

AI CHAMPDANY INDUSTRIES LIMITED

(CIN: L51909WB1917PLC002767)

Registered Office : 25, Princep Street, Kolkata – 700 072

Email : cil@ho.champdany.co.in, Website : www.jute-world.com

Phone : (033) 2237 7880 to 85 / 2225 1050 / 7924 / 8150 Fax: (91) (33) 22250221 / 22363754

NOTICE

Notice is hereby given that the Ninety Ninth Annual General Meeting of the Members of the Company will be held on Thursday, the 21st day of September, 2017 at 10.30 AM at the Auditorium of Bharatiya Bhasha Parishad, 4th Floor, 36A, Shakespeare Sarani, Kolkata – 700017 to transact the following businesses:

Ordinary Business:

- (1) To consider and adopt:
 - (a) the audited financial Statement of the Company for the financial year ended 31st March, 2017, the report of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial Statement of the Company for the financial year ended 31st March, 2017.
- (2) To appoint a Director in place of Mr. Bhushan Wadhwa (DIN: 00407790), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
- (3) To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s G Basu & Co, Chartered Accountants (Registration No. 301174E), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 104th Annual General Meeting of the Company be and is hereby approved and their appointment be at a remuneration to be decided by the Board of directors of the Company.”

Special Business:

- (4) To Consider and if thought fit, to pass with or without modification the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Dr. Giridhan Goswami, (DIN: 00024209) who was appointed as director in the 96th Annual General Meeting till the conclusion of this Annual General Meeting and in respect of whom a notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Dr. Giridhan Goswami as a candidate for the office of the director, be and is hereby elected and appointed as an independent director of the company to hold office for another term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 104th Annual General Meeting to be held in the year 2022, not liable to retire by rotation”.

5. To Consider and if thought fit, to pass with or without modification the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mr. Sam Maneckshaw Palia, (DIN: 00031145) who was appointed as director in the 96th Annual General Meeting till the conclusion of this Annual General Meeting and in respect of whom a notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Mr. Sam Maneckshaw Palia as a candidate for the office of the director, be and is hereby elected and appointed as an independent director of the company to hold office for another term of 1 (One) year from the conclusion of this Annual General Meeting till the conclusion of the 100th Annual General Meeting to be held in the year 2018 not liable to retire by rotation”.

6. To Consider and if thought fit, to pass with or without modification the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mr. Harbhajan Singh, (DIN: 00237556) who was appointed as director through passing of resolution by postal ballot on 31st March, 2015 till the conclusion of this Annual General Meeting and in respect of whom a notice pursuant to Section 160 of the Companies Act, 2013 has been received from a member signifying his intention to propose Mr. Harbhajan Singh, as a candidate for the office of the director, be and is hereby elected and appointed as an independent director of the company to hold office for another term of 1 (One) year from the conclusion of this Annual General Meeting till the conclusion of the 100th Annual General Meeting to be held in the year 2018 not liable to retire by rotation”.

7. To Consider and if thought fit, to pass with or without modification the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 read with Schedule V and all 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 the approval of the Central Government, if necessary, and subject to all such approvals as may be required, approval of the company be and is hereby accorded for reappointment of Mr. Nirmal Pujara (DIN: 00047803) as Managing Director of the Company for a period of 5 years i.e. from 1st January, 2018 to 31st December, 2022, on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting, with liberty to the Board of Directors of the company (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions in such manner as it may deem fit and as may be acceptable to Mr. Nirmal Pujara, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution”

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions 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) M/s. N. Radhakrishnan & Co., Cost Accountants, being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year ending 31st March, 2018, be paid the remuneration as set out in the Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office
25, Princep Street
Kolkata – 700072
Dated: 27 May, 2017

