

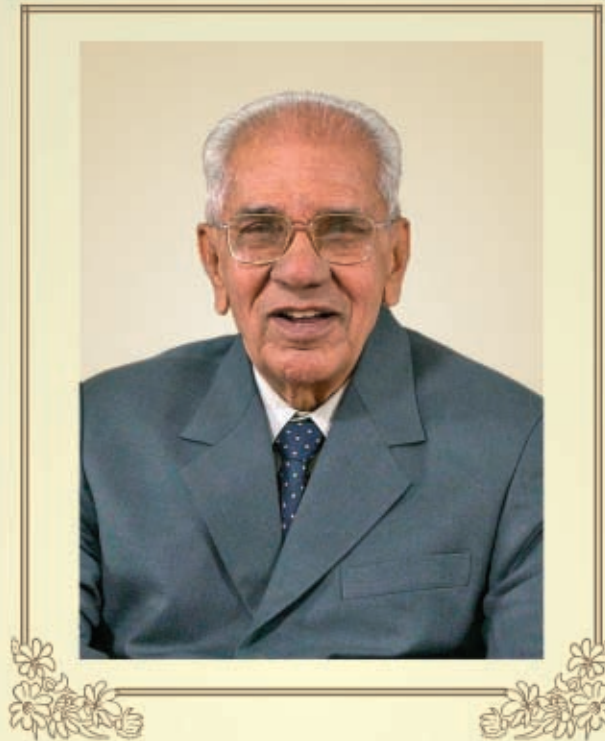


29th Annual Report 2013-2014



VADILAL ENTERPRISES LTD.

IN LOVING MEMORY



SHRI RAMCHANDRA GANDHI

CHAIRMAN: EMERITUS

15th February 1925 – 19th August 2014



The Vadilal family fondly remembers
its founding member, Shri Ramchandra Gandhi, who has left for his heavenly abode.
He had touched the lives of scores of people in both his professional and personal life
and left an indelible mark on our hearts.

May his soul rest in peace.



**CHAIRMAN EMERITUS**

Ramchandra R. Gandhi (upto 18-8-2014)

BOARD OF DIRECTORS**Non-executive Directors**

Rajesh R. Gandhi Chairman
Devanshu L. Gandhi

Independent Directors

Jayantilal M. Shah
Niranjana A. Kapadia

COMPANY SECRETARY

Ruchita Gurjar

AUDITORS

M/s. Kantilal Patel & Co.
Chartered Accountants, Ahmedabad
(A member firm of Polaris International, USA)

BANKER

Bank of India

REGISTERED OFFICE

A/801, 8th Floor, "Time Square" Building,
C. G. Road, Nr. Lal Bungalow Char Rasta,
Navrangpura, Ahmedabad - 380 009.
CIN No. : L51100GJ1985PLC007995
Phone : 079-26407201-09, 079-30153000
Fax : 079-30153102

REGISTRAR & SHARE TRANSFER AGENT

(For physical & demat)

MCS Limited,
101, Shatdal Complex, 1st Floor,
Opp. Bata Show Room, Ashram Road,
Ahmedabad - 380 009.
Phone: 079-26582878, 26584027, 9327055153
Fax: 079-26581296

SHARE DEPARTMENT

B/404, 4th Floor, "Time Square" Building,
C. G. Road, Nr. Lal Bungalow Char Rasta,
Navrangpura, Ahmedabad - 380 009.
Phone : 079-30153185
Fax : 079-30153102

Notes :

- Important Communication to Members :** The Ministry of Corporate Affairs has, pursuant to its Green Initiative in the Corporate Governance, allowed paperless compliances by Companies. It has issued circulars allowing the Companies to service notice/documents including Annual Report by email to its members. Many of the Shareholders have registered their emails pursuant to the said initiative. We thank those shareholders for the same. Those Shareholders, who have not registered their email addresses so far, may, as a support to those initiative, register their email addresses, in respect of electronic holdings, with the Depository through their respective Depository Participant. Members who hold shares in physical mode are requested to register their email address with MCS Limited, Share Transfer Agent of the Company.
- Members are requested to send their all correspondence relating to Shares including transfer, transmission, change of address, issue of duplicate share certificates etc. to MCS Limited, Registrar & Share Transfer Agent of the Company at 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009 (Phone: 079 - 26582878, 26584027, 9327055153) (Fax: 079 - 26581296) or at the Share Department of the Company situated at B/404, 4th Floor, "Time Square" Building, C.G. Road, Nr. Lal Bungalow Char Rasta, Navrangpura, Ahmedabad - 380 009.
- The process and manner of e-voting is being sent to all the members whose e-mail ids are registered with the Company/Depository Participant /Share Transfer Agent for communication purpose through electronic mode. For members who have not registered their e-mail ids as above, the process and manner of e-voting is provided in a separate sheet as enclosed alongwith this Annual Report / e-mail separately.**

