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- Visit us at: www.naxparlab.com
- CIN No. : L36912MH1982PLC027925

Parnax Lab Ltd.

(Formerly Known as Krishna Deep Trade & Investment Ltd.)

114, BLDG. NO. 8, JOGANI IND. COMPLEX,
SION-CHUNABHATTI, MUMBAI - 400 022. INDIA

Date: 06th September, 2019

To,
Department of Corporate Service (DCS-CRD),
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Sub.: Notice of 37th Annual General Meeting.

Ref: Parnax Lab Limited

Scrip Code: 506128

Dear Sir,

In terms of regulation 30 read with schedule III of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 enclosed herewith notice containing the business to be transacted at the 37th Annual General Meeting (AGM) of the Company to be held on Saturday, 28th September, 2019 at the registered office of the company.

Kindly take the same on your record.

Thanking you,

For PARNAX LAB LIMITED,

Prakash Shah
Director & CEO
DIN: 00440980

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 37TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PARNAX LAB LIMITED WILL BE HELD ON SATURDAY, 28TH DAY OF SEPTEMBER, 2019 AT 4 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT GALA NO.114, BLDG. NO. 8, JOGANI INDUSTRIAL COMPLEX, CHUNABHATTI, MUMBAI-400022 TO TRANSACT THE FOLLOWING BUSINESSES:

Ordinary business:

1. To receive, consider and adopt the standalone and consolidated audited annual accounts for the year ended March 31, 2019 along with notes thereon as on that date and the Reports of Board of Directors and Auditors thereon.
2. To reappoint Director in place of Mrs. Ami Mihir Shah (DIN: 03101049), who retires by rotation and being eligible offers herself for Re-appointment.

Special business:

3. To approve the Related Party Transactions and in this regard, to consider and if thought fit to pass the following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 188 read with the applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 (“the Act”) and any other applicable provisions of the Act read with Regulation 27(2) of the Listing Obligation and Disclosure Requirements (including any amendment, modification(s) or reenactment thereof), the consent of the members of the Company be and is hereby accorded to ratify, continue and enter into, the related party transactions with related parties as defined under section 2(76) of the Companies Act, 2013 as per the details given below:

Name of the related party	Naxpar Pharma Private Limited	Naxpar Pharma FZ LLC
Name of the Director or KMP who is related, if any	<ul style="list-style-type: none">• Mr. Prakash Mahasukhlal Shah• Mr. Baiju Mahasukhlal Shah• Mr. Manharbhai Navalchand Jhavari	<ul style="list-style-type: none">• Mrs. Ami Mihir Shah
Nature of Relationship	Subsidiary Company	Concern in which KMP and Relative of KMP is interested.
Nature, Material terms, monetary value and particulars of the contract or Arrangement.	Nature: Purchase and Sales of Goods and Services, Materials Value: Not exceeding to Rupees 5 Crore each transaction. Duration: On continual basis	Nature: Sales of Goods and Services, Materials Value: Not exceeding to Rupees 3 Crore each transaction. Duration: On continual basis

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its committee be and is hereby authorized to do all such acts, deeds, matters and things as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any questions and difficulties that may arise in the matter and incidental thereto, without being required to seek any further consent or approval of the members of the Company shall be deemed to have given their consent, authority and approval thereto expressly by the authority of this resolution.”

4. To consider and if thought fit to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, if any, consent of the shareholders be and is hereby accorded to the Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or any part of the moveable or immovable properties of the Company (including plant & machinery) situated at Plot No 74, 120 & 121, Govt. Industrial Estate, Masat Silvassa to any prospective buyer at a total consideration of Rupees not less than Rs 300 Lakhs (Three Hundred Lakhs only).

