

## NOTICE

Notice is hereby given that the 64th Annual General Meeting of the Godavari Biorefineries Limited will be held on Friday, 27th September, 2019 at 11 a.m. at Nalanda Auditorium, 4th Floor, 'Somaiya Vidyavihar', SIMSR Building, Off 7th Rajawadi Road, Mumbai - 400 077, Maharashtra to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2019 including the Balance Sheet as at 31st March, 2019 and the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Dr. Preeti Singh Rawat (DIN: 07154417), who retires by rotation, and being eligible, offers herself for reappointment.
3. To appoint a Director in place of Mr. Mohan Somanathan (DIN: 03184356), who retires by rotation, and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS:

#### 4. Re-appointment of Mr. Jayendra N. Shah as an Independent Non-Executive Director:

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

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30th May, 2019 and 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, Mr. Jayendra N Shah (DIN: 00084759), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 64th Annual General Meeting upto 69th Annual General Meeting and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

#### 5. Re-appointment of Mr. Kailash Pershad as an Independent Non-Executive Director:

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

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 30th May, 2019 and 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, Mr. Kailash Pershad (DIN: 00503603), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 64th Annual General Meeting upto 69th Annual General meeting and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

**6. To re-appoint Mr. Vinay V. Joshi as an Executive Director and approve remuneration payable to him:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions 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) and subject to approval of the Central Government and all such approvals as may be required, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vinay V. Joshi (DIN– 00300227) as Executive Director of the Company for a period of two years from 1st April 2019 to 31st March 2021 on the terms and conditions including remuneration as set out in this resolution, with liberty to the Board of Directors to revise, implement, alter and vary the terms and conditions of his appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by and between the Board and Mr. Vinay V. Joshi –

- 1) Basic: ₹ 5,12,210/- p.m.
- 2) Bonus: 20% of Basic Salary.
- 3) Commission: 0.5% of Net profit subject to limit of 100% of the Basic Salary.
- 4) Perquisites :
  - i) HRA : ₹ 20,000/- p.m.
  - ii) Medical Reimbursement: As per Company's Rules.
  - iii) Leave Travel Reimbursement : One month's Basic pay as per Company rules.
  - iv) Contribution to Provident Fund at the rates applicable from time to time in the Company.
  - v) Gratuity not exceeding half a month's salary for each completed year of tenure.
  - vi) Provision of car with driver for official purpose, the expenditure of which will be borne by the Company.
  - vii) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Provided that the remuneration aforesaid, including all perquisites, benefits and amenities shall be allowed as a minimum remuneration in any year in the event of absence or inadequacy of profits for that year.

**RESOLVED FURTHER THAT** Mr. Vinay V. Joshi shall exercise such powers and perform such duties as may be delegated by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution.”

**7. To re-appointment of Mr. Mohan Somanathan as a Director (Works)- Sakarwadi And Managerial Remuneration Payable To Him:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions 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) and subject to approval of the Central Government and all such approvals as may be required, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Mohan Somanathan (DIN– 03184356) as the Director (Works) for Sakarwadi unit of the Company for a period of three years from 1st April 2019 to 31st March 2022 on the terms and conditions including remuneration as set out in this resolution, with liberty to the Board of Directors to revise, implement, alter and vary the terms and conditions of his appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by and between the Board and Mr. Mohan Somanathan –

- 1) Basic ₹ 2,31,771/- p.m.
- 2) Special Allowance: ₹ 47,513/- p.m.
- 3) Bonus : 20% of Basic Salary.
- 4) Performance Incentive: 0.3% of Net Profit after Tax of Sakarwadi Unit of the Company with maximum limits upto ₹ 20 Lakh per annum, subject to recommendation of Nomination and Remuneration Committee and approval of Board of Directors or approval of Members, as may be required.
- 5) Perquisites:
  - i) Housing : Furnished Accommodation at Factory
  - ii) Medical Reimbursement : As per Company's Rules.
  - iii) Leave Travel Reimbursement : One month's Basic pay as per Income Tax Laws and Company's Rules.
  - iv) Contribution to Provident Fund at the rates applicable from time to time in the Company.
  - v) Gratuity not exceeding half a month's salary for each completed year of tenure.
  - vi) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Provided that the remuneration aforesaid, including all perquisites, benefits and amenities shall be allowed as a minimum remuneration in any year in the event of absence or inadequacy of profits for that year.

