

23rd ANNUAL REPORT
2013-14



Shree Rajeshwaranand Paper
Mills Limited

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SHREE RAJESHWARANAND PAPER MILLS LIMITED

23RD ANNUAL REPORT 2013-14

BOARD OF DIRECTORS	:	Mr. Amrish R. Patel Mr. Prakash R. Vora Mr. Udayan D. Velvan Mr. Ashok Kumar V. Shah Mr. Ashok Gosavi	Chairman Managing Director Executive Director Director Director
BANKERS	:	State Bank of India, MID Corporate Group Industrial Finance Branch, Vadodara – 390 007 Bank of India, Vadodara Main Branch, Vadodara – 390 001	
AUDITORS	:	M/s. Sunderji Gosar & Co., Chartered Accountants, Mumbai.	
COST AUDITOR	:	M/s. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad.	
COMPANY LAW CONSULTANTS	:	M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad.	
REGISTERED OFFICE & FACTORY	:	Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia Dist: Bharuch Gujarat – 392 022	
REGISTRAR & SHARE TRANSFER AGENTS	:	M/s. Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.	

NOTICE

NOTICE is hereby given that the **23RD ANNUAL GENERAL MEETING** of the Members of **SHREE RAJESHWARANAND PAPER MILLS LIMITED** will be held as scheduled below:

Date	:	20 th September, 2014
Day	:	Saturday
Time	:	1.00 p.m.
Place	:	At the Registered Office of the Company at: Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia, Dist: Bharuch Gujarat – 392 022

to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt Audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as on that date along with Directors' Report thereon.
2. To appoint a Director in place of Mr. Udayan D. Velvan (DIN –01876652), who retires by rotation and, being eligible, offers himself for re appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ashok Gosavi (DIN –06766418), an Independent Director of the Company, who was appointed as an Additional Director pursuant to provisions of Section 260 of the Companies Act, 1956 as amended from time to time and in accordance with the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 23rd Annual General Meeting upto the conclusion of the 28th Annual General Meeting to be held in the calendar year 2019.”

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Amrishi R. Patel (DIN – 00214477), an Independent Director of the Company, who is appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 23rd Annual General Meeting upto the conclusion of the 28th Annual General Meeting to be held in the calendar year 2019.”

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014

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(including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ashok Kumar V. Shah (DIN – 00861424), an Independent Director of the Company, who is appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 23rd Annual General Meeting upto the conclusion of the 28th Annual General Meeting to be held in the calendar year 2019.”

7. To consider and if thought fit, to pass with or without modification[s], the following resolution as a **Special Resolution:**

“RESOLVED THAT in supersession of the ordinary resolution passed at the 22nd Annual General Meeting of the Company held on 21st September, 2013 and pursuant to provisions of section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow monies for the purpose of business of the Company from any Bank, Financial Institution or any person, such sum or sums of monies as they may deem necessary, notwithstanding the fact that the monies so borrowed and the monies borrowed from time to time apart from temporary loans obtained by the Company exceed the aggregate of the paid up capital of the Company and its free reserves i.e. reserves not set apart for any specific purpose, provided that the total outstanding amount of such borrowings shall not exceed ` 500 Crores (Rupees Five Hundred Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves at any time.”

8. To consider and if thought fit, to pass with or without modification[s], the following resolution as a **Special Resolution:**

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the 22nd Annual General Meeting of the Company held on 21st September, 2013, the consent of the Company be and is hereby accorded under Section 179 and Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, to the creation by the Board of Directors on behalf of the Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lenders on all or any of the movable & immovable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities/External Commercial Borrowings/ Debentures/ any other form of finance etc. not exceeding ` 500 Crores (Rupees Five Hundred Crores only) at any one point of time from Financial Institutions/Banks and other agencies/ parties/person with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalize the documents for creating the aforesaid mortgages and/or charges and to do all such acts, things and matters as may be necessary for giving effect to the above resolution.”

9. To consider and if thought fit, to pass with or without modification[s], the following resolution as a **Special Resolution:**

“RESOLVED THAT approval of members be and is hereby accorded pursuant to Section 188(1)(f) and other applicable provisions, if any of the Companies Act, 2013 and also subject to Rule 15(3)(i) of Companies (Meetings of Board) Rules, 2014, (as recommended by Nomination and Remuneration Committee) to the appointment of Mr. Shripal P. Vora (relative of Director Mr. Prakash R. Vora) as General Meeting (Tools Division) and to hold an office of profit under the Company, with effect from 1st June, 2014 at a monthly remuneration up to ` 75,000/- and on other terms and conditions.”

Registered Office:

Village: Govali,
Bharuch – Jhagadia Road,
Tal: Jhagadia, Dist: Bharuch
Gujarat – 392 022
Date: 29th July, 2014.

