

47th

**ANNUAL
REPORT
2018-2019**



Welcast Steels Limited



WELCAST STEELS LIMITED

BOARD OF DIRECTORS

Mr. Vinod Narain – Chairman, Non – Executive & Non - Independent
Mr. D. P. Dhanuka - Independent
Mr. Bhadresh K. Shah - Non – Executive & Non - Independent
Mr. Pradip R. Shah - Independent
Mr. Rajendra S. Shah - Independent
Mr. Sanjay S. Majmudar - Independent
Mr. Ashok A. Nichani - Independent
Mrs. Khushali S. Solanki - Non – Executive & Non - Independent

KEY MANAGERIAL PERSONNEL

Mr. Mohana Rao VVR, CEO
Mr. Yash Raj, CFO
Mr. S. N. Jetheliya, Company Secretary

AUDITORS

M/s. Ganapath Raj & Co.,
Chartered Accountants
No.387 (71), 42nd Cross,
Jayanagar, 8th Block,
Bengaluru - 560 070

BANKERS

Canara Bank, Bengaluru
State Bank of India, Bengaluru
Citi Bank, Ahmedabad

REGISTERED OFFICE

115-116, G.V.M.M. Estate,
Odhav Road, Odhav,
Ahmedabad -382 415
Gujarat
Phone: 079-22901078
CIN: L27104GJ1972PLC085827
E-mail: info@welcaststeels.com
Web: www.welcaststeels.com

WORKS

Plot No. 15, Phase - 1
Peenya Industrial Area,
Bengaluru - 560 058
Phone: 8722803333, 8722802333
Landline: 080 - 28394058 / 59
E-mail: info@welcaststeels.com
Web: www.welcaststeels.com

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.,
1st Floor, Bharat Tin Works Building,
Opp: Vasant Oasis.
Makwana Road, Marol,
Andheri (E), Mumbai- 400 059.
Phone: 022 – 62638200, Fax: 022 - 62638299
E-mail: info@bigshareonline.com

**47TH ANNUAL GENERAL MEETING**

Date	8th August, 2019
Day	Thursday
Time	10.30 A.M.
Place	A 203, "ELANZA CREST", Near Sigma Corporates, Off. S. G. Highway, Sindhu Bhavan Road, Bodakdev, Ahmedabad 380 054
Book Closure - (Dates)	02.08.2019 to 08.08.2019 (Both days inclusive)

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NOTICE

NOTICE is hereby given that the Forty-Seventh Annual General Meeting of the members of Welcast Steels Limited will be held on Thursday, the 8th day of August, 2019 at 10.30 A.M. at **A 203, "ELANZA CREST", Near Sigma Corporates, Off. S. G. Highway, Sindhu Bhavan Road, Bodakdev, Ahmedabad 380 054**, to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2019 and the Statement of Profit and Loss for the year ended on that date and Reports of the Board of Directors' and Auditors' thereon.
- (2) To declare dividend on Equity Shares for the financial year 2018-19.
- (3) To appoint a Director in place of Mr. Bhadrash K. Shah (DIN 00058177), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- (4) 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 all other applicable provisions of the Companies Act, 2013 and the Companies [Audit and Auditors] Rules, 2014 [including any statutory modification (s) or re-enactment (s) thereof for the time being in force], the consent of the Members be and is hereby accorded to ratify the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand) as decided by the Board of Directors on the recommendations of the Audit Committee, payable to M/s. Kiran J. Mehta & Co., Cost Accountant in Practice, Ahmedabad appointed by the Board to conduct the audit of cost records of the Company for the Financial Year ending on 31st March 2020".

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

- (5) To approve material related party transaction and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations") the approval of the members be and is hereby accorded to the material related party transactions entered/to be entered into and carried out in the ordinary course of business and at arm's length price with AIA Engineering Limited (AIA), a Holding Company and Related Party as per Indian Accounting Standard (Ind AS) 24, for the sale of goods during the period from 1st April, 2019 to 31st March, 2020 for an aggregate amount, which may exceed the threshold limit of 10 percent of annual turnover of the Company for the financial year 2018-19 on the terms and conditions as mentioned in the Contract Manufacturing Agreement entered into by the Company with AIA on 1st January, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

- (6) To re-appoint Mr. Rajendra S. Shah as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, 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 Regulations 17(1A), 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations") (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Rajendra S. Shah (DIN: 00061922), who was appointed as an Independent Director for first term of five (5) consecutive years from 10.09.2014 to 09.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 10th September, 2019."