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to finalise the terms and conditions of such sell and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

5. To Consider and if thought fit, to pass, with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:
Re-appointment of Mr. Baiju M Shah (DIN: 00440806) as the Managing Director of the Company for a period of 5 Years:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 (“the Act”) and such other applicable provisions, if any, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”) and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to consent of members in general meeting, approval of the Board be and is hereby accorded to the re-appointment of Mr. Baiju M. Shah (DIN – 00440806) as the Managing Director of the Company, for a period of 5 (five) years commencing from 12th August, 2019 to 11th August, 2024 (both days inclusive), on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board to alter and vary the terms and conditions of the said re-appointment as it may deem fit and as may be acceptable to Mr. Baiju M Shah.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

6. To Consider and if thought fit, to pass, with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

Re-appointment of Mr. Vinayak Babli Desai (DIN: 03185850) as Non-Executive Independent Director for another term of five years w.e.f 1st April, 2019.

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (hereinafter referred to as “the Act”) (including any statutory modifications or re-enactment thereof for the time being in force), Mr. Vinayak Babli Desai (DIN: 03185850), Independent Director of the Company, who is not disqualified from being appointed as Director in terms of Section 164 of the Act and has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as a Director (Non-Executive, Independent) of the Company to hold office for a second term of 5 (Five) years, commencing from 1st April, 2019 to 31st March, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

7. To Consider and if thought fit, to pass, with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

Re-appointment of Mr. Manharbhai Navalchand Jhavari (DIN: 03571525) as Non-Executive Independent Director for another term of five years w.e.f 1st April, 2019.

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (hereinafter referred to as “the Act”) (including any statutory modifications or re-enactment thereof for the time being in force), Mr. Manharbhai Navalchand Jhavari (DIN: 03571525), Independent Director of the Company, who is not disqualified from being appointed as Director in terms of Section 164 of the Act and has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, the Company to hold office for a second term of 5 (Five) years, commencing from 1st April, 2019 to 31st March, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

Place: Mumbai
Date: 14th August 2019

For and on behalf of Board

Sd/-

Registered Office:
Gala No. 114, Bldg. No. 8,
Jogani Industrial Complex,
Chunabhatti, Mumbai-400022.
CIN: L36912MH1982PLC027925

Prakash M. Shah
Chairman & CEO
(DIN 00440980)

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. The proxies, in order to be effective must be duly stamped and signed and should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as Proxy for more than 50 members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
2. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty-four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
3. The Register of Members and Share Transfer Register will remain closed from **Monday, 23rd September 2019 to Saturday, 28th September, 2019** (both days inclusive).
4. Explanatory statement under section 102 of the Companies Act, 2013 which sets out details relating to Special Business is annexed hereto.
5. Members/Proxies are requested to produce the attendance slip duly signed for attending the meeting and also requested to bring copies of Annual Report.
6. Corporate members are requested to produce a duly certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
7. Members whose shareholding is in the electronic mode are requested to direct change of address notification and updation of Saving Bank Account details to their respective Depository Participants.
8. Members holding shares in physical form are requested to furnish following information to the Company's Registrar and Share Transfer Agents, **M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083** or by emailing to them at mumbai@linkintime.co.in:
 - a) Change in their address, if any, along with the pin code.
 - b) Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
9. Members holding shares in dematerialized mode are requested to intimate changes if any in their addresses along with pin code to their Depository Participants.
10. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their mail address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.

The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: compliance@naxparlab.com.

11. Voting through electronic mean

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members the facility to exercise their right to vote at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below.

Procedure / instructions for e-voting are as under:

- I. In case of members receiving e-mail:

- a. Open e-mail
- b. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- c. Now click on “Shareholders” tab
- d. Now, select the “**COMPANY NAME**” from the drop-down menu and click on “SUBMIT”
- e. 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.
- f. Next enter the Image Verification as displayed and Click on Login.
- g. 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.
- h. 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) <ul style="list-style-type: none"> • 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. E.g. 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.

- i. After entering these details appropriately, click on “**SUBMIT**” tab.
- j. 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.
- k. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l. Select “**EVSN**” (E-Voting Event Number) of **Parnax Lab Limited**. Now you are ready for e-voting as cast Vote page opens.
- m. 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.
- n. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- o. 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.
- p. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- r. 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.
 - Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- 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.

II. In case of members receiving the physical copy:

Please follow all steps from sl. no. (a) To sl. no. (r) above to cast vote.

