

## **GRP LIMITED**

CIN : L25191GJ1974PLC002555

Registered Office: Plot No.8, GIDC Estate, Ankleshwar - 393 002 Dist. Bharuch, Gujarat.

Tel No.: 022 67082500 / 2600, Fax : 022 67082599

e-mail id : investor.relations@grpweb.com, website: www.grpweb.com

### **NOTICE**

**NOTICE** is hereby given that the **FORTY FIRST ANNUAL GENERAL MEETING** of the Members of **GRP LIMITED** will be held at the Registered Office of the Company at Plot No.8, GIDC Estate, Ankleshwar - 393 002, Dist. Bharuch, Gujarat State on **Monday, 27<sup>th</sup> July, 2015 at 12.30 p.m.** to transact the following business :

#### **Ordinary Business:**

1. a) To consider and adopt the audited financial statement of the company for the financial year ended 31<sup>st</sup> March, 2015, the Reports of the Board of Directors and Auditors thereon.  
b) To consider and adopt the audited consolidated financial statement of the company for the financial year ended 31<sup>st</sup> March, 2015.
2. To declare dividend on equity shares for the financial year 2014 -15.
3. To appoint a director in place of Harsh R. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To reappoint M/s.A.B.Modi & Associates, Chartered Accountants, the retiring auditors of the company as Auditors, who shall hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General meeting and to authorize Board of Directors to fix their remuneration.

#### **Special Business:**

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

**"RESOLVED THAT** Smt. Nayna R. Gandhi (DIN: 00166499), who was appointed as an Additional Director of the Company with effect from 30<sup>th</sup> May, 2015 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 ("the Act") and who holds office as such up to the date of this Annual General Meeting and who has submitted a declaration that she is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to such sanctions as may be necessary, the consent of the Company be and is hereby accorded to the reappointment of Harsh R. Gandhi (DIN : 00133091), as a Whole-time Director of the Company designated as an "Executive Director" for a period of three years effective from 16<sup>th</sup> June, 2015, on the terms and conditions of appointment and remuneration as set out in the agreement to be entered into between the company and Harsh R. Gandhi and provided in the explanatory statement annexed to the notice.

**“RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized to vary / increase the remuneration as aforesaid to the extent the Nomination and Remuneration Committee and / or the Board of Directors may consider appropriate, provided however, that the remuneration payable to Harsh R. Gandhi, Executive Director shall be within the limits set out in that behalf in the said Act including Schedule V to the Act or any amendments thereto or any modifications or statutory re-enactment(s) thereof and / or any Rules or Regulations framed there under, and the terms of the said agreement shall be suitably modified to give effect to such variation or increase, as the case may be.”

**“RESOLVED FURTHER THAT** during the currency of the tenure of Harsh R. Gandhi, Executive Director, where in any financial year, the company has no profits or its profits are inadequate, the company do pay to Harsh R. Gandhi, Executive Director, such remuneration which is in accordance with the conditions specified in Schedule V of the Act, or any statutory modification(s) or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute agreements and other documents and take such steps expedient or necessary to give effect to the above resolutions.”

NOTES :

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions / authority, as applicable. Member / Proxies should bring the duly filled attendance slip enclosed herewith to attend the meeting. The proxy holder shall prove his / her identity at the time of attending the meeting.
- b. The Register of Members and Transfer Books of the company will be closed from Tuesday, 21<sup>st</sup> July, 2015 to Monday 27<sup>th</sup> July, 2015, both days inclusive.
- c. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made credited / dispatched within 30 days from 27<sup>th</sup> July, 2015.
  - i) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on 20<sup>th</sup> July, 2015.
  - ii) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 20<sup>th</sup> July, 2015.
- d. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service, Electronic Clearing Service, mandates, nominations, power of attorney, change of address, change of name and e-mail address etc., to their Depository Participant. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Universal Capital Securities Pvt. Ltd. (UCS) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to UCS.
- e. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or UCS for assistance in this regard.