**RESOLVED FURTHER THAT** Mr. Mohan Somanathan be the "Occupier" for the Sakarwadi plant and shall exercise such powers and perform such duties as may be delegated by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution."

**8. To approve remuneration payable to the Cost Auditor of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s. B.J.D. Nanabhoy & Company, the Cost Accountants (Firm Registration No. 000011) appointed by the Board of Directors of the Company, on the recommendation of Audit Committee, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2020, be paid the remuneration amounting to ₹ 2,75,000/- (Rupees Two Lakh Seventy Five Thousand only) p.a., and also the payment of tax, as applicable and re-imburement of out of pocket expenses incurred in connection with the aforesaid audit and the same is hereby ratified and approved."

**9. To approve contributing to Charitable and other funds.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 181 and other applicable provisions, of the Companies Act, 2013, if any, the consent of the Members be and is hereby accorded to the Board of Directors for contributing to charitable and other funds not directly relating to the businesses of the Company upto an aggregate sum of ₹ 2,00,00,000/- (Rupees Two Crores Only) during Financial Year 2019-20.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**10. To approve Acceptance of Deposits.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 73 and Chapter V of the Companies Act, 2013, read with Companies (Acceptance of Deposit) Rules, 2014, as may be amended from time to time and clarifications/guidelines issued by the Central Government, and any other applicable provisions, if any, the consent of the members be and is hereby accorded to the Board of Directors of the Company to accept fixed deposits within limits prescribed in the Act and overall borrowing limits of the Company, and the same is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors thereof be and is hereby authorised to do all such other acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

Registered Office:  
Somaiya Bhavan,  
45/47, M. G. Road,  
Fort, Mumbai - 400 001

**By Order of the Board of Directors**

**Samir S. Somaiya**  
**Chairman & Managing Director**  
DIN - 00295458

Date: 29th July, 2019  
Place: Mumbai

## NOTES:

1. A statement pursuant to section 102(1) of the Companies Act, 2013, setting out all material facts relating to Special Business to be transacted at the meeting is annexed herewith and the same should be taken as part of this Notice.
2. Route Map of venue of the Meeting is attached.
3. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding 50 Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member.
4. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
5. Pursuant to Section 113 of the Companies Act, 2013, Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. During the period beginning 24 hours before the time fixed for commencement of the Annual General Meeting (AGM) and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days notice of writing is given to the Company.
7. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith and the Annual report copy to attend the meeting along with a valid identity proof such as PAN Card, Passport, AADHAR Card or Driving license to enter the AGM Hall.
8. Members are requested to inform of any change in their addresses immediately to: (i) Registrar & Transfer Agents (R & T Agents) in case of shares held in Physical Form or (ii) Depository Participants in case of shares held in Electronic Form
9. The Members are requested to send their queries, if any at least seven days before the Annual General Meeting (AGM) to the Company Secretary at the registered office of the Company or at email id [investors@somaiya.com](mailto:investors@somaiya.com).
10. The Annual Report 2018-19, the Notice of the 64th AGM and instructions for e-voting along with attendance slip and proxy form, are being sent by electronic mode to members whose email addresses are registered with the Company / depository participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies are being sent by permitted mode.
11. Members may also note that the Notice the 64th AGM and the Annual Report will be available on Company's website, [www.godavaribiorefineries.com](http://www.godavaribiorefineries.com).
12. 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 the PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrars and Share Transfer Agent.
13. In response to the Green Environment Initiative taken by the Ministry of Corporate Affairs, we urge the members to support our commitment to environmental protection by choosing to receive any shareholding communication through email. You can do the same by updating your email addresses to the concerned Depository Participant. Members who hold shares in physical form are requested to register their email addresses with Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company.