- (7) To re-appoint Mr. Sanjay S. Majmudar as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, 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 Regulations 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations") (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Sanjay S. Majmudar (DIN: 00091305), who was appointed as an Independent Director for first term of five (5) consecutive years from 10.09.2014 to 09.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 10th September, 2019."



NOTICE

- (8) To re-appoint Mr. Debi Prasad Dhanuka as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, 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 Regulations 17(1A), 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Debi Prasad Dhanuka (DIN: 00168198), who was appointed as an Independent Director for first term of five (5) consecutive years from 10.09.2014 to 09.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 10th September, 2019.”

- (9) To re-appoint Mr. Pradip R. Shah as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, 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 Regulations 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Pradip R. Shah (DIN: 00293396), who was appointed as an Independent Director for first term of five (5) consecutive years from 10.09.2014 to 09.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 10th September, 2019.”

- (10) To re-appoint Mr. Ashok A. Nichani as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, 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 Regulations 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI LODR Regulations”) (including any statutory modification (s) or re-enactment thereof, for the time being in force), Mr. Ashok A. Nichani (DIN: 02249844), who was appointed as an Independent Director for first term of five (5) consecutive years from 10.09.2014 to 09.09.2019 and being eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years from 10th September, 2019.”

By order of the Board of Directors

Place : Bengaluru
Date : 22.05.2019

S. N. Jetheliya
Company Secretary
ACS :5343

NOTES

1. The Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, which set out details relating to Special Businesses to be transacted at the meeting, are annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll only instead of himself / herself and a proxy need not be a member. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. The instrument of proxy in order to be effective must be received 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 annexed herewith. Proxy Form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable, authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 02.08.2019 to 08.08.2019 (both days inclusive) for annual closing and determining the entitlement of member to the dividend for the financial year 2018-19.
4. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of the Meeting Hall.
5. A Dividend of ₹ 2.50 per share (25%) has been recommended by the Board of Directors for the year ended 31st March, 2019, subject to the approval of the Members at the ensuing Annual General Meeting, the dividend is proposed to be paid on or before 5th September, 2019.



NOTICE

6. 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 or Registrar & Share Transfer Agent.
7. In compliance with the circular of Ministry of Corporate Affairs for a "Green Initiative in the Corporate Governance" by allowing / permitting service of documents etc. in electronic form, electronic copy of the Annual Report of 2018-19 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report of 2018-19 are being sent in the permitted mode.
8. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sunday and other public holidays, up to and including the date of the Annual General Meeting of the Company.

The Company proposes to send documents, such as the Notice of the Annual General Meeting and Annual Report to the Members in Electronic Form at the e-mail address provided by them and made available to the Company by the Depositories from time to time. In case you wish to receive the above documents in physical form, you are requested to please inform us to the E-mail ID. invest_grievance@welcaststeels.com Please quote Name, your Demat Account No. [DP ID No. and Client ID No.].

9. The Ministry of Corporate Affairs has notified provisions relating to unpaid/unclaimed dividend under Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. Those members who have so far not encashed their dividend warrants for the under mentioned Financial Years, may claim or approach the Company for the payment thereof as the same will be transferred to the Investors' Education and Protection Fund (IEPF) of the Central Government, pursuant to Section 125 of the Companies Act, 2013. Members are requested to note that after such dates, they will lose their rights to claim such dividend from the Company. The new IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the IEPF Authority.

Sr. No.	Financial Year	Due date of Transfer to IEPF
1	2011-12	24.08.2019
2	2012-13	15.09.2020
3	2013-14	16.10.2021
4	2014-15	27.10.2022
5	2015-16	Dividend not declared
6	2016-17	20.09.2024
7	2017-18	07.09.2015

10. In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The Company is required to transfer all unclaimed shares to the IEPF Authority in accordance with the IEPF Rules.

11. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Ltd (CDSL) to facilitate e-voting.

