

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

CIN: L17110MH1987PLC043970

Registered Office: 220, Unique Industrial Estate, Off Veer Savarkar Marg,  
Prabhadevi, Mumbai - 400 025

E mail: [shailesh@dalmiapolypro.in](mailto:shailesh@dalmiapolypro.in) Website: [www.sharadfibres.com](http://www.sharadfibres.com);

Tel no.: 022-66355800, 4322 6969.

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Date: June 4, 2018

To,  
BSE Limited,  
Corporate Relations Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

Reg: Security Code No. 514402

Subject: Notice for 31<sup>st</sup> Annual General Meeting

Dear Sir / Ma'am,

We are enclosing herewith Notice for 31<sup>st</sup> Annual General Meeting of SharadFibres& Yarn Processors Limited for the Financial Year 2017-18 will be held on Tuesday, June 26, 2018 at 10:00 A.M. at 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025 to transact the business as stated in the Notice.

Kindly take the above on record.

Thanking you,

Yours faithfully,  
For SHARAD FIBRES & YARN PROCESSORS LIMITED



JYOTI NANKANI  
(DIN:07145004)  
DIRECTOR



Encl: as above.

# SHARAD FIBRES AND YARN PROCESSORS LIMITED

Reg Office:- 220, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi,  
Mumbai - 400025. Tel : 022 - 43226969

Website: [www.sharadfibres.com](http://www.sharadfibres.com) Email id : [\\_accounts@sharadfibres.com](mailto:_accounts@sharadfibres.com)

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## NOTICE TO THE MEMBERS

NOTICE is hereby given that the **31<sup>st</sup> Annual General Meeting** of the Members of **SHARAD FIBRES AND YARN PROCESSORS LIMITED** will be held at the Office No. 16, Unique Industrial Estate, Off. Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 on Tuesday, June 26, 2018 at 10:00 A.M. to transact, with or without modification(s) the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (including Standalone & Consolidated) of the Company for the Financial Year ended March 31, 2018, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jyoti Nankani (Din: 07145004), who retires from office by rotation, and being eligible offers herself for re-appointment.
3. To appoint Statutory Auditors, M/s. J.H. Bhandari & Co., Chartered Accountants in place of M/s. Darshil Doshi & Co., Chartered Accountants by passing the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors Rule, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee, M/s. J. H. Bhandari & Co., Chartered Accountants Sole Proprietorship having Firm Registration No. 138960W, be and are hereby appointed as Statutory Auditors of the Company in place of Statutory Auditors M/s. Darshil Doshi & Co., Chartered Accountants, who shall hold office from the conclusion of ensuing Annual General Meeting for a term of five consecutive years till the conclusion of Annual General Meeting to be held in 2023 and the Board be and is hereby authorized to fix the remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

### **SPECIAL BUSINESS:**

4. **RE- APPOINTMENT OF MR. RAVI DALMIA, MANAGING DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** on the recommendation of the Nomination and Remuneration committee and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (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, consent of the Members be and is hereby accorded to the appointment of Mr. Ravi Dalmia (DIN: 00634870) as a Managing Director of the Company for a period of 3 (three) years with effect from 1<sup>st</sup> June, 2018 at a consolidated remuneration not exceeding Rs.60,00,000/- per annum on the terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013, annexed to this Notice.

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to fix, alter and vary the terms and conditions of the appointment provided, however, that the remuneration payable shall not exceed the limits mentioned above and the limits specified in the Schedule V, Part II, Section II read with other applicable provisions, if any, of the Companies Act, 2013, or any amendments thereto or enactments thereof from time to time and further in the event of sufficient profits in any year during the tenure of his appointment to pay maximum permissible remuneration as provided in Section 197 of the Companies Act, 2013.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

**5. APPROVAL OF RE-APPOINTMENT OF MR. UNNI KRISHNAN NAIR (DIN: 01159376), INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 CONSECUTIVE YEARS, EXISTING TERM EXPIRES ON MARCH 31, 2019:**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Unni Krishnan Nair (DIN: 01159376), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024”.

**6. APPROVAL OF RE-APPOINTMENT OF MR. SURENDRA BAHADUR SINGH (DIN: 06521001), INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 CONSECUTIVE YEARS, EXISTING TERM EXPIRES ON MARCH 31, 2019:**

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Surendra Bahadur Singh (DIN: 06521001), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024”.