By Order of the Board
B K Chowdhury
Company Secretary &
Compliance Officer

Important Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

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 carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- b) The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses under item 4 to 8 is annexed hereto.
 - c) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative not less than 48 hours before the commencement of the meeting, to attend and vote on their behalf at the meeting.
 - d) Members / Proxies are requested to bring their Attendance Slip enclosed herewith along with their copy of Annual Report to the meeting.
 - e) 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.
 - f) Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting.
 - g) As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") and Secretarial Standard 2 issued by The Institute of Company Secretaries of India brief resume of the Directors seeking appointment / re – appointment at the Annual General Meeting (AGM) are included in the statement pursuant to Section 102 (1) of the Companies Act, 2013 set out in the Notice convening this meeting. The Directors have furnished the requisite consent / declarations for their appointment / re – appointment.
 - h) The Notice of the 99th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form and Copies of Annual Report for the financial year 2016-17 are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
 - i) The register of Members and the Share Transfer Book of the Company will remain closed from 15th September, 2017 to 21st September, 2017 (both days inclusive).
 - j) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
 - k) The Company has entered into necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to dematerialize their shareholdings in the Company for which they may contact the Depository Participants of either of the Depositories.
 - l) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar and Share Transfer Agent of the Company of any change in their address or demise of any member as soon as possible at the following address :

M/s MCS Share Transfer Agent Ltd.
12/1/5, Manoharpukur Road, Kolkata – 700 026
Phone : 40724051-53 • Fax: 40724054 • Email: mcssta@rediffmail.com

- Members are requested to address all correspondence, including dividend matters if any, to the aforesaid Share Transfer Agent of the Company. Members are advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- m) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent.
 - n) As approved by the Shareholders, the company has sub divided the Equity Shares of Rs. 10/- each into 2 equity shares of Rs. 5/- each with effect from September 19, 2008. Shareholders who have not yet surrendered old share certificates of face value of Rs. 10/- each, are requested to surrender the same to

the Registrar and Share Transfer Agent to enable the Company to dispatch the new share certificates in lieu of old certificates.

- o) Members may also note that the Notice of the 99th AGM and the Annual Report for the financial year 2016-17 will be available on the Company's website, www.jute-world.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : aicilinvestors@gmail.com
- p) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to Registrar & Share Transfer Agent (i.e. MCS Share Transfer Agent Ltd.), for consolidation into a single folio.
- q) Non-Resident Indian Members are requested to inform M/s MCS Share Transfer Agent Ltd, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- r) **Members who have not registered their Email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc from the company electronically.**
Please provide your e-mail address mentioning the Company's name and Folio Number to our Registrar, M/s MCS Share Transfer Agent Ltd. , by post at their postal address 12/1/5, Manohar Pukur Road, Kolkata-700026 or by email at mcskol@rediffmail.com in case shares held in physical form.
- s) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form can be downloaded from the company's website www.jute-world.com
- t) **Voting through electronic means:**
 - 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and other applicable provisions of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 99th 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)
 - 2. The facility for voting through Ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - 3. Members who have already cast their vote by remote e-voting prior to the 99th Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
 - 4. The e-voting period commences on 18th September, 2017 (9:00 AM) and ends on 20th September, 2017 (5:00 PM). During this period shareholders of the Company holding shares either in physical form or in dematerialised form as on cut off date of 14th September, 2017, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - 5. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing electronic e-voting facility to exercise votes on the items of business given in this Notice at the 99th Annual General Meeting (AGM) through electronic voting system, to members whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories

as on 14th September, 2017 being the Cut-Off date (Cut-Off date for the purpose of Rule 20(2) (ii) of the Companies (Management and Administration) Rules fixed for determining Voting Rights of Members, entitles to participate in the remote e-voting process, through the remote e-voting platform provided by NSDL.

6. 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 14th September, 2017. 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. 14th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or mcssta@rediffmail.com or aicilinvestors@gmail.com
7. The process and manner for remote e-voting are as under:
 - (i) Open the attached PDF file “AI Champdany e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
 - (ii) Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 - (iii) Click on “Shareholder - Login”.
 - (iv) Put User ID and password as initial password noted in step (i) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the toll free no.1800-222-990.
 - (v) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 - (vi) Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select “EVEN” of AI Champdany Industries Ltd. Members can cast their vote online from 18th September, 2017 (9:00 AM) till 20th September, 2017 (5:00 PM).

Note: e-Voting shall not be allowed beyond said time.