- (i) Mr. Tushar M. Vora, Practicing Company Secretary [Membership No. FCS 3459, (COP No. 1745)] has been appointed as the Scrutinizer to Scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (ii) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (iii) Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Paper shall be treated as invalid.



NOTICE

- (iv) The voting rights of members shall be in proportion to their Shares in the paid up Equity Share capital of the Company as on cutoff date i.e. Thursday, 1st August 2019. A person, whose names is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
- (v) Any person, who acquires Shares of the Company and becomes a member of the Company after dispatch of the Notice and holding Shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.

The detailed process, instructions and manner of e-voting facility is annexed to the Notice.

12. Re-appointment of Director:

Mr. Bhadresh K. Shah (DIN 00058177), Non-Executive and Non-Independent Director of the Company retires by rotation at this 47th Annual General Meeting of the Members of the Company and being eligible, has offered himself for re-appointment.

Mr. Rajendra S. Shah, Director, Mr. Sanjay S. Majmudar, Director, Mr. Debi Prasad Dhanuka, Director, Mr. Pradip R. Shah, Director and Mr. Ashok Nichani, Director are being re-appointed as Independent Directors for second term for consecutive five years w.e.f. 10th September, 2019.

Pursuant to the requirements under SEBI LODR Regulations relating to Corporate Governance, a statement containing brief resume of the above Director together with the details of Shares held by him, if any, is annexed hereto.

REQUEST TO THE MEMBERS

1. Members desiring to have any relevant information on the Accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance at its Registered Office, so as to enable the Company to keep the information ready.
2. Members are requested to bring their copy of the Annual Report to the Meeting.



NOTICE

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO SPECIAL BUSINESSES MENTIONED IN THE ACCOMPANYING NOTICE:

ITEM NO. 4: The Board of Directors on the recommendations of the Audit Committee, appointed M/s. Kiran J. Mehta, & Co., (FRN 000025) Practicing Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of Cost records of the Company for the Financial Year 2019-2020 and fixed remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand) plus applicable tax and out of pocket expenses.

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of Cost records of the Company for the Financial Year 2019-20.

None of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned with the resolution. The Board recommends passing of the said resolution as an Ordinary Resolution for the approval of members of the Company.

ITEM NO. 5: AIA Engineering Limited (AIA), Ahmedabad presently holding 74.85% of the shares in the share capital of Welcast Steels Limited (WSL). Therefore AIA is a holding Company of WSL and is a Related Party as per definition under Section 2 (76) of the Companies Act, 2013 and Regulation 23 of SEBI LODR Regulations.

The provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time exempts any transactions entered into by a Company with its related party in its Ordinary Course of Business which is at Arm's Length price, from the requirement of prior approval of the Members by way of Ordinary Resolution.

Transaction to be entered into/carried out with AIA are of sale and purchase of goods. Omnibus approval of the Audit Committee has been obtained at its meeting held on 4th February, 2019.

Mr. Bhadresh K. Shah, Mr. Rajendra S. Shah, Mr. Sanjay S. Majmudar and Mrs. Khushali S. Solanki, all being Directors in AIA Engineering Limited and Mr. S. N. Jetheliya, Company Secretary who is also a Company Secretary of AIA are related to AIA.

The transactions of WSL with AIA for the financial year 2019-20 is likely to exceed 10% of consolidated annual turnover as per the Audited Annual Accounts of WSL for the financial year 2018-19. The gross annual turnover of WSL for the financial year 2018-19 as per the audited financial statements is ₹ 26,961.65 lakhs. For the financial year 2019-20 the transaction of WSL with AIA is likely to exceed this limit of 10 % of the gross annual turnover of WSL for the financial year 2018-19. The approval of the members for the transaction proposed to be entered into and carried out with AIA during the financial year 2019-20, in ordinary course of business and at arm's length price, is being sought by way of abundant caution and as a proactive measure.

Further, Regulation 23 of SEBI Listing Regulations (as amended w.e.f. 01.04.2019) requires that the entities/persons falling under the definition of related party shall not vote to approve the relevant transaction irrespective of whether the entity/person is a party to the transaction or not. Accordingly, AIA being the promoter of WSL holding 74.85% of the paid-up capital shall not vote in favour of this resolution of the notice.