Other Instructions:

- The voting period begins on Wednesday 25th September 2019 (9:00 am IST) and ends on Friday, 27th September 2019 (5:00 pm IST). During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of 21st September 2019.
 - Mr. Prasad Chavan, Partner of HS Associates, Practicing Company Secretaries (Membership No. ACS 49921) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent Manner.
 - The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizers report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - The results of the e-voting along with the scrutinizers report shall be placed in the Company’s website www.naxparlab.com and on the website of CDSL within two working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
 - Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Prasad Chavan, Partner of HS Associates, Practicing Company Secretaries, at the Corporate office of the Company not later than 27th September 2019 (5.00 pm IST).
 - Ballot Form received after this date will be treated invalid.
 - A member can opt only for one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company had decided to send Annual Report through electronic mode. However, if required the copy of the Annual Report shall be provided to the shareholder at the Annual General Meeting.

The Members are requested to:

- i. Intimate to the registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
- ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
- iii. Dematerialize the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in Dematerialized form for all the investors.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT IN 37TH ANNUAL GENERAL MEETING				
Name of Director	AMI MIHIR SHAH	BAIJU MAHASUKHLAL SHAH	VINAYAK BABLI DESAI	MANHARBHAI JHAVARI
DIN	03101049	00440806	03185850	03571525
Date of First Appointment	31.03.2015	07.12.2010	29.09.2010	12.08.2011
Qualification	Graduate	Graduate	Graduate	HSC
Shareholding of directors	307720	628261	Nil	Nil
Directors Inter-se relationship	Daughter in law of Prakash M Shah	Brother of Prakash M Shah	--	--
Years of experience	15	39	45	40
Name of Company	Parnax Lab Limited	Parnax Lab Limited	Parnax Lab Limited	Parnax Lab Limited
Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL	NIL	NIL

For and on behalf of Board

Sd/-

Place: Mumbai
Date: 14th August 2019

Prakash M. Shah
Chairman & CEO
(DIN 00440980)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 03:

The Provisions of Section 188 read with Rule 15(3) of the Companies (Meeting of the Board and its Power) Rules 2014 of the Companies Act 2013 ("the Act") and Regulation 27(2) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 provides that certain kind of transactions as tabled below with related parties as define u/s 2(76) of the Act, hereinafter referred to as 'Related Party Transactions' or 'RPT', beyond the prescribed limits requires approval of members of the Company.

In the light of provisions of Companies Act 2013, the Board of Directors of your Company has ratified, continued and approved the transactions with related parties entered or to be entered into with them, subject to the limit specified in the resolution.

The details as per the requirements of Rule 15(3) of the companies (Meeting of the Board and its Power) Rules 2014 are given in the resolution.

Your Directors propose to pass the above resolution as Ordinary Resolution.

- Except Mr. Prakash Shah, Mr. Baiju Shah, Mrs Ami Mihir Shah, Mr. Vinayak Babli Desai and Mr. Manharbhai Navalchand Jhavari none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.03. Further, no voting done by any members of the Company, if such member is related party, shall be counted for the purpose of passing of this resolution.

Item No. 04:

The Board of Directors in its Board Meeting held on 30th May, 2019 has considered the proposal to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or any part of the moveable or immovable properties of the Company any party as may be decided by the Board.

The Company is engaged in the business of dealing in pharmaceutical formulations. The Company has suffered losses during last few years. Also the declared layoff at its plant due to labour issues few years back and the company has entered into settlement agreement with remaining worked and settled the labour issue by paying them agreed settlement amount. The company explored the possibility of reviving the plant and appointed consultant for the same. After due discussion with the consultant, it was concluded that it is not possible to revive that plant with the given resources available with the company. Hence, the Company is looking at all options available at their disposal for a course correction in strategy, focusing on growth in this competitive market. After various deliberations and discussion, the Board may explore the route of selling of its undertaking as a part of business restructuring to any party as may be decided by the Board of Directors appropriately, which would provide additional funds to the company. The sale proceeds of which would be utilized for repayment of borrowings that will ultimately lead towards a debt free company and would further strengthen the consolidated business of the company.