- (viii) Now you are ready for “e-Voting” as “Cast Vote” page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
- (x) Upon confirmation the message, “Vote Cast Successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your Vote.
- (xii) Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to roymoulik.co@gmail.com or cil@ho.champdany.co.in with a copy marked to evoting@nsdl.co.in.

I. **In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy]:**

(i) Initial password is provided in a separate sheet
EVEN (E Voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (x) above, to cast vote.

II. 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 Downloads section of www.evoting.nsdl.com or contact NSDL at the toll-free number 1800-222-990

III. If you are already registered with NSDL for e-voting then you can use your existing user ID and Password/PIN for casting your vote.

- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. Mr. Harisadhan Ghosh, Chartered Accountant in whole-time practice (Membership No.5886) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in the favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- VII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jute-world.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the BSE/NSE.
- VIII. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
- IX. This Notice of the 99th Annual General Meeting along with the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 will be published in one Bengali Newspaper in circulation in Kolkata and in one English Newspaper having country-wide circulation.

Please note that:

- 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.
- 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 ballot paper.
- 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 ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 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 favour 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

Other Information:

- Login to 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 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-voting website of NSDL through their website viz.; www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-voting system of NSDL by using your existing user ID and password for the e-voting system of NSDL.

**INFORMATION AS REQUIRED IN PURSUANCE OF REGULATION 36(3) OF LISTING REGULATIONS
IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED**

Item No.2

Re-Appointment of Mr. Bhusan Wadhwa

Brief Profile of Mr. Bhusan Wadhwa

DIN 00407790

Date of Birth: 22nd August, 1953

Date of Appointment: 31st July, 2004

Qualification: B. Com

Expertise in specific functional areas: Industrialist with vast experience in Export Market

Disclosure of relationship between directors inter se : Nil

Directorship in other Listed Companies: Nil

Membership/Chairmanship in Committees of other Listed Companies : Nil

Shareholding in the Company as on 31st March, 2017 : Equity: 1732 shares, 2% Preference: 1532 shares

Item No 4

Re-Appointment of Dr. Giridhan Goswami

Brief Profile of Dr. Giridhan Goswami

DIN: 00024209

Date of Birth: 5th January, 1940

Date of Appointment: 30th December, 2005

Qualifications: M. Tech, PHD

Expertise in specific functional areas: Ex-Chairman of IIBI with rich experience in finance and management.

Disclosure of relationship between directors inter se : Nil

Directorship in other Listed Companies: Shibir India Ltd., Rishra Investments Ltd., Amar Investments Ltd.

Membership/ Chairmanship in Committees of other Listed Companies: Member of Audit Committee in Shibir India Ltd., Rishra Investments Ltd

Shareholding in the Company as on 31st March, 2017 : NIL

Item No 5

Re-Appointment of Mr. Sam Maneckshaw Palia

Brief Profile of Mr. Sam Maneckshaw Palia

DIN: 00031145

Date of Birth: 25th April, 1938

Date of Appointment : 31st May, 2006

Qualifications: B.Com, LLB, CAIIB, CIIB (LONDON)

Expertise in specific functional areas: Ex-Development Banker with rich experience in finance and management.

Disclosure of relationship between directors inter se : Nil

Directorship in other Listed Companies: The Bombay Dyeing & Mfg Co. Ltd

Membership/ Chairmanship in Committees of other Listed Companies : Members of Audit Committee and Corporate Social Responsibility Committee and Chairman of Nomination and Remuneration Committee in Bombay Dyeing & Mfg. Co. Ltd.

Shareholding in the Company as on 31st March, 2017: Equity: 266 shares, 2% Preference: 500 shares

Item No 6

Re-Appointment of Mr. Harbhajan Singh

Brief Profile of Mr. Harbhajan Singh

DIN: 00237556

Date of Birth: 1st April, 1940

Date of Appointment: 24th September, 2003

Qualifications: LLB & M.A.

Expertise in Specific functional areas: Former chairman and managing director of Allahabad Bank with rich experience in finance, banking and management.

