

PALASH SECURITIES LIMITED

CIN – L74120UP2015PLC069675

REGD. OFFICE - P.O. HARGAON, DIST SITAPUR (U.P.), PIN – 261 121

Phone No. (05862) 256220-221; Fax No.: (05862) 256 225

E-mail – palashsecurities@birlasugar.org; Website-www.birla-sugar.com

31st August, 2020

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra- Kurla Complex, Bandra (E)
Mumbai 400 051

The Dy. General Manager
Corporate Relationship Department
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building
P.J. Towers, Dalal Street, Fort
Mumbai-400 001

Symbol : PALASHSECU

Stock Code : 540648

Dear Sirs,

Sub: Intimation of Annual General Meeting and Book Closure

The 6th Annual General Meeting ('AGM') of the Company will be held on Thursday, 24th September, 2020 via Video Conferencing / Other Audio - Visual Means, in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, in view of the prevailing COVID-19 pandemic.

Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 18th September, 2020 to Thursday, 24th September, 2020 (both days inclusive) for taking record of the members of the Company for the purpose of ensuing 6th Annual General Meeting of the Company, being convened on Thursday, 24th September, 2020. Copy of Notice convening the AGM is enclosed herewith for your records.

The Cut-off date for ascertaining the members who shall be eligible to cast vote through the process of e-voting on the resolutions covered by the aforesaid AGM Notice is 17th September, 2020. We are also arranging to upload the Notice of AGM on the Company's website www.birlasugar.com/www.palashsec.com.

Kindly take the same on your record and display the same on your website.

Thanking You,

Yours faithfully,
For **Palash Securities Limited**



Mayuri Raja
Company Secretary
ACS : 26022



Encl: a/a

PALASH SECURITIES LIMITED

CIN : L74120UP2015PLC069675

Registered Office: P.O. Hargaon, Dist. Sitapur (U.P.), Pin – 261 121 Email: palashsecurities@birlasugar.org

Website: www.birla-sugar.com Phone (05862) 256220 Fax (05862) 256225

NOTICE

Notice is hereby given that the 6th Annual General Meeting (AGM) of the members of **PALASH SECURITIES LIMITED** will be held on Thursday, 24th September, 2020 at 11 A.M., through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2020 and the Reports of the Directors and Auditors thereon.
 - b) the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2020 and the Reports of the Auditors thereon.
- 2. To elect a Director in place of Mr Chand Bihari Patodia (DIN: 01389238), who retires by rotation and, being eligible, offers himself for re-appointment, as a Director**

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr Suresh Kumar Khandelia (DIN: 00373797), who was appointed as an Additional Director of the Company by the Board of Directors on the recommendation of Nomination and Remuneration Committee, with effect from 7th February, 2020 in terms of Section 161(1) of the Act and Article 155 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto 6th February, 2025 and who shall not be liable to retire by rotation."

4. 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 196, 197, 203 read with Schedule V and all 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), the relevant provisions of the Articles of Association of the Company and such other approvals, as may be necessary, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Chand Bihari Patodia (DIN: 01389238) who has attained the age of 70 years, as the Managing Director of the Company on existing terms and conditions without any remuneration, for a further period of three years with effect from 30th March, 2020, whose office would be liable to retire by rotation, if required, pursuant to the applicable provisions of Sec 152 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company including Board delegated Committee(s) thereof be and they are hereby authorised to alter and vary the terms and conditions of appointment and/or remuneration subject to the provisions of Section 197 any other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company including Board delegated Committee(s) thereof be and they are hereby authorised to do or cause to be done in the name and at the cost of the Company all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."