14. We wish to bring it to member's notice that, the Ministry of Corporate Affairs has directed every Company to facilitate dematerialisation of all its existing securities. It is allowed to hold the shares in physical form, but the shares will first need to be dematerialised in case members wish to transfer the same. Further any future offer by the Company by way of Rights Issue, Bonus etc cannot be allotted to members unless and until they have a Demat account and their existing securities are dematerialized. Dematerialization facility is available both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Company's ISIN No. is INE497S01012. In case of any queries in this regard, member may also contact our Registrar & Share Transfer Agents, Link Intime India Private Limited. In this regards the company has also send a letter to the shareholders, holding physical shares of the Company, requesting to demat the shares.

#### **PROCEDURE FOR E-VOTING:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 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 National Securities Depository Limited (NSDL).
- II. The facility for e-voting shall also be made available at the AGM for those members who have not cast their votes earlier.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. Members can opt for only one mode of voting i.e. either by Polling Paper or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Polling Paper shall be treated invalid.
- V. The remote e-voting period commences on Tuesday, 24th September, 2019 (9:00 am) and ends on Thursday, 26th September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The process and manner for remote e-voting are as under:

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-into 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 holds 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***

**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, your 'initial password' is communicated to you on your postal address.
2. 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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN,your name and your registered address.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. 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 [nandini@tusharshri.com](mailto:nandini@tusharshri.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://www.evoting.nsdl.com)
  - i. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2019.
  - ii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - iii. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Polling paper.
  - v. Ms. Nandini Parekh, Practicing Company Secretary has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - vi. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - vii. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - viii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.godavaribiorefineries.com](http://www.godavaribiorefineries.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
  - ix. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address: Link Intime India Pvt. Ltd., C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 4000783. Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) / [ganapati.haligouda@linkintime.co.in](mailto:ganapati.haligouda@linkintime.co.in)

### Registered Office:

Somaiya Bhavan,  
45/47, M. G. Road,  
Fort, Mumbai - 400 001

### By Order of the Board of Directors

**Samir S. Somaiya**  
**Chairman & Managing Director**  
**DIN – 00295458**

Date: 29th July, 2019

Place: Mumbai



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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 10 of the accompanying Notice:

### **Item No. 4:**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, at the 59th Annual General Meeting held on 26th September, 2014, Mr. Jayendra Shah was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years from the 59th Annual General Meeting. Since, Mr. Jayendra Shah will complete his initial term as an Independent Director of the Company on the 64th Annual General Meeting, he is eligible for re-appointment for one more term.

The Board of Directors of the Company, at its meeting held on 30th May 2019 and on the recommendation of the Nomination & Remuneration Committee, on the basis of the report of performance evaluation of Independent Directors, has re-appointed Mr. Jayendra Shah pursuant to the provisions of Sections 149, 150, 152 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company for second term of five consecutive years with effect from 64th Annual General Meeting upto 69th Annual General meeting.

The Company has received a Declaration of Independence under Section 149(7) of the Companies Act, 2013. In the opinion of the Board, Mr. Jayendra Shah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Jayendra Shah as an Independent Non Executive 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 from 10 a.m. to 1 p.m. on working days except Saturdays, Sundays and other public holidays upto the date of Annual General Meeting (AGM).

Shri Jayendra Shah (aged 60) holds Bachelor's degree in Arts (Economics) from the Mumbai University and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India.

He is an accomplished business consultant and advisor at M/s N.A. Shah Associates, Chartered Accountants, with over 34 years experience. His areas of expertise include a. Financial Advisory, Mergers and Acquisitions and corporate restructurings, b. Adding value to companies through strategic planning and management oversight, c. Active and passive negotiation strategies for investments, divestments. His extensive strategic knowledge and operational experience enable organizations in achieving their market potential. Shri Jayendra Shah has an established track record of delivering value to clients and driving growth. He is a member of the Board of Directors as well as a part of advisory committees for various companies.