**7. SALE OF 25,000 EQUITY SHARES HELD BY THE COMPANY IN DALMIA EXIM LIMITED, A STEP DOWN SUBSIDIARY OF THE COMPANY; THROUGH BST EXPORTS PRIVATE LIMITED, A WHOLLY OWNED SUBSIDIARY:**

To consider and if thought fit, to pass, with or without modifications as may be practical and permissible, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Regulation 24 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”) and further pursuant to the provisions of Section 180(1) (a), 188, 177 and any other applicable provision of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the “Act”) the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted by the Board) to sell / transfer, or otherwise dispose in one or more tranches the aggregate 100% equity stake in Dalmia Exim Limited, a step down subsidiary of the Company, held through a wholly owned subsidiary Company, BST Exports Private Limited to the Purchasers and on such terms and conditions as may be agreed between the Company and the Purchasers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents /deeds /writings /papers /agreements as may be required and to give necessary consents and to do all such acts, deeds, matters 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 this regard."

**8. SALE OF 3,70,000 EQUITY SHARES HELD BY THE COMPANY IN ITS WHOLLY OWNED SUBSIDIARY COMPANY (i.e. BST EXPORTS PRIVATE LIMITED):**

To consider and if thought fit, to pass, with or without modifications as may be practical and permissible, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Regulation 24 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”) and further pursuant to the provisions of Section 180(1) (a) , and any other

applicable provision of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the "Act") the members of the Company hereby accord their consent to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted by the Board) to sell / transfer, or otherwise dispose in one or more tranches the aggregate 100% equity stake in BST Exports Private Limited, a wholly owned subsidiary Company to the Purchasers and on such terms and conditions as may be agreed between the Company and the Purchasers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents /deeds /writings /papers /agreements as may be required and to give necessary consents and to do all such acts, deeds, matters 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 this regard."

**9. APPROVAL OF RELATED PARTY TRANSACTIONS:**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Section 188, 177 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the Company to enter into various transaction(s) annually with Dalmia Polypro Industries Private Limited for an amount not exceeding Rs.10 Crores from the financial year 2018-19 and onwards on such terms and conditions as may be agreed by the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or anyone or more Directors of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, for the purpose of giving effect to this resolution."

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai  
Date : May 28, 2018.**

**Sd/-  
RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provision of Section 105 of the Companies Act, 2013 and the Rules framed thereunder, 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 carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.

2. The business set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No.19. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / reappointment at the AGM are furnished below. The Directors have furnished the requisite consents / declarations for their appointment/re-appointment.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015:**

<b>Name of Director</b>	<b>Ms. Jyoti Nankani</b>	<b>Mr. Ravi Dalmia</b>
<b>Director Identification Number (DIN)</b>	07145004	00634870
<b>Date of Birth</b>	3 <sup>rd</sup> December, 1981	16 <sup>th</sup> July, 1956
<b>Age</b>	36	61

<b>Brief resume &amp; Nature Of expertise in specific functional areas</b>	She is associated with the Company since 2015 as Non-Executive, Women Director of the Company and has experience of about 8 years in his credit. She looks after the Operations and Accounts of the Company.	He is associated with the Company since 1987 as a Director of the Company and has experience over 30 years in his credit. He looks after the overall affairs of the Company and plays an imperative role in the progress of the Company.
<b>Disclosure of relationship between directors inter-se</b>	N.A.	Brother of Mr. Aditya Dalmia
<b>Names of listed entities in which the person also holds the directorship</b>	N.A.	N.A.
<b>No. of Shares held in the Company</b>	NIL	6,15,476 Shares
<b>Membership &amp; Chairmanships of Committees of the Board</b>	N.A.	Audit Committee Stakeholder Relationship Committee

<b>Name of Director</b>	<b>Mr. Unni Krishnan Nair</b>	<b>Mr. Surendra Bahadur Singh</b>
<b>Director Identification Number (DIN)</b>	01159376	06521001
<b>Date of Birth</b>	15 <sup>th</sup> July, 1965	16 <sup>th</sup> December, 1974
<b>Age</b>	52	43
<b>Brief resume &amp; Nature Of expertise in specific functional areas</b>	He has experience of over 40 years in Marketing & Business Development of the Company.	He has experience of over 10 years and plays an imperative role in Management.
<b>Disclosure of relationship between directors inter-se</b>	N.A.	N.A.
<b>Names of listed entities in which the person also holds the directorship</b>	N.A.	N.A.
<b>No. of Shares held in the Company</b>	NIL	NIL
<b>Membership &amp; Chairmanships of Committees of the Board</b>	<ol style="list-style-type: none"> <li>1. Audit Committee-<b>Chairperson</b></li> <li>2. Stakeholder Relationship Committee-<b>Chairperson</b></li> <li>3. Nomination &amp; Remuneration Committee-<b>Chairperson</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Audit Committee</li> <li>2. Stakeholder Relationship Committee</li> <li>3. Nomination &amp; Remuneration Committee</li> </ol>

