

# CRIMSON METAL ENGINEERING COMPANY LIMITED

CIN : L27105TN1985PLC011566

163/1 PRAKASAM ROAD, BROADWAY, CHENNAI.600 108

Notice is hereby given that the 35th Annual General Meeting of the Company will be held on Monday, the 30th September 2019 at Andhra Chamber of Commerce Velagapudi Ramakrishna Building, 23, Third Cross Street, West C.I.T Nagar, Nandhanam, Chennai- 600 035 at 10.30 a.m. to transact the following business.

## ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements for the financial year ended 31<sup>st</sup> March, 2019 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Ms.R Uma(DIN: 07029264) who retires by rotation and being eligible, offers herself for re-appointment.

## SPECIAL BUSINESS:

### 3. RATIFICATION OF PAYMENT OF REMUNERATION TO MANAGING DIRECTOR

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

“RESOLVED THAT pursuant to provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) the Shareholders of the company do ratify the excess payment of remuneration paid to Shri.Vinay Kumar Goyal, Managing Director of the Company during the year ended 31.03.2019 over and above the remuneration already approved by the Shareholders at their Annual General Meeting held on 28.09.2016 as detailed in the explanatory statement attached herewith.”

“FURTHER RESOLVED THAT the Board of Directors be and are hereby severally authorized to include the above item of business in the ensuing General Meeting and to do all acts, deeds and things in order to bring effect to the above resolution.

### 4. RE-APPOINTMENT OF MANAGING DIRECTOR

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and subject to such other consents

and permission as may be necessary, and subject to such modifications, variations as may be approved and acceptable to the appointee, the consent of the members be and is hereby accorded to the board for the re-appointment of Mr. Vinay Kumar Goyal (DIN 00134026) as Managing Director of the Company for a period of three years from 01.08.2018 to 31.07.2021 on the following terms and conditions as recommended by the Remuneration Committee and approved by the Board of Directors at their respective meetings held on 30.05.2019.”

## I. REMUNERATION

### (a) SALARY

Rs. 3,00,000 (Rupees Three lakhs only) per month.

## II. PERQUISITES

### (a) MEDICAL INSURANCE PREMIUM

Payment of Medical Insurance Premium for self and family members not exceeding a sum of Rs.10,00,000/- per annum. For the above purpose, “Family” includes spouse, dependent children and parents.

### (b) CLUB MEMBERSHIP FEES.

Payment of Club Membership Fees for self and family members not exceeding a sum of Rs.24,00,000/- per annum. For the above purpose, “Family” includes spouse, dependent children and parents.

### (c) CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND

Contribution to Provident Fund and Superannuation Fund, as per Rules of the Company, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

### (d) LEAVE AND ENCASHMENT OF LEAVE

As per Rules of the Company.

### (e) GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND

As per Rules of the Company.

### (f) USE OF CAR AND TELEPHONE

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. However, personal long distance calls and use of car for private purposes shall be borne by the Director.

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**(g) REIMBURSEMENT OF EXPENSES**

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules of the Company.

**III. REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS**

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to the limits laid down under the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company/Committee of the Board be and is hereby authorized to alter, amend or vary the terms and conditions of appointment including remuneration structure as may be agreed to between the Board of Directors and Mr. Vinay Kumar Goyal subject to the limits within such guidelines or amendments as may be made to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution.”

**5. APPOINTMENT OF INDEPENDENT DIRECTOR:**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150,152,160 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act 2013, Shri. KANHAIYALAL, holding DIN 08227137, who was appointed as an additional director of the Company by the Board of Directors in terms of Section 161(1) of the Act and the Articles of Association of the Company and whose term of office expires at the 35<sup>th</sup> Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 17<sup>th</sup> September 2023, not liable to retire by rotation.”

RESOLVED FURTHER that except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Managing Director of the Company shall remain unchanged.

By Order of the Board  
**VINAY KUMAR GOYAL**  
Managing Director  
DIN-00134026

Place: Chennai  
Date: **14.08.2019**

**NOTES:**

1- A member entitled to attend and vote at AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of a maximum of 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than 10% percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholder.

2- Corporate members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board resolution on the letter head of the company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized power of Attorney, authorizing their representatives to attend and vote on their behalf at the meeting.

3-The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form appointing a proxy for the AGM is enclosed herewith.

4- During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the company, provided that not less than three days of notice in writing is given to the company.

5-Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.

6- The register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 ( the Act ), and the Register of contracts or arrangements in which the directors are interested, maintained under section 189 of the Act, will be available for inspection by the members at the AGM.

7- The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24<sup>th</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive ) for the purpose of AGM.

8- Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent – M/s. Cameo Corporate Services Ltd., “Subramanian Buildings”, 1, Club House Road, Chennai-600 002.