By Order of the Board of Directors
For **Palash Securities Limited**

Mayuri Raja
Company Secretary
ACS 26022

Place: Kolkata

Dated : 25th June, 2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. In terms of the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the requirement of sending Proxy Forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of the SEBI Listing Regulations, has been dispensed with. Therefore, the facility to appoint Proxy by the members will not be available and consequently, the Proxy Form and Attendance Slip are not annexed to this notice convening the 6th AGM of the Company (the "notice").
4. The Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), relating to the items of the special business is given below and forms part hereof.
The special business under Item Nos. 3 & 4 of the notice of AGM, to be transacted at the AGM, has been considered unavoidable by the Board of Directors of the Company.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in
6. The Share Transfer Books and Register of Members of the Company will remain closed from Friday, 18th September, 2020 to Thursday, 24th September, 2020 (both days inclusive) for the purpose of the AGM
7. 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, Link Intime India Private Limited ("RTA") for assistance in this regard.
8. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
9. 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 by them in electronic form and to RTA in case the shares are held by them in physical form.
10. 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. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA in case the shares are held in physical form.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 17th September, 2020 through email on palashsecurities@birlasugar.org The same will be replied by the Company suitably.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.birla-sugar.com/ www.palashsec.com and on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>

14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. At the 2nd AGM held on 12th September, 2016 the Members approved appointment of Subodh Agarwal & Co, Chartered Accountants (Firm Registration No. 319260E) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 7th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the sixth AGM.
16. The Register of Directors and Key Managerial Personnel and their Shareholding at the AGM, maintained under Section 170 of the Companies Act, 2013, shall be available for electronic inspection by the members during the AGM. All documents referred to in the Notice shall also be available for electronic inspection. Members seeking to inspect such documents can send an email to palashsecurities@birlasugar.org
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
18. Instructions for e-voting and joining the AGM are as follows:

VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below:
- II. The remote e-voting period commences on Sunday, 20th September, 2020 (9:00 a.m. IST) and ends on Wednesday, 23rd September, 2020 (5:00 p.m. IST).

During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday, 17th September, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- III. The Board of Directors has appointed Mr Mohan Ram Goenka (Membership No. FCS 4515), Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- V. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- VI. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- VII. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.birla-sugar.com / www.palashsec.com. The Notice can also be accessed from the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- VIII. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to or contact Mr. Amit Vishal, Senior Manager/Ms. Pallavi Mhatre, Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 at telephone no. 022- 24994360/022 24994545 or at E-mail id evoting@nsdl.co.in
4. 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 or casting vote through e-Voting system during the Meeting.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to kolkata@linkintime.co.in or palashsecurities@birlasugar.org
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to kolkata@linkintime.co.in or palashsecurities@birlasugar.org
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

NOTICE

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at palashsecurities@birlasugar.org latest by 5.00 p.m. (IST) on Thursday, 17th day of September, 2020.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at palashsecurities@birlasugar.org latest by 5.00 p.m. (IST) on Thursday, 17th day of September, 2020. The same will be replied by the Company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager-NSDL at amitv@nsdl.co.in / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in/ 022-24994545.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.birla-sugar.com / www.palashsec.com. and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Ltd and National Stock Exchange Ltd where the shares of the Company are listed.

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

Item No. 3

Based on the recommendation of Nomination & Remuneration Committee, Mr Suresh Kumar Khandelia (DIN: 00373797) aged 69 years, a qualified Chartered Accountant having rich experience in the field of accounting, finance and business, was appointed as an Additional Director by the Board of Directors with effect from 7th February, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 Mr Suresh Kumar Khandelia holds office up to the date of the ensuing Annual General Meeting. Pursuant to Section 149 of the Companies Act, 2013, the Board of Directors at its meeting held on 7th February, 2020 designated Mr Suresh Kumar Khandelia, as an Independent Director based on the declarations received from Mr Suresh Kumar Khandelia. The Company has also received a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

The Board recommends to appoint Mr Suresh Kumar Khandelia as an Independent Director for a consecutive period of five years upto 6th February, 2025.

The Board feels that presence of Mr Suresh Kumar Khandelia on the Board would be of immense benefit to the Company and therefore recommends Resolution No. 3 for approval of the Members of the Company.