Shri Jayendra Shah joined the Board in September 2012. Shri Jayendra Shah is the Member of the Audit Committee and also a Member of Nomination and Remuneration Committee of the Board of Directors of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his guidance and expertise. Accordingly, the Board recommends the resolution for re-appointment of Mr. Jayendra Shah as an Independent Non Executive Director, for the approval of the shareholders of the Company.

Mr. Jayendra Shah does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not in a pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.

Notice under Section 160 of the Act has been received from a member proposing his appointment as Director of the Company. Requisite consent, pursuant to Section 152 of the Act, has been filed by Shri Jayendra Shah to act as Director, if appointed.

Except Mr. Jayendra Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

The Board recommends passing of the resolution as a Special resolution as set out at item no. 4 of the Notice

### **Item No.5:**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, at the 59th Annual General Meeting held on 26th September, 2014, Mr. Kailash

Pershad was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years from the 59th Annual General Meeting. Since, Mr. Kailash Pershad will complete his initial term as an Independent Director of the Company on the 64th Annual General Meeting; he is eligible for re-appointment for one more term.

The Board of Directors of the Company, at its meeting held on 30th May, 2019 and on the recommendation of the Nomination & Remuneration Committee, on the basis of the report of performance evaluation of Independent Directors has re-appointed Mr. Kailash Pershad pursuant to the provisions of Sections 149, 150, 152 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company for second term of five consecutive years with effect with effect from 64th Annual Geenral Meeting upto 69th Annual General meeting.

The Company has received a Declaration of Independence under Section 149(7) of the Companies Act, 2013. In the opinion of the Board, Mr. Kailash Pershad fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Kailash Pershad as an Independent Non Executive 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 from 10 a.m. to 1 p.m. on working days except Saturdays, Sundays and other public holidays upto the date of Annual General Meeting (AGM).

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his guidance and expertise. Accordingly, the Board recommends the resolution for re-appointment of Mr. Kailash Pershad as an Independent Non Executive Director, for the approval of the shareholders of the Company.

Shri Kailash Pershad (aged 79) is an Engineer. Shri Kailash Pershad has over 50 years of Industrial Management Experience in General Management, Marketing, Finance and Materials management. Shri Kailash Pershad had worked 30 years as a Senior/Top management Executive in the corporates. Shri Kailash Pershad was appointed as Nominee Director on various public limited companies representing IDBI, ICICI, and UTI. As a special Director nominated by Board for Industrial and Financial Restructuring (BIFR) was involved in revival and restructuring of various sick companies. Last 20 years he is working as a Consultant/Adviser and serves as Director on Board of Directors of various companies. Mr. Kailash Pershad does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not in a pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel.

Shri Kailash Pershad joined the Board in April 2009. Shri Kailash Pershad is the Member of the Nomination & Remuneration Committee and Member of Audit Committee of the Board of Directors of the Company.

Your Board considers that Shri Kailash Pershad's association with the Company as an Independent Director would benefit the Company. A declaration has been received from Shri Kailash Pershad that he meets the criteria of Independence prescribed under Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014. Your Board is also of the opinion that Shri Kailash Pershad fulfils the conditions specified in the Act and the Rules thereunder for his appointment as Independent Director and that he is independent of the management of the Company.

Notice under Section 160 of the Act has been received from a member proposing his appointment as Director of the Company. Requisite consent, pursuant to Section 152 of the Act, has been filed by Shri Kailash Pershad to act as Director, if appointed. Except Mr. Kailash Pershad, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

The Board recommends passing of the resolution as a special resolution as set out at item no. 5 of the Notice.

**Item No. 6:**

Mr. Vinay V. Joshi aged 65, is a Post Graduate from University of Pune in Commerce & Financial Accounting with further specialization in Cost & Management Accounting. He has been associated with Somaiya Group of Companies for the last 33 years in various capacities. He is currently Member of the Board of Directors of Godavari Biorefineries Ltd. in his capacity as an Executive Director.

Mr. Vinay V. Joshi is re-appointed as Executive Director of the Company for the period of two years starting from 1st April, 2019 under the authority of the resolution passed by the Board of Directors at their meeting held on 11th March, 2019 subject to approval of the Shareholders at the forthcoming Annual General Meeting of the Company.