29th ANNUAL GENERAL MEETING

Day - Thursday

Date - 25th September, 2014

Time - 10.00 a.m.

Venue - GICEA, Gajjar Hall, Nirman Bhavan,
Opp. Law Garden, Ellisbridge,
Ahmedabad - 380 006.

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E-Voting Instructions

(Separate Sheet enclosed)

E-mail for Investor Grievances : shareslogs@vadilalgroup.com

Web : www.vadilalgroup.com



SHAREHOLDER INFORMATION

1. Name of Company :

Vadilal Enterprises Limited

2. Company CIN No. :

L51100GJ1985PLC007995

3. Fixed Deposit Department :

Fixed Deposit Department of the Company is operated at the following address :

Vadilal House, Shrimali Society,
Near Navrangpura Railway Crossing,
Navrangpura, Ahmedabad - 380 009.

(Phone: 079-26564018 to 23, 30153347) (Fax: 079-26564026)

4. Book-Closure :

Book-Closure from 13th September, 2014 to 25th September, 2014 (both days inclusive) for the purpose of payment of Dividend of Re. 0.80/- per share (@ 8%) for the year ended on 31st March, 2014, as recommended by the Board and if declared at the Meeting and to determine the members eligible for the said dividend.

5. Stock Exchange where the Shares are listed :

BOMBAY STOCK EXCHANGE LTD.

(Security Code No. 519152)

Department of Corporate Services,

1st Floor, Rotunda Building,

Dalal Street, Fort, B. S. Marg

Mumbai - 400 001.

(Phone: 91-22-2272 1234 / 1233)

(Fax : 91-22-2272 2082 / 3132)

The Annual Listing Fees upto the Financial Year 2014-2015 have been duly paid to the above Stock Exchange.

6. Security Code :

Bombay Stock Exchange Ltd. - 519152

ISIN Number - INE693D01018

7. Dematerialisation of Shares :

The Company, consequent to introduction of Depository System (DS), entered into an agreement with NSDL and CDSL and has established an electronic connectivity with both the Depositories. Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL and CDSL.

In view of numerous advantages offered by DS, the members are requested to avail the facility of dematerialisation of the Company's shares on the Depository as aforesaid. If you wish to maintain your shareholding in the electronic form by joining DS, you will have to open an account with a Depository Participant (DP), who are agents of NSDL and CDSL and lodge your share certificates with your DP for Dematerialisation. The DP will then ensure that the physical share certificates are canceled and after verification by the Company, an equivalent number of shares will be credited to your account with the DP in the electronic form. You are also permitted under the DS to reconvert your electronic shareholding into the physical form of share certificates by a process of Rematerialisation. It may be noted that the DP would charge the investors for its services, which may vary from one DP to another.

It is reiterated that requests for Dematerialisation and Rematerialisation are to be made only to the DP with whom you have opened an account and not directly to the Company.

8. Registrar & Share Transfer Agent :

The Company has entrusted the work of Dematerialisation/Rematerialisation of shares to an outside Registrar, viz. MCS Share Transfer Agent Ltd., Ahmedabad. As per SEBI Circular No. D&CC/FITTC/CIR-15/ 2002, dated 27-12-2002, the Company has assigned all the work related to Share Registry in terms of both physical and electronic to MCS Share Transfer Agent Ltd., Ahmedabad. Hence, all Shareholders are requested to send/deliver the documents/ correspondence including complaints relating to the Company's share transfer/demat/remat activity to MCS Share Transfer Agent Ltd. at 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009. (Phone : 079-26582878, 26584027) (fax : 079-26581296)

9. Share Transfer System :

Presently, share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Share Transfer Committee of the Board meets at regular intervals to approve transfers, issue of duplicate certificates, consolidation and splitting of shares etc.

