

September 03, 2019

To,

BSE Limited, Dept. of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Company Code: 505075	National Stock Exchange of India Ltd, Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Scrip Symbol: SETCO
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Dear Sirs,

Sub: Notice of the 36th Annual General Meeting of the Company

Pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith a copy of the Notice of 36th Annual General Meeting of the Company to be held on Friday, September 27, 2019 at 12:00 Noon at the Registered office of the Company.

Kindly take the above information on your records.

Thanking you,

Yours faithfully,

For Setco Automotive Limited


Chandra Kant Sharma
Company Secretary



Encl: As above



SETCO AUTOMOTIVE LIMITED
CIN: L35999GJ1982PLC005203

Registered Office: Baroda-Godhra Highway, Kalol (Panchmahals), Pin Code - 389 330, Gujarat, India
Phone: 02676-270600, Fax: 02676-235524; E-mail: investor.relations@setcoauto.com; Website: www.setcoauto.com

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at Baroda - Godhra Highway, Kalol, District Panchmahals, Pin Code – 389 330, Gujarat, India, on Friday, September 27, 2019 at 12.00 Noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019.
2. To declare Dividend on Equity Shares for the Financial Year 2018-19;
3. To appoint a Director in place of Mr. Shveta Vakil (DIN: 00140956) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To re-appoint Dr. Arun Arora (DIN: 00172044) as an Independent Director of the Company.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Dr. Arun Arora (DIN: 00172044), who was appointed as an Independent Director at the 31st Annual General Meeting of the Company and who holds office up to 36th Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, 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 years from the conclusion of this Annual General Meeting.”

5. To re-appoint Mr. Ashok Kumar Jha (DIN: 00170745) as an Independent Director of the Company.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Ashok Kumar Jha (DIN: 00170745), who was appointed as an Independent Director at the 31st Annual General Meeting of the Company and who holds office up to 36th Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, 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 years from the conclusion of this Annual General Meeting.”

6. To re-appoint Ms. Suhasini Sathe (DIN: 00205174) as an Independent Director of the Company.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Ms. Suhasini Sathe (DIN: 00205174), who was appointed as an Independent Director at the 31st Annual General Meeting of the Company and who holds office up to 36th Annual General Meeting and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, 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 years from the conclusion of this Annual General Meeting.”

7. Issue of Further Securities:

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

“RESOLVED THAT pursuant to the provisions of section 23, 42 and 62(1)(c), as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules framed thereunder (**“Act”**) and the rules made there under to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act) and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**“SEBI ICDR Regulations”**) (including any amendment/ modifications thereto or re-enactment thereof, for the time being in force), provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, as amended, the Foreign Exchange Management Act, 1999 (**“FEMA”**), as amended, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon, from time to time, by Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India, the Registrar of Companies or any other relevant authority from time to time (**“Governmental Authorities”**), to the extent applicable, and subject to such approvals, consents, permissions and sanctions as may be required from such Governmental Authorities, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by such Governmental Authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the **“Board”**) which term shall be deemed to include any committee(s) thereof constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution to the extent permitted by law) be and is hereby authorized, on behalf of the Company, to create, issue, offer and allot, (including the provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons, as may be permitted), in the course of one or more public or private offerings with or without a green shoe option (including Qualified Institutions Placement (**“QIP”**) under SEBI ICDR Regulations), equity shares of the Company with a face value of Rs. 2 (Rupees two) each (**“Equity Shares”**) and/or Equity Shares through convertible bonds, depository receipts and/or other securities convertible into Equity Shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to Equity Shares or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Equity Shares and/or any instruments or securities representing either Equity Shares and/or convertible securities linked to Equity Shares (including the issue and allotment of Equity Shares pursuant to a green shoe option, if any), (all of which are hereinafter collectively referred to as **“Securities”**) or any combination of Securities, to eligible investors under applicable laws, regulations and guidelines as decided by the Board, including but not limited to qualified institutional buyers in accordance with Chapter VIII of the SEBI ICDR Regulations, (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds, and Indian and/or multi-lateral financial institutions, other eligible investors and/or individuals and/or trustees and/or stabilising agents or otherwise, and whether or not such investors are members of the Company), through placement document and/or letter of offer or circular and/or on public and/or private/preferential placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, including at a permissible discount (including but not limited to any discount as may be permitted under Chapter VIII of SEBI ICDR Regulations) / premium to the market price in such manner and on such terms and conditions including security, rate of interest etc., considering the then prevailing market conditions and other relevant factors wherever necessary, in consultation with the merchant bankers and/or other advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities provided that the total amount raised through the issuance of such Securities shall not exceed Rs. 150 Crores or its equivalent in one or more currencies, if any, as may be decided by the Board, to investors as mentioned above”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices, etc.”