**Note:** Membership/Chairmanship in Committees including Sharad Fibres And Yarn Processors Limited has been considered.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday 23<sup>rd</sup> June, 2018 to Monday 25<sup>th</sup> June, 2018** (both days inclusive) for determining the names of members.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
11. The shares of the Company are listed on BSE Ltd., Mumbai.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

**BIGSHARE SERVICES PRIVATE LIMITED.**

(Unit: Sharad Fibres and Yarn Processors Limited)

E-2/3, Ansa Industrial Estate, Saki Vihar Road,

Saki Naka, Andheri (East), Mumbai - 400 072.

Tel. No. 022 2847 0652/ 4043 0200.

Email id - [info@bigshareonline.com](mailto:info@bigshareonline.com)

- a. The Company has appointed **BIGSHARE SERVICES PRIVATE LIMITED** as Common Registrar & Transfer Agent of the Company for physicals as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.
  - b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat this information should be passed on directly to their respective Depository Participants and not to the Company.
14. Relevant documents referred to in the Notice and in the Explanatory Statements are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.



15. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
16. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
17. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with the Depository Participant to enable us to send you the Annual Reports and other communications via email.

**19. SHAREHOLDER INSTRUCTIONS FOR E-VOTING**

- (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI, Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) 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 Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.
- (ii) The Board of Directors of the Company has appointed M/s. GMJ & Associates, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The facility for voting through e-voting system shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through e-voting.
- (iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. **Friday, 25<sup>th</sup> May, 2018.**

- (vii) 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, i.e **Friday, 25<sup>th</sup> May, 2018** only shall be entitled to avail the facility of e-voting / remote e-voting.
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **Friday, 25<sup>th</sup> May, 2018** may obtain the User ID and password from **BIG SHARE SERVICES PRIVATE LIMITED** (Registrar & Transfer Agents of the Company).
- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company ([www.sharadfibres.com](http://www.sharadfibres.com)) and on the website of CDSL <https://www.evotingindia.com>. The results shall simultaneously be communicated to the Stock Exchange.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Tuesday, 26<sup>th</sup> June, 2018**.
- (xi) The instructions for shareholders voting electronically are as under:
- a) The voting period begins on **Saturday, 23<sup>rd</sup> June, 2018 at 10.00 AM. (IST) and ends on Monday, 25<sup>th</sup> June, 2018 at 5:00 P.M. (IST)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - c) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - d) Click on Shareholders
  - 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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• 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 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field.</li> <li>• In case the sequence 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 serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- 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) Click on the EVSN for the relevant < **SHARAD FIBRES AND YARN PROCESSORS LIMITED** > on which you choose to vote.
- 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.
- s) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- t) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (a) to sl. no. (t) above to cast vote.

The voting period begins on **Saturday, 23<sup>rd</sup> June, 2018 at 10.00 AM. and ends on Monday, 25<sup>th</sup> June, 2018 at 5:00 P.M.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date

(record date) of **Friday, 25<sup>th</sup> May, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (B) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai**

**Date : May 28, 2018**

**Sd/-  
RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**

## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 4:

It is proposed to appoint Mr. Ravi Dalmia as Managing Director of the Company for a term of 3 years, w.e.f. 1<sup>st</sup> June, 2018. Mr. Ravi Dalmia is associated with the Company since inception and looks after the overall affairs of the Company. The terms of appointment & ceiling limits as laid down in Paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013 have been cleared and approved by Nomination & Remuneration Committee and the Board at their meeting held on May 28, 2018. This ceiling is on overall remuneration proposed with liberty to vary the same within this aforesaid overall ceiling.

In addition to above Salary and allowance, he will be also entitled to the following perquisites:

- a) Gratuity payable at a rate of half month's salary for each completed year of service.
- b) Company's contribution towards Provident Fund as per Rules of the Company, but the same shall not exceed 25% of the salary, subject to the condition that the contribution to Provident Fund and Superannuation Fund to the extent that these, either singly or put together are not taxable under the Income Tax Act, 1961.
- c) Leave unavailed of will be allowed to be encashed at the end of the tenure as per Company's Rules.
- d) Leave Travel Concession for self and family once a year incurred in accordance with the rules of the Company.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the appointment of Mr. Ravi Dalmia as a Managing Director of the Company for a period of 3 years commencing 1<sup>st</sup> June, 2018.