Except Mr Suresh Kumar Khandelia, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice Brief resume of Mr Suresh Kumar Khandelia nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Regulation 36 of SEBI (LODR) Regulations, 2015, is provided as annexure to the Notice calling the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Item No. 4

Mr. Chand Bihari Patodia (DIN: 01389238) was appointed as Managing Director of the Company for a period of 3 years with effect from 30th March, 2017 at the 3rd Annual General Meeting held on 22nd September, 2017 by passing Special Resolution. Mr. Chand Bihari Patodia has completed his present term on 29th March, 2020. In order to take advantage of Mr. Chand Bihari Patodia's counsel and advice based on his skills, experience, knowledge and outcome of performance valuation and based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of shareholders of the Company, the Board of Directors of the Company at their meeting held on 7th February, 2020, approved the re-appointment of Mr. Chand Bihari Parodia (DIN: 01389238) who has attained the age of 70 years as Managing Director for a further term of three years commencing from 30th March, 2020 on the existing terms and conditions including without any remuneration as Managing Director of the Company.

Accordingly, in view of the recommendation made by the Nomination & Remuneration Committee and in accordance with provisions of Sections 196, 197 and 203 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Rules framed there under and to be in compliant with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, recommend the Resolution mentioned in Item No 4 of the Notice for your approval.

Except Mr. Chand Bihari Patodia, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is/are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The requisite information required in terms of the provisions of Section II of Part II of Schedule V to the Act relating to Item No.4 above are all given below:

I. GENERAL INFORMATION:

1. **Nature of industry:** The Company is in the business of Investment in Shares, Debentures, Bonds etc of Joint Stock Companies, Units of different Mutual Fund Scheme with Indian Companies and Nationalised Banks etc and Inter Corporate Deposits within the Group is mainly into investing activities only.
2. **Date or expected date of commencement of commercial production:** The Company is in operation since 2015 . As the Company is a Core Investment Company and the main business of the Company is investment and such there is no commercial production in the Company
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
4. **Financial performance based on given indicators:** The information is being provided from the audited accounts for the financial year ended on 31st March, 2018, 31st March, 2019, and 31st March, 2020.

(Rs. in Lacs)

| Particulars | 31.03.2018 | 31.03.2019 | 31.03.2020 |
|--------------------------|------------|------------|------------|
| Revenue from Operations | 0.57 | 0.40 | 6.94 |
| Other Income | 20.71 | 36.89 | 36.72 |
| Profit/(Loss) before Tax | (36.49) | 8.81 | (9.65) |
| Profit/(Loss) after Tax | (36.49) | 7.16 | (9.65) |
| Net Worth | 2130.16 | 2137.32 | 1945.39 |

5. **Foreign investments or collaborations, if any.:** Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

1. **Background details:** Mr. Chand Bihari Patodia, possesses rich experience of over 40 years in various capacities especially involving planning, institutional strengthening including restructuring of organization, motivation of employees for better output, public relation and resolution of disputes etc.
2. **Past remuneration:** Nil
3. **Recognition or awards:** The notable awards won by Mr. Chand Bihari Patodia are:
 - a. North Indian Sugarcane & Sugar Technologists’ Association (NISSTA) along with ICAR-Indian Institute of Sugarcane Research (IISR) awarded him “Lifetime Achievement Award” for recognising his contribution in sugarcane research & upgradation of the sugar mill industry on 30th April 2016 at Lucknow.
 - b. The Sugar Technologists’ Association of India (STAI), technical wing of Sugar Industry has also awarded him “Lifetime Achievement Award” on 28th July 2016 by H.E. Smt. Pratibha Devisingh Patil, Former President of India and Hon’ble Sh. Sharad Pawarji in a 74th Annual Convention in New Delhi.
4. **Job profile and his suitability:** Mr Chand Bihari Patodia has been actively associated in its business and plays a pivotal role in all strategic business policies / decisions of the Company. As the Managing Director of the Company the incumbent is reassigned to look after the whole or substantially the whole of the affairs of the Company subject to overall supervision, control and direction of the Board.
5. **Remuneration proposed:** Nil
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Not Applicable. Mr Chand Bihari Patodia has voluntarily waived the remuneration quoting the financial stringency faced by the Company.
7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Mr. Chand Bihari Patodia does not hold any equity shares of the Company. He does not have any other pecuniary relationship directly or indirectly with the Company. He does not have any relationship with the managerial personnel of the Company.

