

## NOTICE

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of Tirupati Starch and Chemicals Limited will be held on Thursday, the 29<sup>th</sup> day of September, 2016 at Registered Office of the Company at First Floor, "Shreeram Chambers", 12, Agrawal Nagar, Indore - 452 001, M. P., at 01:00 P. M.

Also, as per Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the company is pleased to provide its members the facility to cast their vote by electronic means, i.e. E-voting, on all resolutions set forth in the Notice. E-Voting is optional.

The 30<sup>th</sup> Annual General Meeting of the Members of Company will be held to transact the following business:

### **AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2016 and the Reports of the Board and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash Bafna (DIN: 00107070) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ramesh Goyal (DIN: 00293615) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify appointment of M/s. A. P. G. and Associates as Statutory Auditors of the Company and authority to Board to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee, and pursuant to the resolution passed by the members at the AGM held on 30<sup>th</sup> September, 2015, the appointment of A. P. G. and Associates, Chartered Accountants, Indore (Firm Registration Number 119598W) as the auditors of the Company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017, as may be determined by the audit committee in consultation with the auditors, and as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors."

### **AS SPECIAL BUSINESS:**

5. **Adoption of Articles of Association as per The Companies Act, 2013 :**

Adoption of Articles of Association as per The Companies Act, 2013 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 section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Articles of Association of the Company be and is hereby substituted by a new set of Articles of Association of the company, a draft of which has been initiated by the Chairman and made available for inspection by the shareholders at the registered office of the Company, be and is hereby approved and adopted as the Articles of Association by the company in substitution for and to the entire exclusion of all the articles contained in the existing Articles of Association;

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

**6. Appointment of Mr. Ramesh Agrawal (DIN-07599354) as Independent Director of the Company:**

Appointment of Mr. Ramesh Agrawal (DIN-07599354) as 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, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Ramesh Agrawal (DIN-07599354), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Non-Executive, Non-Promoter, Independent Director of the Company, with effect from 01<sup>st</sup> October, 2016 up to 30<sup>th</sup> September, 2021”

**7. Issue and allot 7,50,000 (Seven Lacs Fifty Thousand Only) 0% Redeemable Preference Shares on Preferential Basis:**

Issue and allot 7,50,000 (Seven Lacs Fifty Thousand Only) 0% Redeemable Preference Shares on Preferential Basis and in this regard, to consider and if thought fit, to pass with or without modification(s) the following Resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to Sections 42, 55 and 62 of the Companies Act, 2013 (“the Act”), Rule 9 of Chapter IV, Companies (Share Capital and Debentures) Rule, 2014 made there under, (“the Rules”), all other applicable provisions, if any, of the Act and the Rules, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 2013, as amended and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by

the Board of Directors of the company and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to Board, to create, offer, issue and allot from time to time, in one or more tranches, on preferential basis, 7,50,000 (Seven Lacs Fifty Thousand Only) Non-Convertible, Non-Cumulative, Redeemable within 20 years from the date of allotment thereof and shall carry 0% dividend on such shares Preference Shares of Rs. 15/- (including premium of Rs. 5/- per share) each to promoter/existing shareholders, other than their existing ratio;

**RESOLVED FURTHER THAT** the preference shares allotted in terms of this resolution shall rank pari passu in all respects with the existing preference shares of the Company, and not intended for listing at any stock exchange;

**RESOLVED FURTHER THAT** in accordance with provisions of Section 43 of the Act, the Non-Convertible, non cumulative and Redeemable within 20 years from the date of allotment thereof and shall carry 0% Dividend on such Preference Shares shall be non- participating in surplus asset or profit or fund, carry a preferential right, vis-à-vis Equity Shares of the Company with respect to repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, or Executive Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