The Board recommends the Ordinary Resolution set out at item No.5 for the approval of the Members of the Company.

ITEM NO. 6: Mr. Rajendra S. Shah (DIN:00061922) was appointed as Non-Executive Independent Director by the members of the Company in their Forty Second Annual General Meeting of the Company held on 10th September, 2014 for a term of five consecutive years with effect from 10th September, 2014 to 9th September, 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Rajendra S. Shah as an Independent Director for a second term of five (5) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Rajendra S. Shah would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Rajendra S. Shah as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years on the Board of the Company.

Mr. Rajendra S. Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act") and has given his consent to act as a Director.

The Company has also received a declaration from Mr. Rajendra S. Shah that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16 of SEBI LODR Regulations. Mr. Rajendra S. Shah is independent of the management.

As per Regulation 17(1A) SEBI LODR Regulations, no listed Company shall appoint or continue the directorship of any person effective from 01.04.2019 as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. During his second tenure as an Independent Director, Mr. Rajendra S. Shah will attain the age of seventy five years, it is required to obtain approval of shareholders by passing a special resolution.

On passing of this Special Resolution, the same shall also be treated as the Special Resolution passed under Regulation 17 (1A) of SEBI LODR Regulations.



NOTICE

Relevant details as stipulated under Regulation 26(4) and 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of Mr. Rajendra S. Shah are annexed to the Notice.

Copy of the draft letter of appointment of Mr. Rajendra S. Shah setting out the terms and conditions of appointment is available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on working days upto the date of AGM.

Mr. Rajendra S. Shah does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

Mr. Rajendra S. Shah is interested in the Resolution set out at Item No. 6 of the Notice with regard to his reappointment. Relatives of Mr. Rajendra S. Shah may be deemed to be interested in the resolution 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 the resolution.

This explanatory statement may also be regarded as a disclosure under the Act and as per SEBI LODR Regulations. The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

ITEM NO. 7

Mr. Sanjay S. Majmudar (DIN:00091305) was appointed as Non-Executive Independent Director by the members of the Company in their Forty Second Annual General Meeting of the Company held on 10th September, 2014 for a term of five consecutive years with effect from 10th September, 2014 to 9th September, 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Sanjay S. Majmudar as an Independent Director for a second term of five (5) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Sanjay S. Majmudar would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Sanjay S. Majmudar as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years on the Board of the Company.

Mr. Sanjay S. Majmudar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act") and has given his consent to act as a Director.

The Company has also received a declaration from Mr. Sanjay S. Majmudar that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulations 16 of SEBI LODR Regulations.

In the opinion of the Board, Mr. Sanjay S. Majmudar possesses rich experience and expertise relevant to the Company and fulfills the conditions for re-appointment as an Independent Director as specified in the Act and the SEBI LODR Regulations. Mr. Sanjay S. Majmudar is independent of the management.

Relevant details as stipulated under Regulation 26(4) and 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of Mr. Sanjay S. Majmudar are annexed to the Notice. Copy of the draft letter of appointment of Mr. Sanjay S. Majmudar setting out the terms and conditions of appointment is available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on working days upto the date of AGM.

Mr. Sanjay S. Majmudar does not hold by himself or together with his relatives two percent or more of the total voting power of the Company.

Mr. Sanjay S. Majmudar is interested in the Resolution set out at Item No. 7 of the Notice with regard to his reappointment. Relatives of Mr. Sanjay S. Majmudar may be deemed to be interested in the resolution 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 the resolution.

This explanatory statement may also be regarded as a disclosure under the Act and as per SEBI LODR Regulations. The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

ITEM NO. 8

Mr. Debi Prasad Dhanuka (DIN:00168198) was appointed as Non-Executive Independent Director by the members of the Company in their Forty Second Annual General Meeting of the Company held on 10th September, 2014 for a term of five consecutive years with effect from 10th September, 2014 to 9th September, 2019.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Debi Prasad Dhanuka as an Independent Director for a second term of five (5) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and rich experience and valuable contribution made by him during his tenure, the continued association of Mr. Debi Prasad Dhanuka would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Debi Prasad Dhanuka as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years on the Board of the Company.