“RESOLVED FURTHER THAT any issue of Securities made by way of QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities, or any combination of Securities as may be decided by the Board shall be completed within 12 months from the date of this Resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time. The pricing of the Securities that may be issued to qualified institutional buyers pursuant to a QIP shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations.”

“RESOLVED FURTHER THAT in the event the Equity Shares are issued pursuant to the QIP, the “relevant date” for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (including a committee of the Board) decides to open the proposed issue, and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued pursuant to the QIP, the relevant date for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board of the Company (including a committee of the Board) decides to open the proposed issue of such convertible securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Securities as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer. Subject to the provisions of the Memorandum of the Association and Articles of Association of the Company, all such Equity Shares shall rank pari passu inter-se and with the then existing Equity Shares of the Company in all respects, including dividend, which shall be subject to relevant provisions on that behalf contained in the Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board, where required in consultation with the merchant bankers and/or other advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the selection of qualified institutional buyers to whom the Securities are to be offered, issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue/conversion of the Securities, if any, rate of interest, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agents, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on the Stock Exchange(s) and the Equity Shares to be issued on conversion of the Securities as set forth in the aforesaid resolution, if any, on the Stock Exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company, the offer document(s), agreement(s), arrangement(s), application(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as the Board may in its absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to form a committee and/or delegate all or any of its power to any committee of directors (including any officer(s) of the company) to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Equity Shares.”

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of resolutions set out hereinabove at Item No. 5 to 7 is annexed hereto and forms part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing Proxy(ies) must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported

by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect, at any time during the business hours of the Company, the proxies lodged provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
6. Members / proxies are requested to bring duly filled attendance slip sent herewith to attend the meeting.
7. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 a.m. to 3.00 p.m. on all working days except Tuesdays, up to and including the date of the Meeting.
8. The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive).
9. Dividend as recommended by the Board, if declared at the meeting, will be payable on or after September 28, 2019, to those members whose names appear on the Register of Members as on Book Closure Date.
10. Members holding shares in demat form are requested to direct their Depository Participants for any change in address or update their bank account details.
11. Members are requested to address all correspondence including dividend matters to the Registrar and Share Transfer Agents, Link Intime India Private Limited (LIPL), C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083.
12. Members who have not claimed their dividends pertaining to earlier years are requested to correspond with the Registrar and Share Transfer Agents of the Company viz., Link Intime India Private Limited at their address specified above or the Company Secretary, at the Corporate Office of the Company for claiming the unclaimed dividends.
13. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The relevant dates of transfer to Investor Education & Protection Fund are provided in the Corporate Governance Report forming part of the Annual Report of the Company.
14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, LIPL for assistance in this regard.
15. As required under Regulation 27 of SEBI (LODR) Regulations, 2015 with the Stock Exchange, the details of Director seeking re-appointment at the ensuing Annual General Meeting are provided in the Corporate Governance Report.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to LIPL in case the shares are held in physical form.
17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://setcoauto.com/investor-services/>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to LIPL in case the shares are held in physical form.

18. This Notice is being sent to all the Members, whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on August 23, 2019.
19. Entire Annual Report is available on the Company's website viz., www.setcoauto.com.
20. In compliance with Listing Regulation with the Stock Exchange(s) and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. Please note that e-voting is optional.
21. The facility for voting through ballot paper shall 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 exercise their right to vote at the meeting through ballot paper.
22. The 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.
23. Voting through electronic means

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, September 24, 2019 at 9.00 a.m. and ends on Thursday, September 26, 2019 at 5.00 p.m. During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of September 20, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (iv) Enter 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.
- (v) Next Enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) 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 sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	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. 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 (iv).

