

NOTICE

Notice is hereby given that the **THIRTY FIFTH ANNUAL GENERAL MEETING** of the Members of Shaily Engineering Plastics Limited will be held on Saturday, 08th August, 2015 at 12.00 noon at the Registered Office of the Company at Survey No. 364/366, At & Po. Rania - 391780, Taluka Savli, Dist. Vadodara, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2015 including Balance Sheet as at 31st March 2015, Statement of Profit and Loss Account along with notes appended thereto, for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Final dividend for the year ended 31st March, 2015.
3. To appoint a Director in place of Mr. Amit Sanghvi (DIN: 00022444), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and any other, if applicable (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Deloitte Haskins & Sells, Chartered Accountants, Vadodara (Firm Registration Number 117364W), the retiring Auditors of the Company and who have offered themselves for re-appointment and confirmed their eligibility to be appointed as auditors, in terms of section 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Managing Director be and is hereby authorized to fix the remuneration payable and reimbursement of out of pocket expenses, if any, to the said Auditors.”

Special Business

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable during the year 2015.16 to M/s Y. S. Thakar & Co., Practicing Cost Accountants, Vadodara, (Firm Registration No. 00318) appointed by the Board of Directors of the Company to conduct audit of the cost records of the Company for the financial year 2015-16, on such terms & conditions and remuneration of Rs. 75,000/- plus other expenses, if any, incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Mr. Milin Mehta (DIN: 01297508), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 08th November, 2014 and who holds office till the date of AGM under Section 161 and other applicable provisions (including any modification or re-enactment thereof, if any), of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Milin Mehta for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from 08th November, 2014, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors of the company and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

7. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Ordinary Resolution**:
- “**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198 & 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s), modification(s), or re-enactment (s) thereof for the time being in force) and subject to the Central Government approval, if required the approval of the Company be and is hereby accorded to the re-designation (change in designation) of Mr. Amit Sanghvi (DIN: 00022444) as Managing Director (rotational Director) of the Company for the balance period i.e. 16.05.2015 to 30.09.2017, originally appointed as Whole Time Director for 3 (Three) years with effect from 1st October, 2014, upon terms & conditions (with Change in remuneration) as set out in the Statement annexed to this Notice with the liberty to the Board to alter and vary the said terms & conditions as it may deem fit and as may be acceptable to Mr. Amit Sanghvi.
- RESOLVED FURTHER THAT** any of the Directors of the company and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”
8. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:
- “**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198 & 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s), modification(s), or re-enactment (s) thereof for the time being in force) and subject to the Central Government approval, if required, consent of the shareholders be and is hereby accorded to increase the gross remuneration of Mr. Amit Sanghvi (DIN: 00022444), Managing Director of the Company from existing ` 4,00,000 per month to ` 10,00,000 per month effective from 1.04.2015 till 30.09.2017, on the terms and conditions set out in the explanatory statement annexed to this notice.
- RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Amit Sanghvi as Managing Director, the remuneration as specified above shall be paid and allowed to Mr. Amit Sanghvi as minimum remuneration for such financial year.
- RESOLVED FURTHER THAT** any of the Directors of the company and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”
9. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:
- “**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198 & 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s), modification(s), or re-enactment (s) thereof for the time being in force) and subject to the Central Government approval, if required the approval of the Company be and is hereby accorded to the re-designation (change in designation) of Mr. Mahendra Sanghvi (DIN: 00084162) as Executive Chairman of the Company for the balance period i.e. 16.05.2015 to 31.03.2016, originally appointed as Managing Director for 3 (Three) years with effect from 01.04.2013, upon terms & conditions (without Change in remuneration) as set out in the Explanatory Statement annexed to this Notice with the liberty to the Board to alter and vary the said terms & conditions as it may deem fit and as may be acceptable to Mr. Mahendra Sanghvi.
- RESOLVED FURTHER THAT** any of the Directors of the company and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”
10. To consider and if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:
1. “**RESOLVED THAT** pursuant to the provisions of the Section 14, and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for time being in force) and the rules framed there under, the consent of the Members be and is hereby accorded for substituting Article 143.
- RESOLVED FURTHER THAT** the following Article be substituted for Article 143 in the Articles of Association as under:
- Article 143. Powers of the Board**
- Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or in other statute or by the Memorandum of the Company or by this Articles of Association or otherwise to be

exercised or done by the Company in general meeting provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or in any other Act or in the Memorandum of the Company or these Articles or any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if those regulation had not been made.