Mr. Vinay V. Joshi will be paid remuneration as set out in Resolution No.6 in the Notice. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost. A special resolution has to be passed at the forthcoming Annual General Meeting of the Company for approving the reappointment and payment of the remuneration.

The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed under sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act. In the event of absence or inadequacy of profit during the period, Mr. Vinay V. Joshi shall be paid the above remuneration as minimum remuneration.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, except Mr. Vinay V. Joshi, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

**General Terms & Conditions:**

- 1) Basic: ₹ 5,12,210/- p.m.
- 2) Bonus: 20% of Basic Salary.
- 3) Commission: 0.5% of Net profit subject to limit of 100% of the Basic Salary.
- 4) Perquisites :
  - i) HRA : ₹ 20,000/- p.m.
  - ii) Medical Reimbursement: As per Company Rules.
  - iii) Leave Travel Reimbursement : One month's Basic pay.
  - iv) Contribution to Provident Fund at the rates applicable from time to time in the Company.
  - v) Gratuity not exceeding half a month's salary for each completed year of tenure.
  - vi) Provision of car with driver for official purpose, the expenditure of which will be borne by the Company.
  - vii) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Provided that the remuneration aforesaid, including all perquisites, benefits and amenities shall be allowed as a minimum remuneration in any year in the event of absence or inadequacy of profits for that year.

The Board recommends passing of the resolution as a special resolution as set out at item no. 6 of the Notice.

**Item No. 7:**

Mr. Mohan Somanathan aged 60, a graduate in Applied Science from Madras University & has more than 35 years of experience in major alcohol and alcohol based chemical industries. He is also a Director at Pentokey Organy India Ltd since 2010.

Mr. Mohan Somanathan is re-appointed as Director (works) - Sakarwadi of the Company for the period of three years starting from 1st April, 2019 under the authority of the resolution passed by the Board of Directors at their meeting held on 11th March, 2019 subject to approval of the Shareholders at the forthcoming Annual General Meeting of the Company.

Mr. Mohan Somanathan will be paid remuneration as set out in Resolution No.7 in the Notice. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost. A special resolution has to be passed at the forthcoming Annual General Meeting of the Company for approving the reappointment and payment of the remuneration.

The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed under sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act. In the event of absence or inadequacy of profit during the period, Mr. Mohan Somanathan shall be paid the above remuneration as minimum remuneration.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, except Mr. Mohan Somanathan, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

**General Terms & Conditions:**

- 1) Basic ₹ 2,31,771/- p.m.
- 2) Special Allowance: ₹ 47,513/- p.m.
- 3) Bonus : 20% of Basic Salary.
- 4) Performance Incentive: 0.3% of Net Profit after Tax of Sakarwadi Unit of the Company with maximum limits upto ₹ 20 Lakh per annum, subject to recommendation of Remuneration and Nomination Committee and approval of Board of Directors or approval of Members, as may be required.
- 5) Perquisites:
  - i) Housing : Furnished Accommodation at Factory
  - ii) Medical Reimbursement : As per Company's Rules.
  - iii) Leave Travel Reimbursement : One month's Basic pay subject to Income Tax Laws and Company's Rules.
  - iv) Contribution to Provident Fund at the rates applicable from time to time in the Company.
  - v) Gratuity not exceeding half a month's salary for each completed year of tenure.
  - vi) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Provided that the remuneration aforesaid, including all perquisites, benefits and amenities shall be allowed as a minimum remuneration in any year in the event of absence or inadequacy of profits for that year.

The proposed remuneration of Mr. Vinay V. Joshi and Mr. Mohan Somanathan is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business and diversified activities in the business of Industrial Alcohol and Specialty chemicals.

The Board recommends passing of the resolution as a special resolution as set out at item no. 7 of the Notice.

**The statement as required under Clause (iv) Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the item nos. 6 and 7 are as follows:**

**I. General Information:**

**(1) Nature of Industry:**

Manufacturing of Sugar, Cogeneration of Power, Industrial Alcohol & Organic Manure.