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

- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of **Setco Automotive Limited** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the existing login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **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. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) 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 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.
 - 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 should be mailed to 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 Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Registered Office:

Baroda-Godhra Highway, Kalol, District
Panchmahals, Pin Code – 389 330,
Gujarat, India.

By Order of the Board of Directors

Chandra Kant Sharma
Company Secretary

Date: August 13, 2019

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4, 5 and 6:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Dr. Arun Arora (DIN: 00172044), Mr. Ashok Kumar Jha (DIN: 00170745) and Ms. Suhasini Sathe (DIN: 00205174) as Independent Directors, for a second term of five years from the conclusion of this Annual General Meeting, not liable to retire by rotation. Dr. Arun Arora, Mr. Ashok Kumar Jha and Ms. Suhasini Sathe were appointed as Independent Directors at the 31st Annual General Meeting ("AGM") of the Company and holds office up to 36th Annual General Meeting. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing their candidature for the office of Director.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given their background, experience and contribution, the continued association of the above Directors would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

The Company has received a declaration from them to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, they fulfill the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Dr. Arun Arora has been Executive Chairman with Edvance Learning Private Limited and Edvance Pre-Schools Private Limited. He was also the former CEO of The Economic Times and President, Bennett & Coleman. Dr. Arun Arora also holds an Advanced Management Programme Degree from the Harvard Business School. In recognition of his immense contribution in the field of education, Dr. Arun Arora was conferred with a degree of Doctor of Philosophy by EILM University, Sikkim for the academic session 2013-14.

Mr. Ashok Kumar Jha retired as the Finance Secretary, Ministry of Finance, Government of India. He has also served extensively in the Ministry of Economic Affairs. Post retirement, he joined the industry as President of Hyundai Motors. Mr. Jha is a graduate from St. Stephen's college in Economics and holds a Master's Degree from the Delhi school of economics. He also holds a Master's Degree in Development Economics from the Australian National University, Canberra.

Ms. Suhasini S. Sathe is an entrepreneurial person by nature and able to see the 'bigger picture'. She has more than 30 years hands on experience gained from the manufacturing industry with specific skills in Product, Performance & Marketing Management, Business Growth & Development. She utilizes skills from an extensive background within General Management, Sales and Marketing / Business Development and Innovation Management. She is also the Co-Founder and presently Managing Director of the Sathe Group of Companies. Ms. Sathe holds a Bachelors of Engineering (Mechanical) for V.J.T.I., Mumbai University and is proficient in the use of CAD-CAM software.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of the above Directors as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 4, 5 and 6 of this Notice for approval of the Members.

Except the above Directors and their relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 4, 5 and 6 of the Notice.

ITEM NO. 7:

The Company's business plan envisages organic as well as inorganic growth opportunities and also provides for further expansion of its manufacturing facilities. Company requires adequate capital to meet these growth objectives as well as meet general corporate requirements that arises from time to time. While internal accruals and debt raising would meet part of these requirements, it is thought prudent to have enabling approvals to raise part of the balance funds requirements through the issue of appropriate securities as defined in the Resolution.

Section 62(1)(c) of the Companies Act, 2013 ("Act") provides that, inter-alia, such further shares may be offered to any persons whether or not such persons are existing holders of equity shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company. Accordingly, consent of the shareholders is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the Listing Regulations, 2015 and such other approvals as may be necessary to issue and allot securities as stated in the Special Resolution.

Accordingly, the Company proposes to create/offer/issue/allot securities allot securities including equity shares of the Company ("Securities") for an aggregate amount not exceeding Rs. 150 crores, in one or more tranches, including, to qualified institutional buyers ("QIBs") under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") in consultation with the lead manager(s) etc.

The following would inter alia be broad terms and conditions of the proposed Issue:

Objects of the Issue - Taking into account the progressive process of economic and market revival both in domestic and international markets and also to encash the resultant potentialities and opportunities under the prevailing conditions, your Company needs to augment long term financial resources by way of raising equity for the purpose of:

- i. procurement of new machineries required for existing business of the Company;
- ii. investments by way of equity and/or loan in the Company's existing and new subsidiaries and joint ventures for its capital expenditure
- iii. general corporate purposes and
- iv. any other uses as may be permissible under applicable law.

a) Price or Price Band

The price of the equity shares to be issued on conversion of the Warrants/convertible securities would be decided by the Board and shall not be less than the price that is determined in accordance with the ICDR Regulations in relation to QIP. The Company may, in accordance with applicable laws, offer a discount of not more than 5 % or such percentage as permitted under applicable law, on the price determined pursuant to the SEBI ICDR Regulations. The 'Relevant Date' for this purpose will be the date when the Board of Directors and/or Committee thereof decide to open the QIP for subscription.