Disclosure of relationship between directors inter se : Nil

Directorship in other Listed Companies : Nil

Membership/ Chairmanship in committees of other Listed Companies : Nil

Shareholding in the Company as on 31st March, 2017: Nil

Item No 7

Re-Appointment of Mr. Nirmal Pujara as Managing Director

Brief Profile of Mr. Nirmal Pujara:

DIN: 00047803

Date of Birth: 23rd July, 1953

Date of Appointment: 5th April, 1994

Qualifications: B.Com

Expertise in specific functional areas: Industrialist with vast experience in Jute Industry and Export Market.

Disclosure of relationship between directors inter se : Nil

Directorship in other Listed Companies: Amar Investments Ltd., Rishra Investments Ltd., Shibir India Ltd.

Membership/ Chairmanship in Committees of other Listed Companies: Chairman of Audit Committee and Stakeholders Relationship Committee in Rishra Investments Ltd. and Shibir India Ltd.

Shareholding in the Company as on 31st March, 2017: Equity: 3400 shares

Registered Office
25, Princep Street
Kolkata – 700072
Dated: 27th May 2017

By Order of the Board
B K Chowdhury
Company Secretary &
Compliance Officer

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No 4

According to Provision of Section 149 of the Companies Act, 2013, and provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an independent director of the company shall hold office for a term of 5 consecutive years on the Board of a Company but shall be eligible reappointment for another term on passing a special resolution in the ensuing Annual General Meeting of share holders of the Company.

In view of the above it is proposed to reappoint Dr. Giridhan Goswami as an independent director of the Company for another term of 5 years upto the conclusion of 104th Annual General Meeting to be held in the year 2022.

In this regard the Company has received notice in writing from a member of the Company along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Dr. Giridhan Goswami for the office of Directors of the Company.

The Company has received from Dr. Giridhan Goswami :

- i. Consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rule, 2014.
- ii. Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rule, 2014 to the effect that he is not disqualified under Section 164 (2) of the Companies Act, 2013 and

- iii. A declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board of Directors, Dr. Giridhan Goswami fulfils the conditions for reappointment as Independent Directors as specified in the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the Management

None of the directors, Key Managerial Personnel or their relatives in any way concerned or interested in this resolution except Dr. Giridhan Goswami for his appointment.

A copy of draft letter of appointment of Dr. Giridhan Goswami as an independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Board recommends the Special Resolution set out at Item No. 4 in the Notice for approval by the shareholders.

Item No 5

According to Provision of Section 149 of the Companies Act, 2013, and provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an independent director of the company shall hold office for a term of 5 consecutive years on the Board of a Company but shall be eligible reappointment for another term on passing a special resolution in the ensuing Annual General Meeting of share holders of the Company.

In view of the above it is proposed to reappoint Mr. Sam Maneckshaw Palia as an independent director of the Company for another term of 1 year upto the conclusion of 100th Annual General Meeting to be held in the year 2018.

In this regard the Company has received notice in writing from a member of the Company along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Sam Maneckshaw Palia for the office of Directors of the Company.

The Company has received from Mr. Sam Maneckshaw Palia:

- i. Consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rule, 2014.
- ii. Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rule, 2014 to the effect that he is not disqualified under Section 164 (2) of the Companies Act, 2013 and
- iii. A declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Sam Maneckshaw Palia fulfils the conditions for reappointment as Independent Directors as specified in the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the Management

None of the directors, Key Managerial Personnel or their relatives in any way concerned or interested in this resolution except Mr. Sam Maneckshaw Palia for his appointment.

A copy of draft letter of appointment of Mr. Sam Maneckshaw Palia as an independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Board recommends the Special Resolution set out at Item No. 5 in the Notice for approval by the shareholders.

Item No 6

According to Provision of Section 149 of the Companies Act, 2013, and provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an independent director of the company shall hold office for a term of 5 consecutive years on the Board of a Company but shall be eligible reappointment for another term on passing a special resolution in the ensuing Annual General Meeting of share holders of the Company.

In view of the above it is proposed to reappoint Mr. Harbhajan Singh as an independent director of the Company for another term of 1 year upto the conclusion of 100th Annual General Meeting to be held in the year 2018.