**For and on Behalf of the Board**

**Place: Indore**  
**Date: 02.09.2016**

**Ramdas Goyal**  
**Chairman and Managing Director**  
**DIN: 00150037**

## NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“ Act”) in respect of the special business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. 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 a Member.
3. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.
4. The register of members and transfer books of the Company shall remain closed from <<20<sup>th</sup> day of September, 2016>> to <<29<sup>th</sup> day of September, 2016>> (both days inclusive) for the purpose of Annual General Meeting.
5. Any query relating to accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company’s Registered Office at least seven days before the date of the Meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.
7. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
8. Members may also note that Notice calling AGM will be available on Company’s website viz., [www.tirupatistarch.com](http://www.tirupatistarch.com).
9. Members who are holding Company’s shares in dematerialized form are required to bring details of their Depository Account Number for identification.
10. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are

requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.

11. 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.
12. Members / Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to inform company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Ankit Consultancy Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015, the Company is pleased to provide members the facility to exercise their right to vote through remote e-voting in respect of the resolution proposed to be passed at the Annual General Meeting (AGM) by using the electronic voting facility provided by Central Depository Services Limited (CDSL).
16. Mr. Pratik Tripathi (FCS 5812), Partner of P. S. Tripathi and Associates, Practicing Company Secretaries shall act as Scrutinizer for conducting the E-voting process in a fair and transparent manner.
17. The voting rights of Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.

### Shareholder Instructions for E-voting:-

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on <<26<sup>th</sup> September, 2016> at <<09:00 A.M.>> and ends on <<28<sup>th</sup> September, 2016>> at <<05:00 P.M.>> During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <<22<sup>nd</sup> September, 2016>>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.  In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

Details <b>OR</b> Date of Birth (DOB)	If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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**NOTE: Please keep the sequence no. in safe custody for future e voting.**

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for “ Tirupati Starch and Chemicals Limited “.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone users can download the app from the App Store and the Windows Phone Store

respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) Mr. Pratik Tripathi (FCS 5812), Partner of P. S. Tripathi and Associates, Practicing Company Secretaries , having his office at 306, Manas Bhawan Extn., 11, R. N. T. Marg, Indore – 452 001, M. P., has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

- (A) The facility to exercise the right of voting through ballot paper shall also be made available at the meeting for the members attending the meeting who have not already cast their vote by remote e-voting.
- (B) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (C) A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date (record date) of <<22<sup>nd</sup> September, 2016>>, only shall be entitled to avail the facility of remote e-voting as well as voting in the meeting.
- (D) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as on the cut-off date i.e. <<22<sup>nd</sup> September, 2016>> should follow the instructions for E-voting as mentioned for **FIRST TIME USER**. In case of any queries, the shareholder may also contact the Registrar & Transfer Agent viz. M/s. Ankit Consultancy Private Limited.
- (E) The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not



later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.

- (F) The Results so declared, along with the Scrutinizer's Report, shall be placed on the Company's website viz. [www.tirupatistarch.com](http://www.tirupatistarch.com) and on the website of CDSL. The results shall also be forwarded to Stock Exchanges
- (G) Electronic copy of the Notice along with the Explanatory Statement is being sent to all the members whose email ID's are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice along with the Explanatory Statement is being sent in the permitted mode.
- (H) Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of their electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrar & Transfer Agents, M/s. Ankit Consultancy Private Limited by sending an e-mail to [ankit\\_4321@yahoo.com](mailto:ankit_4321@yahoo.com) along with details like Name, Folio No. etc.
- (I) In case you have any queries or issues regarding e-voting, you may contact the person mentioned below:  
Name: Ms. Chandani Saruparia  
Designation: Company Secretary  
Address: First Floor, "Shreeram Chambers", 12, Agrawal Nagar, Indore - 452 001, M. P.  
E-mail id: [tirupati@tirupatistarch.com](mailto:tirupati@tirupatistarch.com)  
Phone Number: 0731-2405001, 002,003
- (J) A route guide map of the Annual General Meeting venue is given in the last page of this Annual Report.