9- The Ministry of Corporate Affairs (vide circular nos. 17/ 2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share

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documents with its shareholders through an electronic mode. SEBI (LODR) Regulations 2015 permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence, Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no./DP Id/Client Id to the company's email id : [investorgrievance@crmetal.in](mailto:investorgrievance@crmetal.in).

10- Members holding shares in physical form and in electronic mode are requested to immediately notify change in their address and updates of savings bank account details, if any, to their respective Depository Participant(s) and to Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002 quoting their folio number.

11-Pursuant to section 72 of the Companies Act 2013, Shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant

12-Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be readily made available at the meeting.

13-All documents referred to in the accompanying notice and the explanatory statement requiring the approval of the members at the AGM and other statutory registers shall be available for inspection at the Registered office of the Company during business hours on all days, except Saturdays, Sundays and National Holidays from the date hereof up to the date of AGM

14- Information about Directors retiring by rotation.

Name of the Director	R.UMA	KanhaiyaLal
Din	07029264	08227137
Age	54	24
Date of appointment	28/09/2015	18/09/2018
Experience in years	18	3
No.of shares as on 31.03.2019	Nil	Nil
Directorship in other public companies	Nil	Nil
Chairman/Member of committees of other company	Nil	Nil
Relationship with any other Director	Nil	Nil

15- With effect from 1st April 2014, inter alia, provisions of Section 149 of Companies Act 2013 has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors.

16- Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

17- The route map showing directions to reach the venue of the 35th AGM is annexed

18- Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 35th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited (CDSL). E-Voting is optional. The procedure and instructions for the same are as follows:

The Company will provide the e-voting facility through CDSL. The e-voting procedures are set out below:

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

(i) The voting period begins on Friday 27.09.2019 at 9.00 a.m. and ends on Sunday 29.09.2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date ( record date ) 23.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Shareholders should log on the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(iii) Click on " Shareholders " tab

(iv) Now, select the " CRIMSON METAL ENGINEERING COMPANY LIMITED " from the drop down menu and click on " SUBMIT"

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(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:

For Members holding shares in Demat Form and Physical Form

**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 last 8 digits of the demat account/folio number in the PAN field.
- In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.

**DOB#** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

**Dividend Bank Details#** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

• Please enter the DOB or Dividend Bank Details in order to login. If 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)

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then reach directly 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 CRIMSON METAL ENGINEERING COMPANY 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 changed 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) Note for Non-Individual Shareholders and Custodians Institutional 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 Corporates.

- 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). an email 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) which they wish to vote on.
- The list of accounts 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("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)

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10-Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

(i) The manner of voting for the members being present in the General Meeting will be on "proportion principle" i.e. one share – one vote unlike one person one vote principle, further, as per the provision of the Companies Act, 2013, demand for poll will not be relevant.

(ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, i.e. voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.

(iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting and the earlier vote casted through electronic means will be treated as final.

(iv) The facility for voting through ballot form shall be made available to all the shareholders who could not exercise their vote through e-voting. The ballot paper in Form MGT-12 is being sent to all the members, along with this report. The voting rights of Members shall be in proportion their shares of the paid up equity share capital of the Company as on 23.09.2019.

A Member desiring to exercise vote by ballot paper should complete the Ballot Form attached with this report and sent it to :CRIMSON METAL ENGINEERING COMPANY LIMITED, 163/1 PRAKASAM ROAD, BROADWAY, CHENNAI.600 108.

Please return the form duly completed through post or courier, so as to reach the company on or before 5.00 p.m on 27.09.2019

The facility of voting through ballot form shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot form

(v) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares on the cut-off date i.e. 23.09.2019 may obtain the login ID and password by sending an email to [investorgrievance@crmetal.in](mailto:investorgrievance@crmetal.in), [investor@cameoindia.com](mailto:investor@cameoindia.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID. 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

(vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person

authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.crmetal.in](http://www.crmetal.in) and website of CDSL <http://www.evotingindia.com> and also forward the same to the Bombay Stock Exchange Limited simultaneously, where the Company's shares are listed.

19. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No.21/99 dated July 8, 1999. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.

20. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/name etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

**21. Members may avail of the nomination facility as provided under Section 72 of the Companies Act, 2013.**

**22. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.**

23. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered/Corporate Office of the Company during the business hours on all working days from the date hereof up to the time of the Meeting.

24. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members who have not registered their email id with their Depository Participants are requested to do so and support the green initiative. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned above quoting their folio number(s).