III. OTHER INFORMATION:

1. **Reasons of loss or inadequate profits:** Not Applicable
2. **Steps taken or proposed to be taken for improvement:** The Company has adopted various measures to improve the profitability and has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position

NOTICE

- 3. Expected increase in productivity and profits in measurable terms:** The Company has taken various initiatives to strengthen its profit margin by timely decision makings. It has been aggressively pursuing and implementing its strategies to improve financial performance. It is believed that financial position of the company will improve considerably in the coming years.

IV. DISCLOSURES:

- 1. Information on the remuneration package of the managerial personnel:** Mr Chand Bihari Patodia has voluntarily waived the remuneration quoting the financial stringency faced by the Company.
- 2. Disclosures on remuneration package and other terms of Directors under Corporate Governance' Report:** Corporate Governance Report forms a part of the Annual Report and the remuneration package and other terms applicable to the Directors are disclosed therein.

The Board of Directors recommends the passing of the above resolution as a Special Resolution set out in the item no.4 of the Notice.

Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting

| | | |
|---|--|--|
| Name | Suresh Kumar Khandelia | |
| Date of Birth | 03.01.1951 | |
| Brief Profile covering experience | Mr Suresh Kumar Khandelia is a qualified Chartered Accountant. He posses rich experience in the textile Industry. Currently he is the Vice Chairman of Confederation of Indian Textile Industry (CITI), Co-Chairman of FICCI Textiles Committee and is in the Managing Committees of Texprocil and Textile Sector Skill Council. He has also served as Committee of Administration Member of SRTEPC and President of Indian Spinners' Association (ISA). | |
| Date of Appointment | 07.02.2020 | |
| Inter-se relationship | None | |
| Shareholding | Nil | |
| | Name of Company(ies) | Committee Memberships, if any with position |
| Board Membership of other listed Companies as on 31st March, 2020 | Nil | Nil |
| | Name of Company(ies) | Committee Memberships, if any with position |
| Other Directorships | Allahabad Canning Limited | Audit Committee- Member |
| | SMAA Enterprises Pvt Ltd | |
| | The Cotton Textile Export Promotion Council | |
| | SMAA Tradeinvest Pvt Ltd | |
| | Rajashi Commotrade Pvt Ltd | |
| | Confederation of Indian Textile Industry | |
| | Textile Sector Skill Council | |
| | Blend Financial Solutions Pvt Ltd | |
| Name | Mr. Chand Bihari Patodia | |
| Date of Birth | 23.04.1948 | |
| Brief Profile covering experience | Mr. Chand Bihari Patodia, possesses rich experience of over 40 years in various capacities especially involving planning, institutional strengthening including restructuring of organization, motivation of employees for better output, public relation and resolution of disputes etc. | |
| Date of Appointment | 23.03.2015 | |
| Inter-se relationship | None | |
| Shareholding | Nil | |
| | Name of Company(ies) | Committee Memberships, if any with position |
| Board Membership of other listed Companies as on 31st March, 2020 | Nil | Nil |
| | Name of Company(ies) | Committee Memberships, if any with position |
| Other Directorships | JKM Engineering Private Limited | - |
| | Allahabad Canning Limited | - |
| | Sunlight Fuels Private Limited | - |

By Order of the Board of Directors
For **Palash Securities Limited**

Mayuri Raja
Company Secretary
ACS 26022

Place: Kolkata
Dated : 25th June, 2020