RESOLVED FURTHER THAT Mr. Mahendra Sanghvi, Executive Chairman, Mr. Amit Sanghvi, Managing Director, Mr. Laxman Sanghvi, Executive Director and Mrs. Tilottama Sanghvi, Whole-Time Director be and are hereby severally authorized to file necessary forms with the Ministry of Corporate Affairs to give effect of this resolution and to obtain necessary approvals, if any and to do all such acts deeds and things as may be required to give effect to the aforesaid resolution.”

2. **“RESOLVED THAT** pursuant to the provisions of the Section 14, and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for time being in force) and the rules framed there under, the consent of Member be and is hereby accorded for substituting existing Article 94.

RESOLVED FURTHER THAT the following Article be substituted for Article 94 in the Articles of Association as under:

Article 94. Chairman of the Board

The directors from time to time elect from among themselves, a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the directors present may choose one of their members to be Chairman of the meeting.

RESOLVED FURTHER THAT Mr. Mahendra Sanghvi, Executive Chairman, Mr. Amit Sanghvi Managing Director, Mr. Laxman Sanghvi, Executive Director and Mrs. Tilottama Sanghvi, Whole-Time Director be and are hereby severally authorized to file necessary forms with the Ministry of Corporate Affairs to give effect of this resolution and to obtain necessary approvals, if any and to do all such acts deeds and things as may be required to give effect to the aforesaid resolution.”

Registered Office:
Survey No. 364/366,
At & Po. Rania - 391 780,
Taluka Savli, Dist. Vadodara
 CIN: L51900GJ1980PLC065554
 E-mail: investors@shaily.com

Date: 16th May, 2015

By order of the Board
For Shaily Engineering Plastics Limited

Amit Sanghvi
Managing Director
(DIN : 00022444)

NOTES:

1. The relative explanatory statement, pursuant to Section 102(1) of the Companies Act, 2013 is attached hereto.
2. Relevant details of Directors seeking appointment/re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange are annexed.
3. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and on a poll to vote instead of himself and proxy need not be a member of the Company. A blank form of proxy is enclosed and if intended to be used, it should be duly completed and deposited at the registered office of the company not less than 48 hours before the scheduled time of the meeting.**
4. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company.**
5. **The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 01st August, 2015 to Saturday, 08th August, 2015 (both days inclusive) for the purpose of payment of final dividend, if declared at the Meeting.**
6. The dividend on Equity shares if declared at the meeting will be credited / dispatched between Sunday, 09th August, 2015 to Saturday, 15th August, 2015 to those members whose names shall appear on the Company's Register of Members on 31st July, 2015 in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner as on that date.
7. Members are requested to bring the attendance slips along with their copies of the Annual Report to the meeting.
8. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, excluding national holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
10. Members holding shares in electronic form are requested to intimate any change in their address and/or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address and / or bank mandate to the Company.
11. Shareholders may be aware that the Companies Act, 2013, permits service of the notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 35th Annual General Meeting of the Company along with the attendance slip and Proxy form is being sent to all the members who are registered with the Company / Depository Participant(s) for communication purpose. Members holding shares in physical form who have not registered their e-mail address with the Company can register the same by submitting to the Company duly filled-in 'E-Communication Registration Form' attached at the end of this Notice (also available on our website www.shaily.com). Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
12. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to Secretarial Department of the Company.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
15. Members' attention is invited for the following;

Pertaining to query raised by the BSE Ltd. on an application for listing of 10,00,000 equity shares allotted to Mr. Ashish Kacholia, that Compliance Certificate of Statutory Auditor required under the ICDR regulations addressed to BSE Ltd. which was placed at the Extra Ordinary General Meeting held on 20th November, 2014 for inspection by the members shall be addressed to the Board of Directors, Shaily Engineering Plastics Ltd., Survey No. 364/366, At & Po. Rania, Ta. Savli, Dist., Vadodara and same shall be placed at the Annual General meeting of the company for the inspection by the members.

16. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 1st August, 2015 are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the cut off date i.e. 1st August, 2015 may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence on 05th August, 2015 from 10.00 a.m. and will end on 07th August, 2015 at 5.00 p.m. The Company has appointed Mr. S. Samdani and failing him Mr. Suresh Kabra Practising Company Secretary (ies), to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

17. **PROCEDURE FOR E-VOTING**

Voting through electronic means (E-Voting):

- 1) In accordance with the applicable provisions of Listing Agreement and Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (the Rules), the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 35th Annual General Meeting of the Company. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting) arranged by the Central Depository Services (India) Ltd. (CDSL). The facility for voting, through ballot paper for members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
- 2) The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cutoff date 1st August, 2015. As per the provisions of Articles of Association of the Company a member shall not be entitled to vote whilst any call are due and payable to the company in respect of any share of the shareholder. Therefore shareholders holding partly paid shares who have not paid the Final Call Money shall not be entitled to vote to the extent of the partly paid shares held by them.
- 3) The remote e-voting period begins on 05th August, 2015 from 10.00 a.m. and will end on 07th August, 2015 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 of 1st August, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 4) Mr. S. Samdani and on failing him Mr. Suresh Kabra partner(s) of Samdani Shah & Associates has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

5) **The instructions for members for voting electronically are as under:-**

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and
- (vii) voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
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"> - 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 serial number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field. The Sequence number is printed on the address sticker / e-mail to the members pertaining to the Notice of 35th AGM. - In case the serial 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. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA0000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> - Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>. 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.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- 6) The results of e-voting shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer’s Report shall be available on the Company’s website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

Item # 5

The Board of directors of the Company on the recommendation of the Audit committee, approved the appointment and remuneration of M/s. Y. S. Thakar & Co., Practicing Cost Accountants, Vadodara, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2016.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the rule 14 of the Companies (Audit and Auditors) rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, consent of the shareholders is sought for passing the Ordinary Resolution as set out in item No. 5 of the notice for ratification of the remuneration payable to Cost Auditors for conducting Cost Audit for the financial year ending March 31, 2016.

None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution set out in Item No. 5 of the Notice.

Board recommends resolution under Item No. 5 as Ordinary Resolution.

Item # 6

Mr. Milin Mehta is a Chartered Accountant and is a senior partner of M/s. K. C. Mehta & Co. Chartered Accountants, Baroda for about 3 decades. He is a fellow member of the Institute of Chartered Accountants of India. He is also a Law Graduate and has obtained a Master's Degree in Commerce. After becoming Chartered Accountant at a very young age of 21 years, he involved himself in the professional practice and also various social and professional activities. With exceptionally bright academic record, he has secured rank in the merit list in the examination of the Institute of Chartered Accountants of India and also secured Gold Medal in the M. Com. Examination of the M.S. University of Baroda. In the professional practice he is mainly engaged in the area of providing consultancy to various corporate and non-corporate bodies in the area of strategy, taxation (domestic and international) and Mergers, Acquisitions, Joint Ventures, etc. He has been strategic advisors to several industrial groups, especially the groups which have multi-country operations.

Mr. Milin Mehta has also been invited as special representative of the Institute of Chartered Accountants for making representation before the Central Board of Direct Taxes / Standing Committee of the Parliament on formation of new Direct Tax Code. Mr. Milin Mehta was also a member of the Committee set up by the Central Board of Direct Taxes for framing "Tax Accounting Standards". He has held the position of Treasurer and Vice Chairman of the Western India Regional Council of the Institute of Chartered Accountants of India covering Gujarat, Maharashtra and Goa. He has contributed a large number of papers in various seminars and conferences organized by professional organizations all throughout the country and have also contributed articles in reputed Professional Journals and Magazines. Mr. Milin Mehta has been invited very often to take lectures in educational seminars for the Members of Income Tax Appellate Tribunal, Commissioners of Income Tax, Income Tax Officials of different ranks. He has also co-authored a book on "Minimum Alternate Tax" published by the Bombay Chartered Accountants' Society. He is also active in social service and is past President of the Baroda Lions Club Education Trust, which manages Baroda High Schools in the city of Baroda having about 11,000 children studying in its 4 campuses. He is a Government Nominated member of the Senate and Syndicate of the prestigious M. S. University of Baroda having about 40,000 students on its roll.