**For and on Behalf of the Board**

**Place: Indore**  
**Date: 02.09.2016**

**Ramdas Goyal**  
**DIN: 00150037**  
**Chairman and Managing Director**

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

### Item No. 5

The articles of association of a company are its by-laws or rules and regulations which govern the management of its internal affairs and the conduct of its business. They are framed with the object of carrying out the aims and objects as set out in the Memorandum of Association. According to Section 2(5) of the Companies Act, 2013 'articles' means the articles of association of a company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of the present Act, i.e. the Companies Act 2013. The Articles regulate the internal management of the company.

Therefore, for executing regulations as per the Companies Act, 2013, the company approves and adopts the Articles of Association as per the Companies Act, 2013 in substitution of the existing Articles of Association which is as per the Companies Act, 1956.

None of the Directors and Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution.

The Board of Directors recommends the said resolutions for your approval.

### Item No. 6

Pursuant to the provisions of Section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation. Hence, Mr. Ramesh Agrawal (DIN: 07599354) is proposed to be appointed as non executive, non promoter, Independent Director for a period as mentioned in the respective resolution from the conclusion of this Annual General Meeting.

Mr. Ramesh Agrawal (DIN: 07599354) has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In the opinion of the Board, Mr. Ramesh Agrawal fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management. Mr. Ramesh Agrawal is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director.

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 Mr. Ramesh Agrawal for the office of Independent Director of the Company. In compliance with the provisions of Section 149 of the Act read with Schedule IV of the Act, the appointment of Mr. Mr. Ramesh Agrawal as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. Brief resume and other details of the Independent Director whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

Mr Ramesh Agrawal is deemed to be interested in the resolution set out respectively at Item No. 6 of the Notice with regard to its respective appointments.

Other than above, none of the Directors and Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution.

The Board of Directors recommends the said resolutions for your approval.

#### **For Item No. 7**

The Company is pursuing several growth opportunities in its existing scale of business. Your company is trying to maximize the shareholders value by accelerating the growth in pace with the opportunities. To augment the long term resources of the company and in order to meet the growth opportunities your board intends to mobilize funds through issue of shares to persons by way of preferential allotment of Preference shares. The terms and conditions are detailed in the draft resolution set out in the Notice and Explanatory Statement. The 7,50,000 (Seven Lacs Fifty Thousand Only) 0% Non-convertible, Redeemable Preference Shares proposed to be issued to persons/promoters of the Company on preferential basis. Disclosures required to be given in the explanatory statement to the Notice of the General Meeting, in terms of provisions of Rule 9 of Chapter IV, Companies (Share Capital and Debentures) Rule, 2014 as in force on the date of notice, are as under:

**The details of the issue and other particulars as required in terms of the rules are given as under:**

- (i) The Size of Issue:** 7,50,000 (Seven Lacs Fifty Thousand Only) Preference Shares of Rs. 15/- (including premium of Rs. 5/- per share) each aggregating to Rs. 1,12,50,000/- ( Rupees One Crores Twelve Lacs Fifty Thousand Only).
- (ii) Nature of such Shares:** Non - Cumulative, non - participating, non - convertible, redeemable Preference Shares carrying 0% dividend rate. Redeemable within 20 years from the date of allotment thereof. Preference Shares shall be non- participating in surplus asset or profit or fund, carry a preferential right, vis-à-vis Equity Shares of the Company with respect to repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Act.
- (iii) Object of the Issue:** Object of this issue is to raise fund for working capital requirement, repayment of debts, and to fulfill other capital expenditure requirements.