As required under Clause 47(c) of Listing Agreement with Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary, with regard to, inter alia, effecting transfer, transmission and consolidation within one month of their lodgment. The certificates are forwarded to BSE, where the equity shares are listed.

In terms of SEBI's circular dated 31st December, 2002, a Secretarial Audit is conducted on a quarterly basis by Practicing Company Secretary for the purpose of reconciliation of the total Admitted Equity Share Capital with the

Depositories and in the physical form with the total issued public paid-up Equity Capital of the Company. Certificates issued in this regard are forwarded to BSE, where the Equity Shares are listed.

10. Distribution of Shareholding as on 31st March, 2014 :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of total Shares
Up to 500	1482	92.45	188732	21.88
501 to 1000	56	3.49	43931	5.09
1001 to 2000	23	1.43	33423	3.87
2001 to 3000	7	0.44	16109	1.87
3001 to 4000	6	0.37	21392	2.48
4001 to 5000	4	0.25	18517	2.15
5001 to 10000	11	0.69	74091	8.59
10001 to 50000	11	0.69	225008	26.08
50001 & above	3	0.19	241465	27.99
Total	1603	100.00	862668	100.00

11. Categories of Shareholders as on 31st March, 2014 :

Category of Shareholders	No. of Equity Shares held	% of total shares
<u>A : Promoters and Promoters' Group :</u>		
1 Directors	187294	21.71
2 Directors' relatives	117749	13.64
3 Group Companies	105407	12.22
4 HUFs	25284	2.93
5 NRI	429	0.05
Total (A) :	436163	50.56
<u>B : Public :</u>		
1 Bodies Corporate	16162	1.87
2 NRI	13354	1.55
3 HUF	11119	1.29
4 Residential Individual	385870	44.73
Total (B) :	426505	49.44
Total	862668	100.00

12. Address of Registrar of Companies (ROC), Gujarat :

The Registrar of Companies, Gujarat, ROC Bhavan, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380 013.
(Phone: 079-27438531, 27437597)

13. Consolidation of Folios :

Some of the members might have more than one folio in their individual name or jointly with other person(s) mentioned in the same order. It is desirable to consolidate all similar holdings under one folio. Consolidation helps the members to monitor their holdings effectively. By doing so, it would also enable the Company to avoid unnecessary duplication of effort and related costs. Please write to the Company at the address of Share Dept. given above, requesting in writing, quoting the folio numbers that need to be consolidated and send the relevant Share Certificates.

14. Nomination facility :

The Companies (Amendment) Act, 1999 has provided for a facility of nomination in the Shares of a Company. Your Company has already offered the facility of nomination to the members. Individual Shareholders can avail of the facility of nomination and may submit to the Company the prescribed Form 2B at the Share Dept. of the Company. It is advisable to avail of this facility especially by Shareholders who currently hold Shares in single name.

The Nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the Shares shall vest in the event of the death of the Shareholders. A minor can be a nominee provided the name of the guardian is given in the Nomination Form.

The facility of the nomination is not available to non-individual Shareholders such as Societies, Trusts, Bodies Corporate, Partnership Firms, Kartas of HUF and holders of Powers of Attorney.

In case of any assistance, please contact at the Share Dept. of the Company at B/404, 4th Floor, "Time Square" Building, C.G. Road, Nr. Lal Bungalow Char Rasta, Navrangpura, Ahmedabad - 380 009. Telephone Nos. 079-26407201-09 and Fax No. 30153102



NOTICE

NOTICE is hereby given that the 29th **ANNUAL GENERAL MEETING** of the members of **VADILAL ENTERPRISES LIMITED** will be held on Thursday, the 25th day of September, 2014, at 10.00 a.m., at GICEA, Gajjar Hall, Nirman Bhavan, Opp. Law Garden, Ellisbridge, Ahmedabad – 380006, to transact the following business :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Statement of Profit & Loss for the year ended March 31, 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
- 2) To declare dividend on Equity Shares for the financial year ended on March 31, 2014.
- 3) To appoint a Director in place of Mr. Rajesh R. Gandhi (DIN: 00009879) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
- 4) To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with rules under the Companies (Audit and Auditors) Rules, 2014, M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad (Registration No. 104744W), the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration, apart from re-imbursement of out-of-pocket expenses and applicable taxes.”

