

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the members of **Captain Polyplast Limited** will be held on Saturday, 25th August, 2018 at **Captain Polyplast Limited - Polymer Division, Captain Gate, Survey No. 257, Plot No. 16, SHAPAR (Veraval), Dist. Rajkot – 360024 (Gujarat)** at 11.00 A.M. to transact the following business:

A) ORDINARY BUSINESS:

1. To Consider and adopt the Audited Financial Statements (including consolidated financial statements) of the Company for the financial year ended March 31, 2018, the Reports of the Directors and Auditors thereon.

2. To declare a Final Dividend of Rs. 0.20/- per equity share:

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

“RESOLVED THAT final dividend @ Rs. 0.20/- per equity share on the Company's Share Capital of Rs. 10,07,57,580/- absorbing thereby Rs.20,15,152/- is declared and the said dividend be and is hereby approved and paid without deduction of tax to the equity shareholders whose names stand in the register of members of the Company as on record date 17th August, 2018.”

“RESOLVED FURTHER THAT, Mr. Rameshbhai D. Khichadia, Managing Director be and are hereby severally authorized to do such acts, deeds and things as may be considered necessary to give effect to the above resolution.”

3. To re-appoint Director Mr. Ashokbhai K. Patel, who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment:

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 along with other applicable provisions, if any, and rule made there under (including any statutory modification or re-enactment thereof for the time being enforce) and Article of Association of Company and subject to approval of shareholders in general meeting, Mr. Ashokbhai K. Patel (DIN: 00127951), Director of the Company be and is hereby Re-appointed as Director of the Company.”

B) Special Business

4. To re-appoint Mr. Rameshbhai Devrajibhai Khichadia as Managing Director and in this regard, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year) approval of the members be and is hereby accorded to re-appoint Mr. Ramesh D. Khichadia (DIN: 00087859) as Chairman cum Managing Director of the Company, for a period of 5 (five) years, on expiry of his present term of office, i.e. with effect from 17th August 2018 upto 16th August, 2023, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ramesh D. Khichadia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof;

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

5. To re-appoint Mr. Ashokbhai Kanjibhai Patel, Whole Time Director and in this regard, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, approval of the members be and is hereby accorded to re-appoint **Mr. Ashokbhai Kanjibhai Patel** (DIN: 00127951) as Wholetime Director of the Company, for a period of 5 (five) years, on expiry of his present term of office, i.e. with effect from 20th August 2018 upto 19th August, 2023, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to **Mr. Ashokbhai Kanjibhai Patel**, subject to the same not exceeding the limits specified under Schedule V to the Companies Act 2013 or any statutory modification or re-enactment thereof

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

6. To re-appoint Shri Harshadray Lalchand Patel as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Shri Harshadray Lalchand Patel** (DIN: 06678731), who was appointed as an Independent Director and who holds office as an Independent Director up to September, 10 2018 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to September, 9 2023.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle and question, difficulty or doubt that may arise in the said regard.”

7. To re-appoint Shri Dhanjibhai Ranchhodbhai Padmani as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Dhanjibhai Ranchhodbhai Padmani** (DIN: 06693942), who was appointed as an Independent Director and who holds office as an Independent Director up to September, 10 2018 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to September, 9 2023.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

8 - Sub-Division of Equity Shares from the Face Value of Rs. 10/- per share to Rs. 2/- per share

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

“RESOLVED THAT, pursuant to the provisions of Section 61 (1) (d), 64 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, consent of the members of the company be and is hereby accorded for the sub division of each of the Equity Shares of the Company having a face value of Rs. 10/- each in the Authorized Share Capital of the Company be sub-divided into 5 (Five) Equity Shares having a face value of Rs. 2/- each.

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of face value of ` 10/- (Rupees Ten only) each of the Company existing on the record date to be fixed by the Company shall stand sub-divided into equity shares of face value of ` 2/- (Rupees Two only) each fully paid up, without altering the aggregate amount of such capital and shall rank pari passu in all respects with the existing fully paid equity share of ` 10/- each of the company.

RESOLVED FURTHER THAT, upon the sub-division of the Equity Shares as aforesaid, the existing Equity Shares held in the dematerialized form (all the shares of the company are in dematerialised form) , the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT, the Board of Directors of the Company ("the Board"), (which expression shall also include a Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and steps as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to any Committee thereof to give effect to the aforesaid resolution."