**(2) Date or expected date of commencement of commercial production:**

Existing Company, hence already commenced business.

**(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Existing Company, not applicable

**(4) Financial performance based on given indicators:**

₹ in Lakh

Particulars	2018-19	2017-18
Sales (Net of Excise Duty)	1,53,551	1,21,802
Profit / (Loss) before Depreciation, Interest and Tax	14,127	10,691
Finance costs	8,892	8,753
Profit / (Loss) after Interest but before Depreciation and Tax	5,235	1,938
Depreciation & Amortization	4,961	4,868
Profit / (Loss) Before Tax	274	(2,930)
Taxes (Income)/Expense	56	(817)
Profit / (Loss) After Tax	218	(2,113)

**(5) Foreign Investment of Collaborators, if any:**

The Company has received investment in its equity share capital from Mandala Capital AG Limited.

**II. Information about the Appointees:** The information with respect to Mr. Vinay V. Joshi and Mr. Mohan Somnathan is given in Item no. 6 and 7 of the explanatory statement respectively.

**III. Other Information:**

**1. Reasons of loss or inadequate profits:**

Net Profit after Tax of ₹ 218 Lakh was gained by the Company for the financial year ended 31st March, 2019. The reason for the inadequate profit was majorly on account high Statutory cane price (FRP).

**2. Steps taken or proposed to be taken for improvement:**

In view of the excess sugar production in the country and possibility of carrying high sugar inventory and preferential price announced by OMC's for ethanol based on B Heavy molasses, the company has decided to convert part of sugar in the form of B Heavy molasses into ethanol. This policy helped the Company in converting sugar into ethanol during SS 2018-19. Apart from reducing net sugar production, it also helped in improving the cash flows due to higher sugar sales 'Release Orders' and immediate ethanol sales based on sugar diverted for ethanol. This policy has helped the Company in reducing its sugar inventory as on 31st March, 2019. This policy will be continuing in the SS 2019-20. This policy would also help us in reducing the sugar turnover as % of our total turnover and thus reduce the risks attached to the volatile sugar market.

**3. Expected increase in productivity and profits in measurable terms:**

The Company is implementing ethanol expansion project, which will help the Company in further reducing the sugar inventory during the next year. This investment apart from improving the cash flow and reducing the working capital utilisation would help us in providing stable revenue flow from sale of ethanol and reduce our exposure to the volatile sugar market. Sugar sales improved from ₹ 54,384 Lakh in previous year to ₹ 63,205 Lakh in the current year (i.e.; increase of 16.2 % over previous year). Company evolved strategies to improve sugar sales realisation per unit by ensuring acceptability of our sugar quality in different market segments including institutional customers, whole-sale trade and retail trade. The Company is planning to consolidate its position in these market segments by undertaking further marketing initiatives. During the current year, due to preferential pricing by Government of India for Ethanol based on B Heavy Molasses, we produced more Fuel Ethanol to ensure improved cash flows and profitability.

**IV. Disclosures:** The disclosures in the Directors' report under the heading "Corporate Governance Report" of the Company are not required as mentioned in Clause (iv) Section II, Part II of the Schedule V of the Companies Act, 2013.

The Explanatory Statement along with the notice is and shall be deemed to be an abstract of the terms and memorandum of interest under section 190 of the Companies Act, 2013.

**Item No. 8:**

The Board, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. B.J.D. Nanabhoy & Company, Cost Accountants (Firm Registration. No.000011) as the Cost Auditors to conduct the audit of the cost records of the Company relating to Sugar and Industrial Alcohol, Electricity and Chemicals pursuant to Section 148 read with Rule 3 and 4 of Companies (Cost Records and Audit) Rules, 2014 and Companies (Cost Records and Audit) Amendment Rules, 2014 for the financial year ending March 31, 2020 at a remuneration of ₹ 2,75,000/- (Rupees Two Lakh Seventy Five Thousand only) p.a., plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Item No. 9:**