- f. Members holding physical shares in identical order of names in more than one folio are requested to send to the Company or UCS the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- g. 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.
- h. The unclaimed dividend up to the financial year ended 31<sup>st</sup> March, 1994 have been transferred to the General Revenue Account of the Central Government pursuant to Section 205A (5) of the Companies Act, 1956. Members, who have not encashed their dividend warrants up to the financial year ended 31<sup>st</sup> March, 1994 are requested to claim the same from the Registrar of Companies, Gujarat at Ahmedabad.
- i. Pursuant to Section 205A and 205C of the Companies Act, 1956, any dividend remaining unclaimed with the Company on the expiry of 7 (seven) years from the date of its transfer to the unclaimed / unpaid account, will be transferred to the Investors Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, unclaimed dividends for the financial year ended 31<sup>st</sup> March, 1995 to 31<sup>st</sup> March, 2007 and unclaimed interim dividend for the financial year ended 31<sup>st</sup> March, 2008 have been transferred to the said fund. Members, who have not encashed their dividend warrant(s) so far, for the final dividend for the financial year ended 31<sup>st</sup> March, 2008 and for the interim and final dividends for subsequent financial years, are requested to make their claims to the Company or to UCS. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall lie against the IEPF or the Company in respect of any amounts which were unclaimed for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.
- j. As required by Clause 49 of the Listing Agreement, brief profile of the Directors proposed to be appointed / re-appointed at the annual general meeting is given below:

Name of the Director	Harsh R. Gandhi	Smt. Nayna R. Gandhi
Date of birth	17 <sup>th</sup> July, 1977	4 <sup>th</sup> October, 1951
Date of appointment	16 <sup>th</sup> June, 2009	30 <sup>th</sup> May, 2015
Experience in specific Functional areas	Varied experience of more than 14 years in corporate management.	Experience of more than 22 years as director in other companies.
Qualification	Science graduate from Purdue University, USA.	Diploma in Home Science
Directorship held in other public companies (excluding GRP Limited)	Grip Polymers Ltd.	Grip Polymers Ltd.
Memberships / Chairmanship of committees of all public companies	Member of Corporate Social Responsibility Committee and Stakeholders Relationship Committee of GRP Ltd.	Nil
No. of shares held in the company	57,535	44,105

- k. Electronic copy of the following documents : i) Annual Report for the financial year 2014-15 ii) Notice of the 41<sup>st</sup> Annual General meeting of the company *inter alia* indicating the process and manner of e-voting iii) Attendance slip and proxy form for the 41<sup>st</sup> Annual General meeting, are being sent by email to all the members whose email IDs are registered with the company / depository participants for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of all the aforesaid documents is being sent by the permitted mode.
- l. Notice of the 41<sup>st</sup> Annual General meeting, attendance slip, proxy form and the annual report for the financial year 2014-15 will also be available on the website of the company [www.grpweb.com](http://www.grpweb.com). Route map and prominent land mark for easy location of the venue of this meeting is attached separately and the same is also hosted on the website of the company.

m. All documents referred to in the accompanying notice and the explanatory statement shall be available for inspection at the registered office of the company at Ankleshwar during normal business hours (9 am to 5 pm) on all working days except Saturdays and Sundays, till the date of the Annual General Meeting.

n. **Voting through electronic means :**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and clause 35B of the listing agreement, the company has provided to the members facility to exercise their right to vote on resolutions proposed to be considered at the 41<sup>st</sup> 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 e-voting system from a place other than the venue of the AGM (remote e-voting) will be provided by National Securities Depository Ltd. (NSDL).
- ii. 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 have the option to exercise their right to vote at the meeting through ballot paper.
- iii. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. Remote e-voting period commences on 24<sup>th</sup> July, 2015 (9 am) and ends on 26<sup>th</sup> July, 2015 (5 pm). During this period, members of the company, as on the cut-off date of 20<sup>th</sup> July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner of remote e-voting are as under :
  - l. In case a member receives an email from NSDL (for members whose email IDs are registered with the company / depository participants) :
    - a) Open email and open PDF file, viz: "GRP Ltd. remote e-voting.pdf" with your client ID or folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
    - b) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com>
    - c) Click on shareholder login
    - d) Put user ID and password as initial password / PIN noted in step (a) above. Click login.
    - e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. Do not share your password with any other person and take utmost care to keep your password confidential.
    - f) Home page of remote e-voting opens. Click on remote e-voting : Active Voting Cycles.
    - g) Select "REVEN" of GRP Ltd.
    - h) Now you are ready for remote e-voting as Cast Vote page opens.
    - i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - j) Upon confirmation, the message "Vote Cast Successfully" will be displayed.
    - k) Once you have voted on resolution, you will not be allowed to modify your vote.
    - l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant board resolutions / authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through email to [shah\\_cr@yahoo.co.in](mailto:shah_cr@yahoo.co.in) with a copy mark to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