Mr. Milin Mehta was appointed as an Additional Director w.e.f. 08th November, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 96 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mr. Milin Mehta candidature for appointment as Independent Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

Mr. Milin Mehta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Milin Mehta that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Milin Mehta fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Milin Mehta is independent of the management and possesses appropriate skills, experience and knowledge.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Milin Mehta is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Milin Mehta as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

None of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board feels that presence of Mr. Milin Mehta on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 6 to be passed as an ordinary resolution.

Item # 7 & 8

Mr. Amit Sanghvi is an Electrical Engineer from University of Ottawa and also has a Masters degree in Manufacturing Management from the Pennsylvania State University. He has previously worked with Arete Inc. (USA) as a Business process consultant for Pepsi and Coke and has made a remarkable contribution thereat.

Mr. Amit Sanghvi has worked his way up in Shaily starting as a Manufacturing Engineer and then as Marketing Engineer. During the last four years, Mr. Amit has been looking after the functions of Strategy, Sales & Marketing and Project Management. He has been responsible for defining the short-term and long-term strategy of the company, rationalizing the product portfolio, developing new products and managing the relationship with key customers. He has also been responsible for driving the brand strategy of Shaily for representation in global marketing fora. Under his leadership of the sales marketing function, the company has seen a remarkable growth in revenue.

The Board of Directors of the Company at its meeting held on 08th August, 2014 has re-appointed Mr. Amit Sanghvi as Whole Time Director for a period of 3 (Three) years commencing from 1st October, 2014 with same remuneration and the members' approval has been accorded at 34th AGM held on 20th September, 2014. In compliance with the provisions of Section 178 of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule V to the Companies Act, 2013 and based on the recommendation of the Nomination and Remuneration Committee meeting held on 16th May, 2015, the terms and conditions and payment of remuneration to Mr. Amit Sanghvi were approved by the Board meeting held on 16th May, 2015. The Company has entered into an Agreement with Mr. Amit Sanghvi signifying the terms of change in designation (re-designate) from Whole time Director to Managing Director and payment of remuneration as Managing Director. The Board of Directors have revised the remuneration of Mr. Amit Sanghvi from ` 4,00,000 per month to ` 10,00,000 per month within the range of ` 10,00,000 to ` 15,00,000 per month, starting from 1st April, 2015 for his remaining tenure of 2 years and 5 months, on the terms, conditions and remuneration set out below, subject to approval of shareholders and such other approvals and sanctions as may be required in the matter.

1. **Gross Remuneration** - ` 10,00,000 per month in range of ` 10,00,000/- to ` 15,00,000/- per month.
2. **Commission** - Commission based on the net profits of the company as determined by the Board, subject to the ceiling prescribed in that behalf under the Companies Act, 2013 at the discretion of the Board of Directors.
3. **Accommodation** - House Rent Allowance and house maintenance expenses, society charges and the like relating thereto on actual basis within the ceiling of the gross remuneration.
4. **Perquisites** - Perquisites together with utilities thereof such as gas, electricity, water, servants' allowance, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursements, leave travel allowance for himself and his family, club fees, medical insurance, and the like in accordance with the rules of the company or as agreed by the Board of Directors, the total value thereof to be restricted to an amount not exceeding his monthly gross remuneration.
5. **Superannuation Scheme** - Contribution towards superannuation scheme @ 10% of basic salary, which would be within the monthly gross remuneration as mentioned above.
6. **Retirement Benefits** - Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity payable in accordance with the Rules of the Company and the value of such benefits shall not be included in the computation of the ceiling on remuneration or perquisites aforesaid.