9 – Alteration of the Capital Clause in the Memorandum of Association

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 Sections 13 and 61 and 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),

Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted by the following :

V. The authorized Share Capital of the Company is Rs. 11,00,00,000/- (Rupees eleven crores only) divided into 5,50,00,000 (Five crores Fifty lacs only) equity shares of Rs. 2/- (Rupees Two) each.

"RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s)."

**By order of the board
For, CAPTAIN POLYPLAST LIMITED**

**Sd/-
KHYATI MEHTA
COMPANY SECRETARY**

DATE: 28/07/2018

PLACE: RAJKOT

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HER AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. DULY COMPLETED INSTRUMENT OF PROXIES IN ORDER TO BE EFFECTIVE MUST BE REACHED THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

2. 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, provided a member holding more 10%, of the total share capital may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.

3. Corporate members intending to send their authorized representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board Resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday **18/08/2018 to Saturday, 25/8/2018 (both days inclusive)**.

5. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, annexed to the Proxy Form. Members/ Proxies are requested to bring the attendance slip duly filled in and to affix their signature at the place provided on the Attendance Slip and hand it over at the counters at the venue.

6. Members who hold the shares in the dematerialized form are requested to incorporate their DP ID Number and Client ID Number in the Attendance Slip/Proxy Form, for easier identification of attendance at the Meeting.

7. Members and Proxies attending the meeting are requested to bring the annual report to the meeting as extra copies will not be distributed.

8. The Company is having agreements with NSDL and CDSL to enable Members to have the option of dealing and holding the shares of the Company in electronic form. Any member desirous to dematerialize his holding may do so through any of the depository participants. The ISIN of the equity shares of the Company is INE536P01013.

9. Members are requested to address all correspondence, including change in their addresses, to the Company or to the Registrar and Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd, E/2-3, Ansa Industrial Estate Saki Vihar Road, Sakinaka Andheri (East) Mumbai – 400072. E- mail: jibu@bigshareonline.com Members whose shareholding are in electronic mode are requested to approach their respective depository participants for effecting change of address.

10. The Shareholders are requested to update the Contact address and e-mail address and are requested to notify immediately any change in their address, exclusively on separate letter without clubbing it with any other request, for quicker attention directly to the Company's Share Transfer Agent.

11. If any of the members are holding shares in the same name or in the same order of names, under different folios, then members are requested to notify the same to the Registrar and Share Transfer Agent for consolidation of their shareholding into a single folio.

12. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.

13. Notice of this Annual General Meeting, Audited Financial Statements for 2017-18 along with Directors' Report and Auditors' Report are available on the website of the Company www.captainpolyplast.in.

14. As per Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nomination are requested to send their request in Form No: SH-13 (which will be made available on request) to the Company or Registrar and Share Transfer Agent.

15. As per the Circulars issued by the Ministry of Corporate Affairs, Members are requested to provide their email address to the Company/ the Registrar and Transfer Agent or update the same with their depositories to enable the Company to send the documents in electronic form.

16. Voting through Electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the Listing Agreement read with Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 21ST Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by **Central Depository Services Limited**.

B. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

D. The remote e-voting period commences on 22/08/2018 (9:00 am) and ends on 24/08/2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17/08/2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

E. The process and manner for remote e-voting are as under:

- i. The remote e-voting facility can be availed by typing the link www.evotingindia.com in the internet browser.
- ii. Click on the "shareholders" tab.
- iii. Now select the Company name from the drop down menu and click on "SUBMIT"
- iv. 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.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are already registered with CDSL for remote e-voting than you can use your existing user Id and password for casting your vote.
- 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) as given in the box.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio respectively in dd/mm/yyyy format.
Bank Account Details	Enter the Bank Account Details as recorded in your demat account or in the company records for the said demat account or folio respectively. Please enter the DOB or Bank Account Details in order to login. If the both details are not recorded with the depository or company please enter the member id /folio number in the Bank Account Details field.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. 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 remote 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 remote e-voting on the resolutions contained in this Notice.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. 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.

xvii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates and custodians respectively.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who 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 and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and e-mail to ksdudhatra@yahoo.com

F. 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.

G. If you are already registered with CDSL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

H. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

I. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17/08/2017.

J. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17/08/2018, may obtain the login ID and password by sending a request at evoting@cdsl.co.in.

K. 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. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.cdsl.com or mail to CDSL at the following helpdesk.evoting@cdslindia.com.

L. A member may participate in the AGM even after exercising the right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

M. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

N. CS Kishor Dudhatra, Company Secretary (Membership No. 7236) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

O. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

P. The Scrutinizer shall 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 of 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.

Q. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company <http://www.captainpolyplastltd.com> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

19. As a part of "Green Initiative in the Corporate Governance", the Ministry of Corporate affairs has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' Report etc. to the members through e-mail. The shareholders holding shares in physical form are requested to register their email address with the Registrar & Share Transfer Agent by sending duly signed request letter quoting their Folio no. name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

20. At the ensuing Annual General Meeting, Mr. Ashokbhai K. Patel retires by rotation and seek re-appointment. Details pertaining to Mr. Ashokbhai K. Patel required to be provided pursuant to the Listing Agreement read with SEBI (LODR) Regulations 2015 are furnished in the statement on corporate governance.

21. In pursuance of Sections 124 and other applicable provisions, if any, of the Companies Act, 2013 the amount of Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, is required to be transferred to the Investor Education and Protection Fund (IEPF). Shareholders, who have not encashed their Dividend warrants including Interim Dividend, if any, are requested to make their claims without any delay.

22. Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, no gifts/coupons shall be distributed at the Meeting.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolution at item no. 4 to 9

Item No 4

Explanatory statement regarding reappointment and remuneration

The Board of Directors of the Company ("Board"), at its meeting held on 28th July 2018 has, subject to the approval of members, re-appointed **Shri Rameshbhai Devrajbhai Khichadia (Din: 00087859)** as Chairman cum Managing Director, for a period of 5 (five) years from the expiry of his present term, i.e. with effect from 17th August, 2018, on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the re-appointment of and remuneration payable to **Shri Rameshbhai Devrajbhai Khichadia** as Chairman cum Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment and remuneration payable to, **Shri Rameshbhai Devrajbhai Khichadia** are as under:

I SALARY: In the Scale of Rs. 4,00,000 to Rs. 6,50,000 per month.

II. PERQUISITES

(A) REIMBURSEMENT OF MEDICAL EXPENSES

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation, if any) incurred for self, subject to a ceiling of one month's salary.

(B) LEAVE TRAVEL CONCESSION

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

(C) PERSONAL ACCIDENT INSURANCE

Personal accident insurance covers of an amount, the annual premium of which does not exceed Rs. 15000.

(D) 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.

(E) LEAVE AND ENCASHMENT OF LEAVE

As per Rules of the Company.

(F) GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND

As per Rules of the Company.

(G) 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.

(H) 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 applicable provisions of Schedule V to the Companies Act, 2013.

Shri **Rameshbhai Devrajibhai Khichadia** satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Shri **Rameshbhai Devrajibhai Khichadia** are provided in the "Annexure" to the Notice.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri **Rameshbhai Devrajibhai Khichadia** under Section 190 of the Act.

Shri **Rameshbhai Devrajibhai Khichadia** is interested in the resolution set out at Item **No. 4** of the Notice. none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the members.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT.

I. GENERAL INFORMATION:

(i) Nature of Industry: The Company is engaged in the manufacturing of Micro Irrigation System and allied products and DCA cum CS of Indian Oil Corporation Ltd. (IOCL) - Polymer Business at its plant at Captain Gate , Survey NO. 267, Plot No. 10-A, 10-B & 11, N.H. 8-B, Shapar-Veraval, Rajkot – 360024 (Gujarat).

(ii) Date or expected date of commencement of commercial production: The Company is an existing Company and is into manufacturing operation since long.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. Not applicable.

(iv) Financial performance based on given indicators The performance of the Company during financial year ended on 31.03.2018 (the latest Audited Balance Sheet of the Company)

Particulars	Amount (Rs./Lakhs)
Total Revenue	12616.74
Net Profit/(Loss)	549.96
Effective Capital	3173.2

(v) Export performance and net foreign exchange collaborations: company has made export of its product worth Rs. 442.54 lacs.