II. In case a member receives physical copy of the notice of AGM (for members whose email IDs are not registered with the company / depository participants or requesting physical copies):

- a) Initial password is provided as below / at the bottom of the attendance slip for the AGM :

<b>REVEN (Remote e-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>
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- b) Please follow all steps from serial No.(b) to serial No.(l) of I above, to cast vote

vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No.1800 222 990.

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

viii. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.

ix. 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 20<sup>th</sup> July, 2015.

x. Any person who acquires shares of the company and become member of the company after dispatch of the notice of AGM and holding shares as on the cut-off date i.e. 20<sup>th</sup> July, 2015, may obtain the login ID and password by sending a request to email ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to email ID [investors.relations@grpweb.com](mailto:investors.relations@grpweb.com). However if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting@nsdl.com](http://www.evoting@nsdl.com).

xi. 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, shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

xii. Chetan R. Shah, Practicing Company Secretary (Membership No.FCS 2703) (email ID [shah\\_cr@yahoo.co.in](mailto:shah_cr@yahoo.co.in)) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ballot paper voting process, in a fair and transparent manner.

xiii. The Chairman of the AGM shall at the end of the discussion on the resolutions on which voting is to be held, allow voting with the assistance of the 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.

xiv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and there after 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 of the AGM or a person authorised by him in writing, who shall countersign the same and declare the results of the voting forthwith.

xv. The results declared along with the report of the Scrutinizer shall be placed on the website of the company [www.grpweb.com](http://www.grpweb.com) and on the website of NSDL immediately after declaration of results by the Chairman of AGM or a person authorised by him in writing. The results and the report shall also be immediately forwarded to the Stock Exchange/s, where the shares of the company are listed.

By Order of the Board of Directors

Place : Mumbai  
Date : 30<sup>th</sup> May, 2015

Rajendra V. Gandhi  
Managing Director

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Registered Office: Plot No. 8, GIDC Estate, Ankleshwar – 393 002 Dist. Bharuch, Gujarat

## **Annexure to the Notice**

### **Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 relating to the business set out in the accompanying Notice.**

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

Nayna R. Gandhi, is a Non-Executive Non-Independent Director on the Board of the Company, who was appointed as an Additional Director of the Company on 30<sup>th</sup> May, 2015. Her term of office will conclude on the date of the ensuing 41<sup>st</sup> Annual General Meeting.

The Company has received a notice in writing with the requisite deposit from a member, as required under Section 160 of the Companies Act, 2013, proposing her candidature for the office of the director of the company, liable to retire by rotation.

The Company has also received following documents from Nayna R. Gandhi :

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

Smt.Nayna Gandhi is a diploma holder in Home Science and is also director in Grip Polymers Ltd., (wholly owned subsidiary) since November, 1993. With her appointment as director of the company, requirement regarding woman director as stipulated under Section 149 of the Companies Act, 2013 will be complied.

The Board of Directors accordingly recommend the resolution for your approval.

None of the directors and Key Managerial Personnel of the company other than Nayna R. Gandhi, herself and Rajendra V. Gandhi, Managing Director and Harsh R. Gandhi, Executive Director, being her relatives, are in any way concerned or interested, financially or otherwise in this resolution

#### **Item No. 6 :**

Harsh R. Gandhi has experience of about 14 years with the company in various senior managerial positions in the key areas of market promotion, material procurement, business development, corporate communications, strategic planning and corporate services. During this period, Harsh R. Gandhi has acquired good domain expertise. He is actively associated with International Rubber Study Group (IRSG) and also with All India Rubber Industries Association (AIRIA). This has helped him, in having good networking with the customers, the market and the suppliers. His association with Young President Organization (YPO) has helped him in getting macro economic exposure. He has completed two consecutive years of training (total period of two months) for Owner President Management Program with Harvard Business School, Boston, USA. The final term of one month training will be completed by him in the month of August, 2015. This has helped him in acquiring in-depth knowledge about the business planning, business strategies and general skills of management. His education as a Bachelor of Science in Management (with specialization in finance) from Purdue University in USA and his working experience with Boston Consulting Group (BCG) prior to joining GRP Ltd., has been useful in acquiring knowledge about financial analytical tools.