- (iv) **Manner of the Issue/Securities to be issued:** The resolution set out in the accompanying Notice is an enabling resolution, entitling the Board to issue and allot preference shares on preferential basis entitling to apply for preference shares as may be deemed appropriate in the best interest of the Company in one or more tranches.
- (v) **Pricing of the Preference Shares:** Each preference share of Rs. 15/- (including premium of Rs. 5/- per share) shall be allotted.
- (vi) **Basis on which the price has been arrived:** Shares are being issued at Rs. 15/- (including premium of Rs. 5/- per share). Price has been determined on the basis of valuation report given by valuer M/s. A. P. G. and Associates, Chartered Accountants, Indore having ICAI Firm Registration Number: 119598W.
- (vii) **Terms of Issue/redemption:** The terms of issue and redemption within 20 year from the date of allotment and at value as may be determined at time by the Board of Directors at the time of redemption.
- (viii) **Relevant Date:** In case of preferential issue of preference shares relevant date is **30<sup>th</sup> August, 2016.**
- (ix) **The class or classes of persons to whom the allotment is proposed to be made:** Allotment is being made to existing shareholders of the Company belonging to promoter/promoter group.
- (x) **Particulars of Subscribers and Intention proposal of Promoters / directors / Key Managerial Persons to Subscribe the Offer:** Following promoters are interested to subscribe the issue (**For Preference Shares only**):-

Sr. No.	Name of Proposed Subscriber/allotees	Category	No. of shares offered	Present Shareholding	No. of shares after Preferential allotment	Percentage of Post Preferential offer preference share capital
1.	Ms. Chanda Modi	Promoter	1,50,000	3,00,000	4,50,000	20.00
2	Mr. Lokesh Goyal	Promoter	1,50,000	0	1,50,000	6.67
3.	Mr. Yogesh Agrawal	Promoter	1,50,000	3,00,000	4,50,000	20.00
4	Mr. Prakash Bafna	Promoter and Director	1,00,000	2,00,000	3,00,000	13.33
5	Mr. Sanndip Goyal	Promoter	1,00,000	0	1,00,000	4.44
6.	Ms. Shashikala Mangal	Promoter and Director	50,000	1,00,000	1,50,000	6.67
7	Mr. Rajesh Mangal	Promoter	50,000	1,00,000	1,50,000	6.67
<b>TOTAL</b>			<b>7,50,000</b>	<b>10,00,000</b>	<b>17,50,000</b>	<b>77.78</b>

- (xi) **Completion of Allotment:** The allotment of the Preference Shares shall be made within 60 days of receipt of application money and this resolution is valid for 12 months from the date of passing of special resolution.
- (xii) **The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them: (For Preference Shares only)**

Sr. No.	Name of Proposed Subscriber/ allottees	Category	No. of shares offered	No. of shares after Preferential allotment	Percentage of Post Preferential offer preference share capital
1.	Ms. Chanda Modi	Promoter	1,50,000	4,50,000	20.00
2	Mr. Lokesh Goyal	Promoter	1,50,000	1,50,000	6.67
3.	Mr. Yogesh Agrawal	Promoter	1,50,000	4,50,000	20.00
4	Mr. Prakash Bafna	Promoter and Director	1,00,000	3,00,000	13.33
5	Mr. Sanndip Goyal	Promoter	1,00,000	1,00,000	4.44
6.	Ms. Shashikala Mangal	Promoter and Director	50,000	1,50,000	6.67
7	Mr. Rajesh Mangal	Promoter	50,000	1,50,000	6.67
<b>TOTAL</b>			<b>7,50,000</b>	<b>17,50,000</b>	<b>77.78</b>

- (xiii) **Expected Dilution in Equity Share Capital/Change in Control:** As preference shares are not convertible in equity shares hence, no change in control, in the company will occur due this preferential allotment.
- (xiv) **The number of persons to whom allotments on preferential basis have already been made during the year, in terms of number of securities as well as price:** No allotment has been made during the year.
- (xv) **Shareholding Pattern:** The Shareholding pattern giving present position as also considering full allotment of shares arising out of securities issued as above is given as below:

**Shareholding Pattern (Preference Shares)**

S. No	Category	Pre - issue		Post Issue	
		No. of Preference Shares	Percentage (%)	No. of Preference shares	Percentage (%)
(A)	Promoters Holding				