In this regard the Company has received notice in writing from a member of the Company along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Harbhajan Singh for the office of Directors of the Company.

The Company has received from Mr. Harbhajan Singh:

- i. Consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rule, 2014.
- ii. Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rule, 2014 to the effect that he is not disqualified under Section 164 (2) of the Companies Act, 2013 and
- iii. A declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Harbhajan Singh fulfils the conditions for reappointment as Independent Directors as specified in the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the Management

None of the directors, Key Managerial Personnel or their relatives in any way concerned or interested in this resolution except Mr. Harbhajan Singh for his appointment.

A copy of draft letter of appointment of Mr. Harbhajan Singh as an independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

The Board recommends the Special Resolution set out at Item No. 6 in the Notice for approval by the shareholders.

Item No. 7

In view of the contribution made by Mr. Nirmal Pujara and his extensive knowledge of Company's operations and rich experience in managing the affairs of the company, the Board of Directors of the company (the 'Board'), at its meeting held on 27th May, 2017 has reappointed Mr. Nirmal Pujara as Managing Director for a period of another 5 years i.e. 1st January, 2018 to 31st December, 2022 with a remuneration maximum ceiling of Rs. 84 Lacs p.a. or Rs. 7 Lacs p.m. (inclusive of perquisites) and Commission upto 2% of the Net Profit of the Company, as may be decided by the Board of Directors from time to time on the recommendation of Nomination & Remuneration Committee, but excluding perquisites as specified in Section IV of Part II of Schedule V of the Companies Act 2013, which is subject to approval of shareholders through Special resolution in the ensuing Annual General Meeting. It is pertinent to mention here that the remuneration of Mr. Nirmal Pujara was enhanced upto the maximum ceiling of Rs.700000 per month (inclusive of Perquisites) through special resolution passed at the 96th AGM held on August 12, 2014.

The principal terms & conditions including the remuneration to be paid to Mr. Nirmal Pujara are set out below:

- 1) Salary: Upto the maximum ceiling of Rs. 84 Lacs p.a. or Rs. 7 Lacs p.m. (inclusive of perquisites) as may be decided by the Board of Directors and/or the Nomination & Remuneration Committee from time to time but excluding perquisites as specified in section IV of part II of schedule V of the Companies Act 2013.
- 2) Commission: In addition to the salary, perquisites and other allowances, if any, as set out in this Agreement, in the event of profit of the company in any financial year, Mr. Nirmal Pujara shall be paid commission upto 2% of the Net Profit of the company as may be decided by the Board of Directors and/or the Nomination & Remuneration Committee from time to time, subject to the maximum ceiling limit specified in Section 197 read with Schedule V of the Companies Act, 2013. For the purpose of Section 197, the Net Profit of the company shall be calculated as per Section 198 of the Companies Act, 2013.
- 3) Perquisites/Amenities: Mr. Nirmal Pujara shall also be entitled to free furnished accommodation, reimbursement of medical expenses incurred for self and family, leave travel assistance for self and family, personal accident insurance as per company's Personal Accident Scheme, reimbursement of fees for clubs subject to a maximum of two clubs and same will not include admission and life membership fees, car for use on company's business and telephone at residence, reimbursement of entertainment, travelling and other expenses actually & properly incurred for the business of the company. Provident Fund: As per company's Rule; Gratuity: Half month's salary for each completed year of service; Superannuation Fund: As per Company's Rules; Leave: 28 days leave for every completed year of working & leave not availed shall be encashed at the end of the tenure.

Explanation:

- i) Perquisites shall be evaluated as per Income Tax Rules, wherever applicable & in the absence of any such rules perquisites shall be evaluated at actual cost. The Remuneration mentioned above including the value of total perquisites will not exceed the Maximum ceiling limit specified in Section

197 and in Schedule V of the Companies Act, 2013(excluding perquisites which are not included in the ceiling on remuneration as specified in section IV of part II of Schedule V of the Companies Act, 2013).

