sale and transfer of the undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreement and instruments.”

**By Order of the Board of Directors
For Shekhawati Poly-Yarn Limited**

Place : Mumbai
Date : August 12, 2019

Sd/-
Meena A. Agal
Company Secretary & Compliance Officer

Registered Office:-
Unit No. III, Survey No. 185/1,
Naroli Village, Near Kanadi Phatak,
Dadra & Nagar Haveli, Silvassa. 396 235
India

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PROXY FORM IS SENT HEREWITH.

2. Corporate Members intending to send their authorized representative to attend the Meeting are required to send a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote at the Meeting, as required under Section 113 of the Companies Act, 2013. The attention of the Members is drawn to the proxy related provisions given in para 6 of the SS-2 i.e. Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India and approved by the Central Government.
3. In terms of Section 152 of the Companies Act, 2013, Mr. Ravi Sanjay Jogi, (DIN No. 06646110) Director, retire by rotation at the Meeting and being eligible, offers himself for reappointment. The Board of Directors of the Company recommend his re-appointment. The details of the director seeking re-appointment as required Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards-2 issued by Institute of Company Secretaries of India and notified by Central Government, is annexed hereto.

The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the Meeting, is annexed hereto.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting. Route Map of the AGM venue is appended is given in this report.
5. 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.
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office/Corporate Office of the Company during the Business hours on all working days except Saturday and Sunday during business hours up to the date of the 28th Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive) in connection with 28th Annual General Meeting.
8. Members may also note that the Notice of the 28th Annual General meeting and Annual Report for 2019 will also be available on the Company's website www.shekhawatiyarn.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office/Corporate office for

inspection during normal business hours on working days except Saturday & Sunday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication the shareholders may also send request to the Company investor email id : investor@shekhawatiyarn.com

9. Electronic copy of the Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any Members has requested for a hard copy of the same. Members who have not registered their email address. Physical copies of the Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. To prevent fraudulent transactions, members are advised to intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s Sharex Dynamic (India) Private Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 Tel 022-28515606/28515644 Fax No. 022-2851 2885. Members holding shares in the electronic form are advised to inform change in address directly to their respectively depository participants.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by the Company and has allowed service of notices I documents including annual report by e-mail to its members. To support this green initiative of the government in full measure, members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.

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, Circulars, etc. from the Company electronically.

12. Remote e-voting Facility:-

- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read along with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through remote e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') will be provided by National Securities Depository Limited (NSDL) .
- (ii) 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 cut-off date i.e. September 23, 2019.

- (iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iv) A person, 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting through ballot paper.
- (v) Mr. Vishal N. Manseta, (Membership No. 25183), Practicing Company Secretary has been appointed as a Scrutinizer for conducting the remote e-voting and the voting process at the meeting in fair and transparent manner.

13. Information and other instructions relating to e-voting are as under :

The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on September 27, 2019 at 10.00 a.m. and ends on September, 29, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the September 23, 2019 cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) **The process/manner for availing e-voting facility and the instructions for members voting electronically are as under :-**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

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.