(vi) Foreign investments or collaborators, if any: None

II. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details: Mr. **Rameshbhai Devrajibhai Khichadia**, aged 52 years, is B. Tech (Agri. Engg.). He is associated with the manufacturing of Micro Irrigation Systems and allied products for more than 26 years. Past remuneration (last three years) Per Annum .

Particulars	*Salary
March 31, 2018	Rs. 33,80,982.00/-
March 31, 2017	Rs. 30,90,844.00/-
March 31, 2016	Rs. 29,40,600.00/-

*Salary is for whole year.

(b) Recognition or Awards: KARUR VYSYA BANK-DUN & BRADSTREET'S SME BUSINESS EXCELLENCE AWARDS 2015.

(c) Job Profile and his Suitability: Mr. Rameshbhai Devrajibhai Khichadia is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.

(d) Remuneration Proposed: The proposed remuneration of Mr. Rameshbhai Devrajibhai Khichadia as Managing Director of the Company is as per annexed with notice of annual general meeting.

(e) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person : Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.

(f) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. Mr. Rameshbhai Devrajibhai Khichadia has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his Remuneration in the capacity of a Managing Director.

III. OTHER INFORMATION:

(a) Reasons of loss or inadequate profits

Irrigation system, which is the main business of the Company is cyclical in nature and is largely dependent on climatic factors, supply- demand position and government policies. So frequent change in government policies, raw material prices and healthy competition affect the profitability of the company.

(b) Steps taken or proposed for improvement The Company has been taking all measures within its control to maximize efficiencies and optimize costs to lower the cost of production, realizing that it has little control over Government policies. The Company hopes to increase the production volumes, curtailing running cost, reduced manpower and reduced operational losses.

(c) Expected increase in productivity and profit in measurable terms. In the year 2018-2019, it is expected that the production and recovery will be better than the previous year. The fundamentals of the Company are sound and it has well balanced and diversified business and has the potential of not being just profitable but achieving significant growth. In view of the facts stated above, it is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

Item no. 5

The Board of Directors of the Company ("Board"), at its meeting held on 28th July 2018 has, subject to the approval of members, re-appointed Shri **Ashokbhai Kanjibhai Patel** (DIN: 00127951) as Wholetime Director of the Company, for a period of 5 (five) years, on expiry of his present term of office, i.e. with effect from 20th August 2018 upto 19th August, 2023 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Shri **Ashokbhai Kanjibhai Patel** as Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri **Ashokbhai Kanjibhai Patel** are as under:

(A) Salary : Rs. 3.5 lacs (Rupees Three lacs Fifty Thousands only) per annum with discretion of the Board to revise with consent of the appointee from time to time.

(B) Commission : N.A.

(C) The Company shall contribute to the Provident Fund as per company's policy.

(D) Other benefit and emoluments time to time as per the policy of employee decided by company .

Shri **Mr Ashokbhai Kanjibhai Patel** is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Shri **Mr Ashokbhai Kanjibhai Patel** are provided in the "Annexure" to the Notice.

Shri **Mr Ashokbhai Kanjibhai Patel** is interested in the resolution set out at Item No.5 of the Notice. None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

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

Item no. 6 & 7:

Shri Harshadray Lalchand Patel (DIN: 06678731) and shri Dhanjibhai Ranchhodbhai Padmani (DIN: 06693942) were appointed as Non-Executive Independent Director of the Company on September 09, 2013 and their term is expiring on September 10, 2018 and the Board, on recommendation by Nomination and Remuneration Committee hereby proposes his appointment for a second term up to September 09, 2023 and the term is not liable for retirement by rotation. A brief resume of **Shri Harshadray Lalchand Patel and shri Dhanjibhai Ranchhodbhai Padmani** is attached herewith the notice . **Shri Harshadray Lalchand Patel and shri Dhanjibhai Ranchhodbhai Padmani** have submitted a declaration to the Company to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, Shri Harshadray Lalchand Patel and shri Dhanjibhai Ranchhodbhai Padmani fulfil the conditions specified in the Act and the Rules framed there under for appointment as Non-Executive Independent Director and are independent of the management. They have submitted their declaration to the effect that they are not disqualified from being appointed as Director in terms of Section 164 of the Act.