The proposed transaction may or may not be falling under the qualification of "undertaking" as defined under Explanation (i) u/s 180(1)(a) or as per Regulation 24(6) of SEBI (LODR), 2015 but as a measure of good governance and transparency, your Directors are seeking the approval of members by way of a Special Resolution as required under the provisions of Section 180(1)(a) of the Act and applicable Rules thereunder.

The members of the Company in its previous Annual General Meeting held on 29th September, 2018 had approved the resolution for sale of the undertaking for consideration not less than 600 Lakhs. However, due to weak market conditions, the deal could not work out and the value of the undertaking has been eroded substantially by 50%. So, the Company as a matter of good corporate governance is placing the aforesaid agenda in its ensuing Annual General Meeting so as to enable the members of the company to take a well-informed decision.

The Board of Directors is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence, recommends the Resolution for your approval. The same has been placed before the Meeting for the approval of the members.

The Board of Directors have obtained a valuation report from M/s Kakode & Associates, a Registered Valuer.

Your Directors propose to pass the above resolution as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the Resolution.

Item No. 05:

At the 34th Annual General Meeting of the Company held on September 28, 2016, the Members had approved the appointment of Mr. Baiju Shah as the Managing Director & CEO of the Company for a period of 3 years from August 12, 2016. His term of office expired on August 11, 2019. In view of commendable performance of Mr. Baiju M Shah as the Managing Director & CEO of the Company, the Board of Directors is of the opinion that it is in the interest of the Company to re-appoint him for a further period of five years, with effect from August 11, 2019, subject to the approval of the Members.

A brief profile of Mr. Baiju M Shah and other details is given in the table above on "Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting".

The main terms and conditions of appointment of Mr. Baiju M Shah (hereinafter referred to as "MD") are given below:

A. Tenure of Appointment: The appointment of the MD is for a period of five years with effect from August 11, 2019.

B. Remuneration:

a) Salary: NIL.

b) Other Terms:

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit in accordance with the provisions of the said Act or any amendments made hereinafter in this regard.

In the opinion of the Board, the appointment of Mr. Baiju M Shah as the Managing Director of the Company shall be in the best interest of the Company. Accordingly, the Board commends the Resolution set out at Item No. 5 for approval by the Members by way of Special resolution.

Mr. Prakash M Shah, Chairman of the Company and Mrs. Ami Mihir Shah, Director of the Company being relatives of Mr. Baiju M Shah are interested or concerned in this resolution (to the extent of shares held by them in the Company, if any).

No other Directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution.

Item No. 06 & 07:

The Members of the Company, at the 32nd Annual General Meeting held on September 30, 2014 had approved the appointment of Mr. Vinayak Babli Desai (DIN: 03185850) and Mr. Manharbhai Navalchand Jhavari (DIN: 03571525), as Independent Directors of the Company, for a period of five consecutive years for a term upto 31st March, 2019.

A brief profile of the Independent Directors to be re-appointed is given in the table above on "Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting".

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company. As per Section 149(11) of the Act, no independent Director shall hold office for more than two consecutive terms but shall be eligible for appointment after the expiration of three years of ceasing to become an independent Director.

In line with the aforesaid provisions of the Act, and in view of long, rich experience, continued valuable guidance to the management, recommendation of the Nomination and Remuneration Committee and strong Board performance of the Independent Directors, it is proposed to re-appoint them for the second term as Independent Directors on the Board of the Company for a further period of five years, upto the conclusion of the 42nd Annual General Meeting (AGM), subject to the approval of the Members.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Act and all of them are independent of the management. They are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as a Director.

Copy of the draft letter for appointment of Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, between 11.00 a.m. to 5.00 p.m. up to the date of the Annual General Meeting.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of the Independent Directors. The Board recommends passing of the Resolution at Item Nos. 6 & 7 of the Notice as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are in any way concerned or interested in the Resolutions, as set out in item nos. 6 & 7 of the Notice.

For and on behalf of Board

Sd/-

Prakash Shah

Whole time director & CEO

(DIN 00440980)

Place: Mumbai

Date: 14th August, 2019