- ii) In the event of loss or inadequacy of profit of the company in any financial year, during the currency of the tenure of Mr. Nirmal Pujara as Managing Director of the company the remuneration as mentioned above shall be paid to Mr. Nirmal Pujara as minimum remuneration, subject to the limit prescribed in Schedule V of the Companies Act, 2013.

4) Other terms & conditions:

- i) Mr. Nirmal Pujara shall not be paid any sitting fees for attending the meeting of the Board or any Committee Meeting thereof.
- ii) The contract can be terminated by either party by giving 3 months prior notice in writing.
- iii) Mr. Nirmal Pujara will, during the period of his service with the company, diligently, faithfully and assiduously serve the company and perform his duties in efficient and faithful manner. Besides performing his duties as mentioned, he will be bound, as often as he may be required, to make himself generally useful in the performance of whatever suitable duties which may, from time to time, be assigned to him by the Board of Directors of the Company.
- iv) Mr. Nirmal Pujara will not divulge any business secrets of the company to anybody and will obey all or any directions and orders of the Board of Directors of the Company.

5) General Terms & Conditions:

- i) Mr. Nirmal Pujara may with the sanction of the Board of Directors delegate any of his powers to such Managers, Directors, Secretary or other persons, as he may deem fit, and shall have power to grant to such Manager, Director or other delegates such power of Attorney as he may, subject to the approval of the Board of Directors, deem expedient and shall have power to revoke the same.
- ii) The Managing Director shall act in accordance with the Articles of Association of the company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of Directors.
- iii) The Managing Director shall adhere to the Company's Code of Conduct:

Mr. Nirmal Pujara satisfy all the conditions set out in Part-I and Part-II of Schedule V of the Companies Act, 2013 and also the conditions set out under Section 196 (3) of the said Act, for being eligible for reappointment as Managing Director of the company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. A consent in writing has been obtained from Mr. Nirmal Pujara at act as Managing Director of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise except Mr. Nirmal Pujara.

The above may be treated as a written memorandum setting out the terms of reappointment of Mr. Nirmal Pujara under Section 190 of the Companies Act 2013

The Board recommends the Special Resolution set out at Item No. 7 in the Notice for approval by the shareholders.

A statement containing the following information as per the provision of Clause B of Section II of Part II of Schedule V of the Companies Act, 2013.

a. General Information

i Nature of Industry:

Manufacturing of Jute, Jute diversified products and flax products.

ii Date of Commencement of Commercial Production:

The company commenced commercial production since the date of incorporation on 02.01.1917.

iii. In the case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus: Not Applicable

iv. Financial Performance :

The Financial performance of the Company in the previous financial year is as follows:

<u>Financial Parameter</u>	<u>Financial Year 2016-17 (Rs. In Lacs)</u>
Turnover	11151.46
Profit/(Loss) after Tax	(576.64)
Export performance and foreign exchange earnings	3231.61

v. Foreign Investment or Collaborations, if any : NIL

b. Information about Mr. Nirmal Pujara

i. Background

Mr. Nirmal Pujara has been associated with “The Champdany Industries Ltd” since 1973 holding different senior level positions and in the year 1993, he was elevated to Executive Director (Marketing). In 1994 he was appointed as Director of this company and on merger of The Champdany Industries Ltd with this Company in 2006, he became Executive Director (Marketing) of this company. Mr. Nirmal Pujara was promoted to Executive Director with effective from 30.05.2012 to manage entire affairs of the Company subject to superintendence, control and direction of the Board of Directors of the Company and accordingly the day to day management and administration is vested in him. Again Mr. Nirmal Pujara was appointed as an Executive Director of the Company on 01.01.2013 for a period of five years. On 12.05.2014 Mr. Nirmal Pujara was elevated to Managing Director by Board of Directors on the recommendation of Nomination and Remuneration Committee, for the remaining period, i.e. from 12.05.2014 to 31.12.2017. Board of Directors of the Company has approved the reappointment of Mr. Nirmal Pujara as Managing Director for 5 years from 01.01.2018 to 31.12.2022 in its meeting held on 27.05.2017 on the recommendation of Nomination and Remuneration Committee and proposed remuneration for a period of 3 years i.e. from 01.09.2017 to 31.08.2020 subject to approval of share holders by special resolution at the ensuing Annual General Meeting.