As per the provisions of Section 181 of the Companies Act, 2013 (the Act in this statement), prior permission of the Company, in general meeting, is required to contribute to bonafide charitable and other funds, if the aggregate amounts, in any financial year exceeds five percent of the Company's average profits for three immediately preceding financial years. Considering the activities undertaken by the Company voluntarily towards the Society, the Board of Directors consider that the consent of the Members of the Company should be obtained to contribute the sum up to ₹ 2,00,00,000/ (Rupees Two Crores only) to charitable institutions and funds during the Financial Year 2019-20.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 9 of the accompanying Notice for the approval of the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution except Mr. Samir Somaiya and his relatives in respect of contributions to the organizations, if any, wherein he is a Trustee or otherwise associated with such organizations in any other manner.

**Item No. 10:**

The special business relates to seeking members' approval for acceptance / renewal of unsecured deposits.

Section 76 read with the Companies (Acceptance of Deposits) Rules, 2014 of Companies Act, 2013 prescribes approval of members by way of special resolution is required to accept or renew the said deposits by your Company and thus your approval is sought for accepting the deposits from Public.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 10 of the accompanying Notice for the approval of the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 10 of the Notice.

**Registered .Office:**

Somaiya Bhavan,  
45/47, M. G. Road,  
Fort, Mumbai - 400 001

**By Order of the Board of Directors**

**Samir S. Somaiya**  
**Chairman & Managing Director**  
**DIN – 00295458**

Date: 29th July, 2019

Place: Mumbai

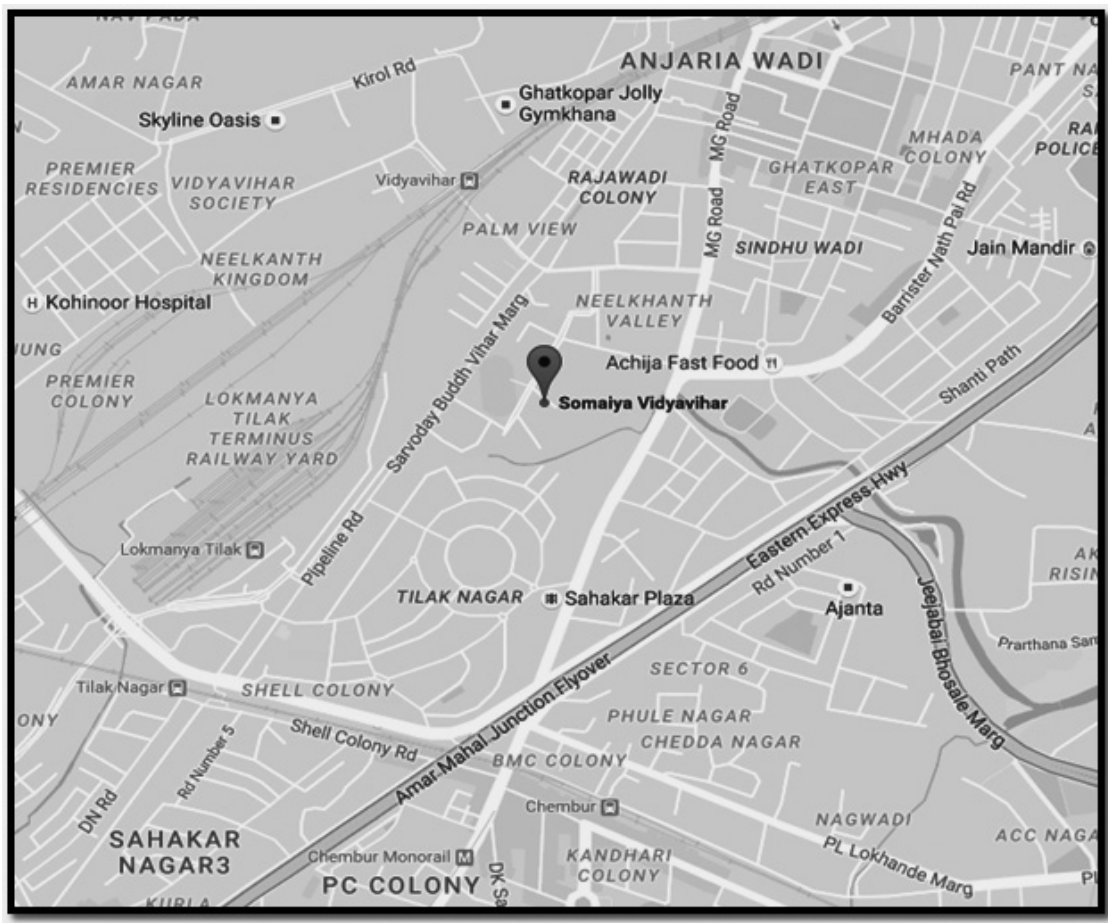
Details of Directors seeking appointment/re-appointment at the Annual General Meeting