SPECIAL BUSINESS :

- 5) To appoint Mr. Jayantilal M. Shah (DIN: 00023673) as an Independent 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 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) and revised Clause – 49 of the Listing Agreement, Mr. Jayantilal M. Shah (DIN: 00023673), Director of the Company whose period of office was liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an Independent Director 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.”

- 6) To appoint Mrs. Niranjana A. Kapadia (DIN: 00667547) as an Independent 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 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), Mrs. Niranjana A. Kapadia (DIN: 00667547), Director of the Company whose period of office was liable to determination by retirement of directors by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an Independent Director 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.”

- 7) To confirm the borrowing limit of the Company 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 in confirmation and supersession of the earlier resolution passed at the 10th Annual General Meeting of the members of the Company held on 30th September, 1995 under Section 293(1)(d) of the Companies Act, 1956 (earlier Act), the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for the purpose) to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the

Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from loans repayable on demand or within 6 months from the date of the loan such as short-term, cash credit arrangement, discounting of bills and the issue of other short term loans of a seasonal character and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 50.00 crores (Rupees Fifty crores)."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid resolution."

- 8) To confirm creation of charge within the borrowing limit of the Company 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 in confirmation and supersession of the earlier resolution passed at the 10th Annual General Meeting of the members of the Company held on 30th September, 1995 under Section 293(1)(a) of the Companies Act, 1956 (earlier Act), the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby granted 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 the purpose) to mortgage/ hypothecate and/or create charge/pledge etc., in addition to the mortgages/ hypothecations/ charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Banks/Financial Institutions/Other Lender(s), Agent(s) and Trustee(s) for securing the borrowings availed/to be availed by the Company and/or any of the Company's holding / subsidiary / affiliate / associate Company, by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly convertible Debentures and/or Non Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013 from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the company in terms of the Loan Agreement(s)/ Other Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s) in respect of the said loans/ borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/Agent(s)/ Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorized to finalise, settle and execute such documents/deeds/ writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion thinks necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

- 9) To alter Articles of Association by inserting new Article relating Inspection and copy of Register & Index of Members and Annual Return 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 the provisions of Section 14, 94 and all other applicable provisions of the Companies Act, 2013 and Rule 14 and 16 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force and as may enacted from time to time), Articles of Association of the Company be and is hereby altered by inserting new Article No. 149-A as under after the existing Article No. 149 of the Articles of Association of the Company :-

149-A : Inspection and copy of Register & Index of Members and Annual Return

Notwithstanding anything contained in other Articles, the Register of Members and Index of Members as mentioned in Section 88 of the Companies Act, 2013 and copies of Annual Returns filed by the Company under Section 92 of the Companies Act, 2013 shall be open for inspection during business hours, at such reasonable time on every working day as the board may decide, by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of fee of Rs. 50/- for each inspection.



Any such member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register or entries therein or return on payment of fee of Rs. 10/- for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

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

- 10) To keep Register and Index of Members at other place 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 the provisions of Section 94 read with Section 88 and 92 and other applicable provisions of the Companies Act, 2013 and Rules made there under, the consent of the members of the Company be and is hereby accorded to keep, maintain and preserve Register of Members and Index of Members of the Company, at the Office of MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company, situated at 101, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009 instead of keeping and maintaining the same at Registered Office of the Company.”

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

- 11) To accept Fixed Deposit from the members 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 the provisions of Section 73 and all other applicable provisions of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 as may be amended from time to time and clarifications/guidelines issued by the Central Government, consent of the members be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the members within limits prescribed in the Act and overall borrowing limits of the Company, as approved by the members from time to time and the draft of the Circular for inviting / accepting Deposits from the Members and the terms and conditions contained therein and as given in the Explanatory Statement annexed hereto, be and the same is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorised to amend the terms and conditions of the said scheme as and when required and to sign and execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

**By Order of the Board
For VADILAL ENTERPRISES LIMITED**

**RAJESH R. GANDHI
Chairman**

Registered Office :

A/801, 8th Floor, “Time Square” Building,
C. G. Road, Nr. Lal Bungalow Char Rasta,
Navrangpura, Ahmedabad - 380 009.

CIN : L51100GJ1985PLC007995

Email : sharelogs@vadilalgroup.com

Website : www.vadilalgroup.com

Phone : 079 30153184

Dated : 14th August, 2014.