By Order of the Board,

Prakash R. Vora
Managing Director

NOTES:

1. The Explanatory Statement, pursuant to provisions of section 102 of the Companies Act, 2013 and rules made thereunder, in respect of the business under Item Nos. 4 to 9 of the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from 5th September, 2014 to 20th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
5. 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 DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
6. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
7. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
8. The members are requested to bring duly filled attendance slip alongwith their copy of Annual Report at the Meeting.
9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days between 11.00 A.M. and 1.00 P.M. except Sundays, up to and including the date of the Annual General Meeting of the Company.

10. VOTING THROUGH ELECTRONIC MEANS:

- A. In accordance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the business proposed for the ensuing 23rd Annual General Meeting, may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members.
- B. The Company has engaged the services of National Securities Depository Limited ("NSDL") to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner.
- C. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://www.evoting.nsdl.com> during the following voting period.
Commencement of e-voting: From Saturday, the 13th September, 2014 at 10.00 a.m. (IST)
End of e-voting: Monday, the 15th September, 2014 at 06.00 p.m. (IST)
E-voting shall not be allowed beyond 6.00 p.m. (IST) of 15th September, 2014. During the e-voting period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date may cast their vote electronically. The cut off date for the limited purpose of e-voting is 8th August, 2014.
- D. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.

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- E. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
- F. The Company has, in compliance with Rule 20 of the (Management and Administration) Rules, 2014, appointed **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** as Scrutinizer (as consented by them to be appointed as scrutinizer) for conducting the electronic Process in a fair and transparent manner.
- G. Electronic voting, processes, terms and conditions of Voting and general guidelines for shareholders participating through e-voting:

Shareholders may also refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsdl.com in addition to the following information.

a. E-voting schedule for shareholders:

1.	Business may be transacted by electronic voting;	All Resolutions mentioned in the notice may be transacted by means of electronic voting within the time specified below.
2.	The date of completion of sending of notices	The notice dispatch will be completed 25 days prior to the date of Annual General Meeting.
3.	The date and time of commencement of voting through electronic means;	Saturday, the 13 th September, 2014 at 10.00 a.m. (IST)
4.	The date and time of end of voting through electronic means;	Monday, the 15 th September, 2014 at 6.00 p.m. (IST)
5.	No voting after closing date & time of electronic voting	E-Voting shall not be allowed beyond 6.00 p.m. (IST) on 15 th September, 2014
6.	Website address on which the notice is displayed	www.evoting.nsdl.com
7.	Contact details of the Company and Share Registrar & Transfer Agents of the Company, responsible to address the grievances connected with the electronic voting;	Company: – Shree Rajeshwaranand Paper Mills Limited Email: srpmlad1@sancharnet.in Share Registrar – M/s. Sharex Dynamic (India) Private Limited Email: :- sharexindia@vsnl.com Contact No.: (022) 2851 5606 / 2851 5644 Fax.: (022) 2851 2885

- b. The Company has tied up with NSDL for e-voting on resolutions and accordingly, the NSDL and our Share Registrar– Sharex Dynamic (India) Private Limited shall arrange for providing the information on shareholders login ID and create a facility for generating password and for keeping security and casting of vote in a secure manner;
- c. In case of any queries or issues regarding e-voting, shareholder may refer the frequently asked questions (FAQs) for Shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com or write email to evoting@nsdl.co.in.
- d. If shareholder has already registered with NSDL for e-voting, then shareholder can use his/her existing user ID and password/PIN for casting his/her vote.
- e. A member may exercise his right to vote at any general meeting by electronic means in accordance with the provisions of these rules.
- f. The Resolution(s) and the Explanatory Statement(s) setting out the material facts and the reasons thereof are given hereunder for your consideration and necessary action.
- g. If a Shareholder has voted through e-voting facility, he is not allowed to vote in person at the ensuing general meeting of the company. If a Shareholder votes through e-voting facility and also votes at the meeting, the votes cast through e-voting shall only be considered.
- h. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company may order a poll on his own motion in terms of Section 109 of the Companies Act, 2013 for the businesses specified in the accompanying Notice. For abundant

clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting.