Particulars	Mr. Kailash Pershad	Mr. Jayendra Shah	Mr. V. V. Joshi	Mr. S Mohan	Dr. Preeti Rawat
Date of Birth	01/02/1940	07/03/1959	10/03/1954	01/07/1958	05/08/1967
Date of Appointment	24/04/2009	21/09/2012	01/10/2010	19/03/2015	29/06/2015
Qualifications	Engineer	Bachelor's degree in Arts (Economics) from the Mumbai University and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India.	Post Graduate in Commerce with specialization in Financial Accounting and Cost & Management Accounting from the University of Pune.	Graduate in Applied Science from Madras University	Ph.D. in Organisational Psychology
Expertise in specific functional areas	Mr. Kailash Pershad is an Engineer with over 50 years of experience in finance, marketing and management. He is an adviser and consultant to corporate and was a nominee director of ICICI, IDBI and UTI. He was involved in Financial Restructuring of many Companies during his tenure with ICICI Ltd. At present he is working as Independent Consultant to many big Corporate.	Mr. Jayendra Shah is an accomplished business consultant and is a advisor at N.A. Shah Associates, Chartered Accountants, with over 34 years experience. His extensive strategic knowledge and operational experience enable organizations in achieving their market potential. He has an established track record of delivering value to clients and driving growth.	Mr. Vinay Joshi has been associated with diverse industries including Sugar, Ethanol, Chemicals, Food Processing, Power and Book Publishing and has been associated with the Somaiya Group of Companies for over 35 years in various capacities. Mr. Vinay Joshi was unanimously elected as President of The South Indian Sugar Mills Association – Karnataka (SISMA-K) for 2 years (2016 & 2017) representing the interests of sugar industry before the Central and State Government authorities in India. Mr. Vinay Joshi has successfully managed mergers, consolidation and acquisitions proposals in the fields of Sugar, Ethanol, and Ethanol based chemicals.	Mr. Mohan Somanathan, has more than 35 years of experience in major alcohol and alcohol based chemical industries.	Dr. Preeti S. Rawat is the Editor of 'Business Perspectives & Research' which is SIMSR's international management journal published by SAGE Publications. Dr. Preeti S. Rawat has published her work in many national and international journals and has participated in multiple international conferences. She has also written a book on 'workplace empowerment'. Her research interests are leadership, empowerment and diversity. She engages with the industry by providing behavioural training programmes to junior, middle and senior management.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Indokem Limited	Nil	The Book Centre Limited	Pentokey Organy (India) Limited	Nil
Memberships / Chairmanships of committees of other public companies	Chairman: Audit Committee Nomination and Remuneration Committee	Nil	Nil	Membership: Audit Committee, Stakeholders Relationship Committee	Nil
Number of shares held in the Company	Nil	Nil	Nil	Nil	Nil

For other details such as the number of meetings of the board attended during the year, remuneration drawn please refer to the Directors' Report which is a part of the Annual Report.

**VENUE:**

Nalanda Auditorium,  
4th Floor,  
Somaiya Vidyavihar,  
SIMSR Building,  
Off 7th Rajawadi Road,  
Mumbai-400077



Landmark: K. J. Somaiya College of Science and Commerce  
Distance from Chhatrapati Shivaji Terminus: 21.4 Kms  
Distance from Vidyavihar Railway Station: 750m