25. Explanatory Statement relating to Special Business is attached herewith.

Managing Director

VINAYKUMAR GOYAL  
DIN-00134026

Place: Chennai  
Date: 14.08.2019

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**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 3:**

The Company during the financial year 2018 – 2019 has made certain excess payments to Shri Vinay Kumar Goyal, Managing Director of the Company as detailed below:

Particulars	Approved Limit	Actual Payment	Excess payment
Salary	30,00,000	3,600,000	600,000
Membership / Subscription	10,00,000	1,378,997	378,997
Insurance Premium	6,00,000	-	-

Since the payment of above amount requires the approval of Shareholders at the ensuing annual General Meeting by way of ratification, the special resolution in Item No. 3 is placed before the shareholders for approval.

Except Shri. Vinay Kumar Goyal, Managing Director, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

**ITEM NO.4:**

Shri Vinay Kumar Goyal was reappointed as Managing Director for a period of Three years w.e.f. 01.08.2016 and his term of office expires on 31.07.2019. He has helped the company in achieving greater heights in terms of turnover and the profitability of the company with his rich experience in the field of steel industry. His re-appointment will benefit the company in many ways. The Board of directors at their meeting held on 30.05.2019 has reappointed Mr. Vinay Kumar Goyal as Managing Director subject to the approval of the members in the Annual General Meeting for a further period of three years w.e.f.01.08.2019 at the remuneration as recommended by the Remuneration Committee at its meeting held on 30.05.2019 as detailed in the resolution available in the notice of AGM.

Details as required in clause (iv) of Section II , Part II of Schedule V of the Companies Act 2013

**General Information: -**

- 1) Nature of Industry :Manufacturers of Steel Pipes
- 2) Date of Commencement of business: The company had commenced its business from the date of its inception.
- 3) Financial Performance:

PARTICULARS	Audited financial Statement for the year ended 31.03.2019	Audited financial Statement for the year Ended 31.03.2018
TOTAL REVENUE	10,08,14,989	33,37,39,092
TOTAL EXPENSES	9,93,81,931	32,78,83,808
PROFIT BEFORE TAX	14,33,058	58,55,283
CURRENT TAX	286612	11,71,057
DEFERRED TAX	-	-11,30,803
PROFIT AFTER TAX	11,46,446	58,15,030

- 4) Foreign investment or collaborators if any: NIL

Information about Mr. Vinay Kumar Goyal

Name of the Director	Vinay Kumar Goyal
Din	00134026
Age	51
Original Date of appointment	14/09/1996
Experience in years	30
No.of shares as on 31.03.2019	548791
Directorship in other public companies	NIL
Chairman/Member of committees of other company	NIL
Relationship with any other Director	NIL

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- 1) Background details: Promoter and has rich experience in manufacturing of Steel pipes.
- 2) Past remuneration: 250000/- per month exclusive of perquisites and other allowances .
- 3) Recognition or awards: Nil
- 4) Job profile and his suitability: Managing Director w.e.f.01.08.2016]
- 5) Remuneration proposed: 300000/- (Three Lakhsonly )per month plus perquisites and other allowances. The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in section II (A) Part II of Schedule V of the Companies Act 2013.

6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Only minimum remuneration proposed to managerial personnel and comparatively lower than any other company in the same industry and with the same kind of operation

7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any,

Mr. Vinay Kumar Goyal is holding **548791** shares comprising 12.39% in the paid up capital of the company and is not related to any other directors on the board.

**Other information: -**

1) Reason for loss or inadequate profits:

The company has inadequate profit due to the increased cost of raw materials and other components required for manufacturing the product

2) Steps taken or proposed to be taken for improvement:

The company has taken steps to reduce variable cost and to increase sales by sales promotion

3) Expected increase in productivity and profits in measurable terms:

The rated capacity of plants will be achieved subject to market condition.

None of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financial or otherwise, in this resolution except Mr. Vinay Kumar Goyal.

**ITEM NO. 5**

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have appointed Shri KanhaiyaLal as an additional director (Independent) under Section 161(1) of the Act read with the Articles of Association of the Company with effect from 18.09.2018. Accordingly, Shri KanhaiyaLal holds office as a director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint him as a Non-executive Independent Director of the Company for five consecutive years till 17.09.2023 in terms of Section 149 of the Act.

The Company has received a notice along with the deposit of requisite amount under Section 160 of the Act from a member proposing Shri KanhaiyaLal as a candidate for the office of a director of the Company. Shri KanhaiyaLal has confirmed to the Board that he qualifies to be an independent director within the meaning of Clause 49(II) (B) (1) and Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Directors are of the view that Shri KanhaiyaLal fulfils the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director of the Company. The Directors are of the view that Shri KanhaiyaLal would bring valuable experience and the Company would benefit from her appointment as Director. Accordingly, the Board commends the passing of the Ordinary Resolution proposed at item no. 5 of the Notice. A copy of the draft letter setting out the terms and conditions of his appointment as Independent Director will be available for inspection by members at the registered office of the Company during the business hours on any working day up to the time of AGM.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Shri KanhaiyaLal, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.