7. Use of Car and Telephone - Provision of one company owned car and driver for the company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules, 1962 and telephone at residence (including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

8. Leave - In accordance with the Rules and Regulations of the company.

A copy of the Agreement executed between Mr. Amit Sanghvi and the Company shall be available for inspection without payment of fees by any Member of the Company at the Registered Office of the Company during 11.00 a.m. to 1.00 p.m. on any working day, excluding national holidays, up to the date of Annual General Meeting (AGM).

The Board considered the knowledge, experience and expertise of Mr. Amit Sanghvi in the field of Plastic business and is of the opinion that appointment of Mr. Amit Sanghvi as Managing Director shall be of immense benefit to the Company. The Board recommends Resolution Nos. 7 & 8 for approval by the Members.

Mr. Amit Sanghvi and his relatives Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi are interested in this resolution.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

Item # 9

Mr. Mahendra Sanghvi is a Chemical Engineer from Wayne State University USA, Plastics Technologist and has done his Diploma MBA from Toronto University, Canada.

He started his career in North American Plastics Industry in the early 70s and progressively worked his way up to very senior position with extensive experience in all aspects of Plastic Injection Moulding. He has worked with reputed companies such as W.R. Grace, a division of ITW USA, Magna International (for its division in Toronto) etc. He was also the Director in Tilco Plastics Limited, a large injection moulding company in Canada. He has more than 41 years of experience in Plastics Industry.

Presently, he is on the Board of Munjal Auto Industries Ltd. and Integra Engineering India Ltd. Moreover, he is a member of Committee of Administration of The Plastics Export Promotion Council (Plexcouncil) and also a member of the Executive Committee of the Organisation of Plastic Processors of India. He has been the Co-Chairman Overseas of Plastindia Foundation and is a well known face in the Plastics Industry Fraternity.

Mr. Mahendra Sanghvi has been the Managing Director of Shaily Engineering Plastics limited, for the past 25 years and is principally responsible for its stupendous growth and recognition globally. The Company has achieved greater heights under his leadership.

The Board considered the knowledge, experience and expertise of Mr. Mahendra Sanghvi in the field of Plastic business and is of the opinion that re-designation (change in designation) of Mr. Mahendra Sanghvi as Executive Chairman shall be of immense benefit to the Company. The Board recommends Resolution No. 9 for approval by the Members.

Mr. Mahendra Sanghvi and his relatives Mrs. Tilottama Sanghvi, Mr. Amit Sanghvi and Mr. Laxman Sanghvi are interested in this resolution.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Shareholders.

Item # 10

The Ministry of Corporate Affairs vide its notification dated 18th March, 2015 amended the Companies (Meeting of Board and its powers) Rules, 2014 and issued Companies (Meeting of Board and its powers) amendment Rules, 2015 wherein certain powers of the Board which are exercised by the Board at Board Meeting only by means of resolutions passed at meetings of the Board, are deleted as under:

- a. To take note of appointment(s) or removal(s) of one level below the key management personnel
- b. To take note of the disclosure of directors' interest and shareholding

- c. To buy ,sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company
- d. To invite or accept or renew public deposits and related matters
- e. To review or change the terms and conditions of public deposits
- f. To approve quarterly, half yearly and annual financial statements or financial results as the case may be.

In view of the amendments, it is necessary to amend the Article 143 of the Articles of Association of the Company pertaining to powers of the Board.

Article 94 of the Articles of Association provides that Managing Director of the Company will act as Chairman of the Board. Pursuant to change in designation Mr. Mahendra Sanghvi as Executive Chairman of the Company it is necessary to amend the said Article to enable him to act as Chairman of the Board. Therefore, it is proposed to amend the Articles of Association of the Company.

The proposed new draft AOA is available for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution.

The Board commends the Special Resolution set out at Item No. 10 of the Notice for approval by the Shareholders.