<b>0</b>	<b>1.Indian</b>				
	<b>Individual</b>	15,00,000	100	22,50,000	100
	<b>Body Corporate</b>	-	-	-	-
	<b>Sub Total</b>	15,00,000	100	22,50,000	100
<b>2</b>	<b>Foreign Promoter</b>				
	<b>Sub Total (A)</b>	15,00,000	100	22,50,000	100
<b>(B)</b>	<b>Non- Promoter Holding:</b>				
<b>1</b>	<b>Individual</b>	-	-	-	-
<b>2</b>	<b>Institutional Investors</b>				
	<b>a)Mutual Funds &amp; UTI</b>	-	-	-	-
	<b>b)Banks, FI, FIIs,</b>				
<b>3</b>	<b>Non- Institutional</b>	-	-	-	-
<b>4</b>	<b>Private Corporate Bodies</b>	-	-	-	-
<b>5</b>	<b>Directors and Relative</b>	-	-	-	-
<b>6</b>	<b>Indian Public</b>	-	-	-	-
<b>7</b>	<b>Other including NRI'S</b>	-	-	-	-
	<b>Sub Total (B)</b>	-	-	-	-
	<b>GRAND TOTAL</b>	<b>15,00,000</b>	<b>100</b>	<b>22,50,000</b>	<b>100</b>

- (xiii) **Lock-in:** The preference shares issued under the above Preferential Issue shall not be intended for listing at any stock exchange(s) and do not require lock-in requirement.
- (xiv) **Terms of Redemption:** Preference shares so issued pursuant to this resolution shall be redeemable within 20 years from the date of issue.
- (xv) **Auditors Certificate:** Auditors certificate as required in terms of rules will be available for inspection from 21 days prior to the date of this meeting at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day excluding Saturday, Sunday and Public Holiday and shall be placed at the meeting.
- (xvi) Board has not issued or allotted any preference shares pursuant to special resolution passed in last AGM held on 30.09.2015 and the said resolution was also having validity of 12 months from the date of passing and that is also about to expire, therefore a fresh authorization for the purpose is being seek by way of this resolution from the members.
- (xvii) Mr. Prakash Bafna, and Ms. Shashikala Mangal, Directors of the Company, are the proposed allottees; therefore, they are interested in the proposed resolution. Mr. Ramdas Goyal, Chairman and Managing Director, Mr. Ramesh Goyal, Whole Time Directors Mr. Amit Modi, Whole Time Director, and Mr. Nikhar Agrawal, Whole Time Director, of the Company, being the relatives of the proposed allottees, are interested or concerned, either directly or indirectly, in the proposed resolution. Other than above none of the other directors or key managerial persons or their relatives are interested or concerned, either directly or indirectly, in the proposed resolution.

The Board of Directors recommends the said resolutions for your approval.

**ANNEXURE TO NOTICE**

**Details of Directors seeking Appointment / Re-appointment**

<b>Name of Director</b>	<b>Date of Birth</b>	<b>No. of Shares Held</b>	<b>Qualification</b>	<b>Nature of Expertise</b>	<b>Name of the Company in which Director holds Directorship</b>	<b>Name of the Committee of the Company in which Director holds Membership &amp; Chairmanship</b>
Mr. Prakash Bafna DIN: 00107070 Originally Appointed on 03.06.1987	07.05.1948	2,00,000 Preference Shares 1,07,962 Equity Shares	B. Sc.	Trading	NIL	NIL
Mr. Ramesh Goyal DIN: 00293615 Originally Appointed on 01.04.1993	11.03.1951	2,00,000 Preference Shares 37,050 Equity Shares	-	Manufacturing and Business	NIL	NIL
Mr. Ramesh Agrawal DIN: 07599354	04.12.1959	Nil	L.L.B.	Business	NIL	NIL