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 and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office/ Share Department of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 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 shareholder.

- 2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

- 3) A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4) 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.
- 5) (a) The Company has notified closure of Register of Members and Share Transfer Books from 13th September, 2014 to 25th September, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- (b) Dividend of Re. 0.80/- per share (@ 8.00%) on Equity Shares for the year ended on 31st March, 2014 as recommended by the Board, if declared at the meeting, will be paid without deduction of tax at source:
 - # to those members, whose names appear on the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/Share Transfer Agent on or before 12th September, 2014, or
 - # in respect of shares held in electronic form, to those "Beneficial Owners" whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL as at the end of business hours on 12th September, 2014.

6) Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote through e-voting services provided by NSDL and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The process and manner of e-voting is being sent to all the members whose e-mail ids are registered with the Company/Depository Participant /Share Transfer Agent for communication purpose through electronic mode. For members who have not registered their e-mail ids as above, the process and manner of e-voting is provided in a separate sheet as enclosed alongwith this Annual Report / e-mail separately.

- 7) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agent, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
 - 8) **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.**
 - 9) Pursuant to Section 205A of the Companies Act, 1956, the Company has already transferred all unclaimed dividends declared upto the financial year ended on 31st March, 1994 (18 months) to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those Shareholders who have so far not claimed or collected their dividend upto the aforesaid financial year may claim their dividend by an application in Form II of the aforesaid Rules to the Registrar of Companies, Gujarat at ROC Bhavan, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380 013.
- However, pursuant to Section 205A of the Act as amended by the Companies (Amendment) Act, 1999 (1st Amendment), which came into effect from 31-10-1998, the Company has already transferred unclaimed dividend declared for the financial year ended on 31st March, 1995, 31st March, 1996, 31st March, 1997 (Interim & Final Dividend) and 30th September, 1998 (18 months) to the Investor Education and Protection Fund (IEPF) established by the Government under Section 205C(1) of the Act.
- The amount of dividend for the financial year ended on 31st March, 2007, 31st March, 2008, 31st March, 2009, 31st March, 2010, 31st March, 2011, 31st March, 2012 and 31st March, 2013 remaining unpaid or unclaimed for a period of 7 years is due for transfer to the Investor Education and Protection Fund on 3rd November, 2014, 3rd November, 2015, 31st October, 2016, 4th November, 2017, 1st November, 2018, 3rd November, 2019 and 26th October, 2020 respectively. Members, who have so far not encashed their dividend warrants for the said financial years, are requested to approach the Company for revalidation or duplicate dividend warrants. Thereafter, no claims shall lie against the said Fund or the Company for the amount of dividend so transferred nor shall any payment be made in respect of such claims.
- 10) Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
 - 11) Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Share



Transfer Agent, in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.

- 12) Relevant documents referred to in the accompanying Notice are open for inspection for the members at the Share Department of the Company on all working days, except Saturdays, during normal business hours, upto the date of this Annual General Meeting.
- 13) Members are requested to bring their copy of Annual Report to the meeting, as the copies of Annual Report will not be distributed at the meeting.
- 14) Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company at its **Share Department**, at least 10 days before the date of the meeting.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Mr. Jayantilal M. Shah is an Independent Director of the Company and has held the position as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Mr. Jayantilal M. Shah as Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a term of 5 (five) consecutive years upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.

Mr. Jayantilal M. 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.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Jayantilal M. Shah for the office of Director of the Company.

The Company has also received declaration from Mr. Jayantilal M. Shah that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Jayantilal M. Shah fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement. Mr. Jayantilal M. Shah is independent of the management.

Copy of the draft letter for appointment of Mr. Jayantilal M. Shah as Independent Director setting out the terms and conditions is available for inspection by members at the Share Department of the Company.

Mr. Jayantilal M. Shah is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointments.

The relatives of Mr. Jayantilal M. Shah may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6

Mrs. Niranjana A. Kapadia is an Independent Director of the Company and has held the position as such for less than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Mrs. Niranjana A. Kapadia as an Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a term of 5 (five) consecutive years upto the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019..

Mrs. Niranjana A. Kapadia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Niranjana A. Kapadia for the office of a Director of the Company.

The Company has also received declaration from Mrs. Niranjana A. Kapadia that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.