- i. The further instructions on e-voting are as under:
 - (i) The Notice of the 23rd AGM of the Company inter alia indicating the process and manner of e-voting process along with printed Attendance Slip, Ballot form and Proxy Form is being dispatched to all the Members. Initial password is provided as below in the cover letter at the end of the attendance slip.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) NSDL shall also be sending the User-ID and Password to those members whose shareholding is in the dematerialized format and whose email addresses is registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided above.
 - (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iv) Click on Shareholder – Login
 - (v) Put user ID and password as initial password noted in step (i) above. Click Login.
 - (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vii) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select “EVEN” of Shree Rajeshwaranand Paper Mills Limited
 - (ix) Now you are ready for e-Voting as Cast Vote page opens
 - (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (xi) Upon confirmation, the message “Vote cast successfully” will be displayed
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xiii) 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. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail- kashyaprmehta@hotmail.com, with a copy marked to evoting@nsdl.co.in.
- j. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- k. During the e-voting period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th August, 2014, may cast their vote electronically. Please note that the e-voting module shall be disabled by NSDL for voting after the closing time and date of e voting. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- l. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- m. Shareholders of the Company, holding shares in any form viz. physical form or demat, as on the cut-off date and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- n. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- o. The results of the voting (e-voting and physical voting) will be announced within 48 hours of the conclusion of 23rd Annual General Meeting to be held on 20th September, 2014.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 23RD ANNUAL GENERAL MEETING DATED 29TH JULY, 2014.

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item Nos. 4 to 9 of the accompanying notice dated 29th July, 2014 and should be taken as forming part of the notice.

In respect of Item No. 4:

Pursuant to provisions of section 260 of the Companies Act, 1956 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Ashok Gosavi as an Additional Director with effect from 1st January, 2014. Mr. Ashok Gosavi is an Independent Director on the Board of the Company.

Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr. Ashok Gosavi holds office only upto the date of this Annual General Meeting of the Company. A notice has been received from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013 (herein after referred to as Act) proposing Mr. Ashok Gosavi as a candidate for the office of the Director of the Company.

Mr. Ashok Gosavi is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Ashok Gosavi that he meets with criteria of independence as prescribed both under section 149(6) of the Act and clause 49 of the Listing Agreement.

Mr. Ashok Gosavi possesses appropriate skills, experience and knowledge in the field of Technology and Project Development. Brief resume of Mr. Ashok Gosavi, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board/ Committees, shareholding and relationship between Directors inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Ashok Gosavi fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his vast experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Ashok Gosavi as an Independent Director.

Save and except Mr. Ashok Gosavi, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

This explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In respect of Item No. 5:

Mr. Amrishi R. Patel is an Independent Director on the Board of the Company. He was appointed on the Board at its meeting held on 1st January, 2008.

Mr. Amrishi R. Patel was appointed as a Director liable to retire by rotation. In terms of section 149 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the Act), which are made applicable from April 1, 2014, Mr. Amrishi R. Patel being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 28th Annual General Meeting in the calendar year 2019. A notice has been received from a member along with deposit of requisite amount under section 160 of the Act proposing Mr. Amrishi R. Patel as a candidate for the office of Director of the Company.

Mr. Amrishi R. Patel is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Amrishi R. Patel that he meets with criteria of independence as prescribed both under section 149(6) of the Act and clause 49 of the Listing Agreement. Mr. Amrishi R.

Patel possesses appropriate skills and experience in the field of Management, Accounts and Finance. Brief resume of Mr. Amrish R. Patel, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairmanships of the Board/Committees, shareholding and relationship between Directors inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Amrish R. Patel fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his vast experience and knowledge, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Amrish R. Patel as an Independent Director.

Save and except Mr. Amrish R. Patel, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 5.

This explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In respect of Item No. 6:

Mr. Ashok Kumar V. Shah is an Independent Director on the Board of the Company. He was appointed on the Board at its meeting held on 1st October, 2010.

Mr. Ashok Kumar V. Shah was appointed as a Director liable to retire by rotation. In terms of section 149 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the Act), which are made applicable from April 1, 2014, Mr. Ashok Kumar V. Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 28th Annual General Meeting in the calendar year 2019. A notice has been received from a member along with deposit of requisite amount under section 160 of the Act proposing Mr. Ashok Kumar V. Shah as a candidate for the office of Director of the Company.

Mr. Ashok Kumar V. Shah is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Ashok Kumar V. Shah that he meets with criteria of independence as prescribed both under section 149(6) of the Act and clause 49 of the Listing Agreement.

Mr. Ashok Kumar V. Shah possesses appropriate skills and experience in the field of Taxation and Finance. Brief resume of Mr. Ashok Kumar V. Shah, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairmanships of the Board/Committees, shareholding and relationship between Directors inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Ashok Kumar V. Shah fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his vast experience and knowledge, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ashok Kumar V. Shah as an Independent Director.

Save and except Mr. Ashok Kumar V. Shah, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 6.

This explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In respect of Item No. 7:

The members of the Company at 22nd Annual General Meeting held on 21st September, 2013 approved by way of an Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956 for borrowing over and above the aggregate of the paid-up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amount already borrowed and outstanding at any point of time shall not be in excess of ` 100 Crores (Rupees One Hundred Crores only), of aggregate of the paid-up share capital and free reserves of the Company.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board