#### **MEMORANDUM OF INTEREST**

Mr. Aditya Dalmia being related to Mr. Ravi Dalmia, is deemed to be concerned and interested in the resolution at Item No. 4. Except Mr. Aditya Dalmia, none of the Directors / KMP of the Company are concerned or interested in this resolution.

**The disclosures as per Section II to Part-II of Schedule-V of the Companies Act, 2013 are as under:**

#### **I. GENERAL INFORMATION:**

1. Nature of Industry: The main business of the Company is processing, texturising, crimping, spinning, twisting, knitting, manufacturing, exchanging, trading, commission agents, importing and exporting or dealing in fibres, yarn cloth and

fabrics made from cotton, wool, silk, artsilk, rayon, nylon, polyester, acrylic or any other natural or manmade and synthetic fibres and yarns.

2. Date or expected date of commencement of commercial production: Not Applicable, as the Company is an existing 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:

Sr. No.	Particulars	2016-2017	2015-2016	2014-2015
1.	Gross Income	4,80,14,375	5,88,40,679	9,98,00,795
2.	Profit before tax	12,41,525	19,47,088	23,54,094
3.	Profit after tax	12,41,525	19,47,088	23,54,094
4.	Dividend paid (including tax)	-	-	-
5.	Rate of dividend %	-	-	-

5. Foreign Investments or collaborations, if any: Company does not have any investment outside India.

## II. Information about the appointee

Name of the Director	Mr. Ravi Dalmia
Date of Birth	16/07/1956
Date of last appointment on the Board	15/07/1987
Qualifications	Bachelors of Commerce
Nature of expertise in Specific functional areas	Operations, Marketing & Business Development
Brief Resume	<p>1. Mr. Ravi Dalmia is associated with the Company since 1987 as a Executive Director and has experience of about 30 years in his credit.</p> <p>2. He Looks after the overall affairs of the Company and plays an imperative role in the progress of the Company. Further Looking at the exposure, experience and responsibilities shouldered by him, he is suitable for the position.</p>
Remuneration last drawn (including sitting fees, if any)	N.A.
Remuneration proposed to be paid	Rs.60,00,000/- p.a. (This is proposed remuneration and actual will be decided from time to time within the overall ceilings by the Board.)

Shareholding in the Company as on March 31, 2018	6,15,476 Shares
Relationship with other Directors/ Key Managerial Personnel	1. Being promoter, he is directly related to the Company. 2. Mr. Ravi Dalmia being related to Mr. Aditya Dalmia as a Brother.

### III. Other Information:

- (1) Reasons of loss or inadequate profits: Because of market competition and higher overhead cost.
- (2) Steps taken or proposed to be taken for improvement: With steps taken by the management, now the Company has started making profits and expected to improve further.
- (3) Expected increase in productivity and profits in measurable terms: The management expects about 10-15% increase in performance and profits.

### IV. Disclosures:

Necessary disclosures shall be made in the Directors Report annually and Shareholders will be provided all the necessary information.

The Board recommends the resolution set forth in Item No.4 for the approval of the Members.

### **ITEM NO. 5 & 6:**

Mr. Unni Krishnan Nair (DIN: 01159376) and Mr. Surendra Bahadur Singh (DIN: 06521001) are Independent Directors of the company. Pursuant to the provisions of the Act, they were appointed as Independent Non-Executive Directors to hold office for five consecutive years for a term upto 31st March, 2019, by the Members of the Company in the AGM held on September 27, 2014.

As per Section 149(10) of 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 for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh, being eligible for re-appointment as Independent Directors offer themselves for re-appointment, are proposed to be re-appointed as Independent Directors for another term of five consecutive years from 1st April, 2019 upto 31st March, 2024.

In the opinion of the Board, Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for their re-



appointment as Independent Non-Executive Director of the Company and are independent of the management. Copy of the draft letter for appointment of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Non-Executive Directors setting out 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 (9:00 am to 5:00 pm) on any working day, upto and including the date of AGM of the Company.

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 Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Directors of the Company.

Accordingly, the Board recommends the Special Resolutions in relation to eligibility and re-appointment of Mr. Unni Krishnan Nair and Mr. Surendra Bahadur Singh as Independent Directors of the Company for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024, for the approval of Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the members.