The Warrants/Convertible Securities would be issued at a value as may be decided by the Board and the amount paid on Warrants is not refundable and would not be adjusted with the conversion price at the time of exercise of option to convert the Warrants.

b) Basis on which the Price has been arrived along with the Report of Registered Valuer

The pricing would be arrived at by the Board depending on market conditions and on the guidance of the lead managers/merchant bankers to the issue. The pricing would not be less than the price that is determined in accordance with ICDR Regulations in relation to QIP. The details terms and conditions for the Issue will be determined by the Board of Directors and/or Committee in consultation with the lead managers or consultant or advisor and such other authorities as may be required considering the market conditions and in accordance with the applicable provisions of law.

c) Class or classes of persons to whom the allotment is proposed to be made

The allotment would be made only to qualified institutional buyers (QIBs) who are permitted to acquire such warrants/convertible securities under the ICDR Regulations.

d) Proposed time within which the allotment shall be completed

The Allotment of the equity warrants and combination of securities, if any, would be completed within a period of 12 months from the date of this Meeting.

The special resolution seek the consent and authorization of the members to the Board of Directors/Committee to make the proposed Issue of Equity Shares, in consultation with the lead managers, advisors, other intermediaries and in the events it is decided to issue Equity Shares, as may be required to be issued in accordance with the terms of the Issue, keeping in view the prevailing market conditions in accordance with the applicable rules, regulation and guidelines

None of the Directors, Key Managerial Personnel and Relatives of the Directors/Key Managerial Personnel of the Company, are concerned or interested in the above resolution except to the extent of their shareholding in the company. The Proposed Special Business does not relate to or affects any other company (financially or otherwise).

Your Board recommends the acceptance of the resolutions as set out in Item No. 7 of the Notice of the Meeting.

Registered Office:

Baroda-Godhra Highway, Kalol, District
Panchmahals, Pin Code – 389 330,
Gujarat, India.

By Order of the Board of Directors

Chandra Kant Sharma
Company Secretary

Date: August 13, 2019

Additional information on directors recommended for appointment/reappointment as required under Regulation 36 of (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Shveta Vakil	Arun Arora	Ashok Kumar Jha	Suhasini Sathe
Date of Birth	March 31, 1951	August 8, 1945	April 18, 1947	April 9, 1947
Date of Appointment	February 21, 2017	September 9, 2014	September 9, 2014	September 9, 2014
Qualifications	Bachelor's degree from Mumbai University. Advanced Management Programme from IIM, Ahmedabad.	Advanced Management Programme Degree from the Harvard Business School	Graduate from St. Stephen's college in Economics. Master's Degree from the Delhi school of economics. Master's Degree in Development Economics from the Australian National University, Canberra.	Bachelors of Engineering (Mechanical) for V.J.T.I., Mumbai University
Expertise in specific functional areas	Wide experience ranging from Greenfield projects, setting up JVs, strategising M&As.	Wide experience in the field of education.	Wide experience in Financial services sectors	Wide experience in manufacturing industry with specific skills in Product, Performance & Marketing Management, Business Growth & Development.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	-	Times Guaranty Limited	- Nuziveedu Seeds Limited - Xpro India Limited - Minda Corporation Limited	-
Memberships / Chairmanships of committees of other public companies	-	Audit Committee - Times Guaranty Limited Nomination and Remuneration Committee - Times Guaranty Limited	Audit Committee - Nuziveedu Seeds Limited - Minda Corporation Limited Stakeholders' Relationship Committee - Minda Corporation Limited Nomination and Remuneration Committee - Nuziveedu Seeds Limited - Minda Corporation Limited	-
Number of shares held in the Company	2,74,750	2,60,415	22,500	-

Route Map to the AGM Venue

Baroda-Godhra Highway, Kalol (Panchmahals), Gujarat - 389 330, India