Registered Office:
Survey No. 364/366,
At & Po. Rania - 391 780,
Taluka Savli, Dist. Vadodara
CIN: L51900GJ1980PLC065554
E-mail: investors@shaily.com
Date: 16th May, 2015

By order of the Board
For Shaily Engineering Plastics Limited

Amit Sanghvi
Managing Director
(DIN : 00022444)

Details of Directors recommended for appointment or seeking re-appointment at the Annual General Meeting

Name of Director	Amit Sanghvi	Milin Mehta
DIN	00022444	01297508
Date of Birth	26.07.1983	08.09.1964
Date of Appointment	01.10.2011	08.11.2014
Qualification	M.Sc (Supply Chain and Manufacturing) B.E. (Electrical)	F.C.A, M.com. L.L.B
Expertise in specific functional area	Sales, Business Development & IT	Strategic Advisor , taxation (domestic and international), Mergers & Amalgamation, joint Ventures, etc
Directorship held in other Public companies (excluding foreign and private companies)	—	1. Alembic Limited 2. Alembic Pharmaceuticals Limited
Memberships/ Chairmanships of committees in other public companies	—	<u>Alembic Limited</u> 1. Audit Committee 2. Investors'/Shareholders' Grievance Committee <u>Alembic Pharmaceuticals Ltd.</u> 1. Audit Committee
Shareholding in the Company	60,000 Equity Shares	NIL

STATEMENT AS PER SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information

1. **Nature of Industry** – The Company is engaged in manufacture and sale of High Precision Injection Moulded Plastic Components, Assemblies, Sub-assemblies, Finishing, etc. for various industries & OEM segment.
2. **Date or expected date of commencement of commercial production** - Commercial production of the Company commenced since August, 1987.
3. **In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus** – N.A.
4. **Financial performance based on given indicators** –

(₹ In lacs)

Particulars	Current Year (2014-15)	Previous Year (2013-14)
Gross Total Income	18,540.44	15,055.93
Profit before depreciation and tax	2,131.56	1,619.94
Less: Depreciation	641.89	595.85
Less: Provision for taxation*	-0.20	35.47
Less / (Add) : Deferred tax liability / (asset)	188.99	10.66
Profit after tax	1,300.88	658.55

*Including short/ (excess) provision for previous year.

5. **Foreign investments or collaborators, if any** – There are no foreign investments / collaborations.

II. Information about the Appointee

Mr. Amit Sanghvi

1. **Background details** - Mr. Amit Sanghvi, aged 31 years, has done his M.Sc in Supply Chain and Manufacturing from Penn State University and Electrical Engineering from University of Ottawa. He has previously worked with Arete Inc. (USA) as a Business process consultant for Pepsi and Coke and has made a remarkable contribution thereat. Before being appointed as Whole-time Director, Mr. Amit Sanghvi was holding the position of Additional Director and General Manager – Projects in the company.
2. **Past remuneration** – The total remuneration paid to Mr. Amit Sanghvi for the year ended on 31st March 2014 is ₹ 47,99,748/-.
3. **Recognition or awards** – The Company has bagged Exporter of the year award for the years 2009.10, 2010.11, 2011.12 and 2012.13 with the professional contribution of Mr. Amit Sanghvi.
4. **Job profile and his suitability** – As stated above, Mr. Amit Sanghvi has got the necessary qualification for the position and has gained the necessary practical experience of working in the field at such a young age.
5. **Remuneration proposed** – The details of remuneration proposed to be paid to Mr. Amit Sanghvi are contained in Resolution No.8 of the Notice of the 35th Annual General Meeting.
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)** – In comparison with the industry norms in other organization in same industry and considering his vast experience the proposed remuneration is justified as compared to Industry in India as well as abroad.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any** - Mr. Amit Sanghvi is holding 60,000 equity shares of the company. Apart from this, he does not have any other pecuniary transactions with the Company except by way of his employment with the Company. He is relative of Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi Directors of the Company.

III. Other Information

1. **Reason of loss or inadequate profits** – N.A.
2. **Steps taken or proposed to be taken for improvements** – N.A.
3. **Expected increase in productivity and profits in measurable terms** - N.A.

IV. Disclosures

1. The details of remuneration proposed to be paid to Managing Director are mentioned in the notice for the 35th Annual General Meeting.
2. All the relevant information pertaining to the Executive Chairman, Managing Director, Executive Director, Whole-time Director and other Directors required to be disclosed in the Directors' Report under the heading "Corporate Governance", are mentioned in the Annual Report.