ii. Past Remuneration and Remuneration Proposed to be paid to Mr. Nirmal Pujara

<u>Particulars</u>	<u>Existing Remuneration</u>	<u>Proposed Remuneration</u>
Salary	Rs. 3,50,000/- per month	Upto Rs. 84 Lakhs per annum or Rs. 7 Lakhs per month (inclusive of perquisites) as may be decided by the Board from time to time but excluding perquisites specified in Section IV of Part II of Schedule V of the Companies Act, 2013 and commission upto 2% of the net profit of the Company as may be decided by the Board of Director and/or the Nomination and Remuneration Committee from time to time, subject to the maximum ceiling limit specified in Section 197 read with Schedule V of the Companies Act, 2013

iii. Job Profile and his suitability

Mr. Nirmal Pujara was appointed as director of the Company in 1994 and in the year 2006, he became the Executive Director (Marketing) on merger of The Champdany Industries Ltd with this Company. Prior to merger he was working as Executive Director (Marketing) of the merged Company since 1993. In May, 2012 he was elevated to Executive Director of the Company with overall charge of managing day to day affairs of the Company. Considering his experience and Managerial capabilities, the Board revised his remuneration. On 12th May, 2014 the Board elevated him as Managing Director on the recommendation of Nomination and Remuneration Committee. On the recommendation of Nomination and Remuneration committee the Board of Directors in its meeting held on 27.05.2017 reappointed Mr. Nirmal Pujara as Managing Director for a period of 5 years with the overall existing limit of remuneration passed by members in Annual General Meeting held on 12.08.2014, subject to approval of share holders in the ensuing AGM

iv. Comparative Remuneration Profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The Proposed remuneration of Mr. Nirmal Pujara is in line with the remuneration being paid to in

the industry to Managing Directors. The proposed remuneration is also justified keeping in view his qualification, relevant industry experience, size of the Company and current salary structure in the Industry for such senior position in any private sector organization. Further no sitting fees will be paid to him for attending meetings of the Board of Directors or any committee thereof.

- v. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Nirmal Pujara holds 3400 equity shares of the Company. Except shareholding and remuneration he has no other pecuniary relationship directly or indirectly with the Company and its managerial personnel or their relatives.

c. Other Information

- i. Reasons of loss or inadequate profits

The Company has faced many challenges in the past few years like shortage of manpower, suspension of work etc. Over and above the jute prices were also volatile thereby affecting the business of the company. The Company incurred Loss mainly due to these factors.

- ii. Steps taken or proposed to be taken for improvement.

The Company is exploring new overseas markets/ customers to increase exports which will fetch higher realization for the products. The Company is also trying to rationalize cost and products mix for better productivity and consequently cost reduction and higher realization. The Company is also making effort to widen and expand the value added flax products portfolio.

- iii. Expected Increase in productivity and profits in measurable terms.

It is expected that steps taken by the Company as above should improve the productivity and profit in the years to come barring unforeseen situation.

The Copies of relevant resolutions of the Nomination and Remuneration Committee and Board of Directors of the Company are available for inspection at the Registered Office of the Company between 11A.M. to 2 P.M. on all working days prior to the date of the Annual General Meeting.

In view of the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Special resolution set out at the item no 7 in the Notice for approval by the shareholders.

Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s N. Radhakrishnan & Co., Cost Accountants (Firm Reg. No. 000056) as the Cost Auditors to conduct the audit of the Cost records of the company for the financial year ending 31st March, 2018 at a remuneration of Rs. 30000/- (i.e. Cost Audit Fees) plus applicable taxes and reimbursement of out of pocket expenses not exceeding Rs. 1000/- per annum .

In accordance with the provisions of section 148 of the Companies Act, 2013 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 31st March, 2018.

None of the Directors / Key Managerial Personnel (KMP) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice convening this meeting.

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

Registered Office
25, Princep Street
Kolkata - 700 072
Dated: 27. 05. 2017

By Order of the Board
B K Chowdhury
Company Secretary &
Compliance Officer