**ITEM NO. 7:**

Provisions of the Section 180 (1) (a) of the Companies Act, 2013 restricts a Company from selling, leasing or otherwise disposing off the whole of its undertaking without obtaining prior approval of the members by way of Special Resolution. In terms of explanation to Section 180 (1) (a) 'undertaking' means an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year. Further the expression "substantially the whole of the undertaking" in any financial year shall mean twenty per cent. or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. Since the Company does not directly hold the investments in Dalmia Exim Limited, the provision of Section 180 (1) (a) of the Companies Act, 2013 would not be theoretically attracted. However, it is thought prudent from a governance perspective and also as a matter of abundant caution desirable to seek approval of the Shareholders in terms of Section 180 (1) (a) of the Companies Act, 2013.

Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that no Company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal.

The Company holds 100% shares in its step down subsidiary viz. Dalmia Exim Limited, through its wholly owned subsidiary Company i.e. BST Exports Private Limited which did not perform any business activities during the Year 2017-2018. As a result, the financial health of the Company has deteriorated significantly. There is no improvement in the performance of the Company in the financial year i.e. 2017-2018.

In view of the above, it was decided by the Board of Directors of the Company to sell, transfer or otherwise dispose of the entire holding of the Company in its Step down subsidiary.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution up to the extent of their shareholding in the Company.

In view of the aforesaid, the Directors recommend the Special Resolution set out at Item No. 7 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**ITEM NO.8:**

Provisions of the Section 180 (1) (a) of the Companies Act, 2013 restricts a Company from selling, leasing or otherwise disposing off the whole of its undertaking without obtaining prior approval of the members by way of Special Resolution. In terms of explanation to Section 180 (1) (a) 'undertaking' means an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year. Further the expression "substantially the whole of the undertaking" in any financial year shall mean twenty per cent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that no Company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal.

The Company holds 100% shares in its subsidiary viz. BST Exim Private Limited. There is no such improvement in the performance of the Company in the financial year i.e. 2017-2018.

In view of the above, it was decided by the Board of Directors of the Company to sell, transfer or otherwise dispose of the entire holding of the Company in its subsidiary i.e. BST Exports Private Limited.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution up to the extent of their shareholding in the Company.

In view of the aforesaid, the Directors recommend the Special Resolution set out at Item No. 8 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**ITEM NO. 9:**

Pursuant to Section 188 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

However, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all Material Related Party Transactions, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee and Board is obtained, wherever required. However, the estimated annual transaction value with the below mentioned Company in respect of financial year 2018-19 and in the years to come may exceed 10% of the Annual Turnover of the Company as per the last audited financial statements of the Company.

The transactions going to be made with such parties as sated below are 'Related Parties' of the Company as per Section 2(76) of the Companies Act, 2013.

The particulars of the contracts / arrangements / transactions are as under :

<b>Particulars</b>	<b>Information</b>
Name of Related Party	Dalmia Polypro Industries Private Limited
Nature of Relationship	Group Company
Name of Director(s) or Key Managerial Personnel who is related, if any.	Mr. Aditya Dalmia and Mr. Ravi Dalmia
Nature and Particulars of transactions	Sales, purchase or supply of any goods or materials;
Material terms of the Contracts/Arrangement/Transactions	The transactions are in the ordinary course of business and on arm's length basis.
Duration of these Related Party Transactions	These transactions are on-going depending upon the needs of the business.
Value of Related Party Transaction	Upto Rs. 10 Crores annually
Any other information relevant or important for the Members to make a decision.	None

The Related Party Transactions as mentioned above were necessary, normal and incidental to business and also played a significant role in the Company's business operations and entered into keeping Company's best interest in mind. Accordingly the Board recommends the Ordinary Resolution set forth in Item No. 9 of the Notice for the approval of the Members in terms of Regulation 23 (4) of the Listing Regulations.

The Audit Committee has reviewed and approved the transaction as set out herein.

Mr. Ravi Dalmia, Managing Director and Mr. Aditya Dalmia, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in passing of the said resolution upto the extent of their shareholding in the Company.

In view of the aforesaid, the Directors recommends the Special Resolution set out at Item No. 9 of Notice for approval of members, as they feel the same to be in the interest of the Company.

**For and on behalf of the Board  
SHARAD FIBRES AND YARN PROCESSORS LIMITED**

**Place : Mumbai  
Date : May 28, 2018**

**Sd/-  
RAVI DALMIA  
[DIN: 00634870]  
MANAGING DIRECTOR**