Considering the business expertise, experience and in view of the substantial contribution made by him for the growth, progress and financial stability of the company, the Board of Directors at its meeting held on 30<sup>th</sup> May, 2015, on the recommendation of the Nomination and Remuneration Committee, has decided that subject to approval of the shareholders by way of a special resolution and subject to such other approval/s as may be necessary, Harsh R. Gandhi be reappointed as Executive Director for a further period of three years with effect from 16<sup>th</sup> June, 2015 upon the terms and conditions as to remuneration, perquisites, allowances and benefits as mentioned in the draft agreement proposed to be entered into between the company and Harsh R. Gandhi.

The requisite declaration regarding fulfilment of conditions mentioned in part I of Schedule V of the Companies Act, 2013 has been received from Harsh Gandhi.

His office shall be liable to retirement of directors by rotation as per the relevant provisions of the Companies Act, 2013.

The Board of Directors accordingly recommend the resolution for your approval.

None of the directors and Key Managerial Personnel of the company other than Harsh R. Gandhi himself and Rajendra V. Gandhi, Managing Director and Nayna R. Gandhi, Director being his relatives, are in any way concerned or interested, financially or otherwise in this resolution.

The material terms of the said draft agreement as referred to in the resolution are as follows:

Term: 3 (Three) years, from 16<sup>th</sup> June 2015 to 15<sup>th</sup> June 2018 (both days inclusive)

Remuneration :

**A) Salary :**

Rs.6,00,000/- to Rs.7,50,000/- Per month

The annual increments will be decided by the Nomination & Remuneration Committee and / or the Board of Directors in its absolute discretion.

**B) Commission :**

Remuneration by way of commission equal to 1% of the net profits of the company as determined under Section 198 of the Companies Act, 2013 of a particular financial year, subject to a maximum of 12 months' salary of that particular financial year.

**C) Perquisites and Allowances :**

i) In addition to salary and commission payable, Harsh R. Gandhi, Executive Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs and other allowances, medical expenses reimbursement, club fees and leave travel concession for self and his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Nomination and Remuneration Committee and / or by the Board of Directors and Harsh R. Gandhi. However, such perquisites and allowances shall be subject to a maximum of 100% of the annual salary.

ii) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

iii) Provision for use of Company's car for office duties and telephone and other communication facilities at residence shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

iv) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the aforesaid ceiling on perquisites and allowances to the extent these, either singly or together are not taxable under the Income-Tax Act.

v) Leave as per the rules of the Company.

vi) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure shall not be included in the computation of the limits for the perquisites and allowances as aforesaid.

#### **D) Minimum Remuneration**

Notwithstanding anything contained herein, where in any financial year, during the currency of the tenure of Harsh R. Gandhi, Executive Director, the Company has no profits or its profits are inadequate, the Company may pay him remuneration by way of salary, perquisites and allowance not exceeding the maximum limits laid down in Section II of Part II of Schedule V of the Companies Act, 2013 as modified from time to time.

**Additional information as required under Schedule V of the Companies Act, 2013 is as under :**

#### **I. General Information:**

##### 1. Nature of Industry

The Company is engaged in the business of manufacture of reclaimed rubber, custom die forms and thermoplastic elastomer.

2. Date or expected date of commencement of commercial production : The company is manufacturing reclaimed rubber since December 1978, custom die forms since March 1999 and thermoplastic elastomers since June, 2009.

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

##### 4. Financial Performance based on given indicators:

<b>Significant Financial Indicators for last five years</b> (Rs. In lacs)					
	Years ended 31 <sup>st</sup> March				
	2011	2012	2013	2014	2015
Total Income	19,103	25,303	28,134	31,199	34,638
Operating profit	3,089	4,532	2,786	3,021	2,574
Profit after tax	1,762	2,580	1,175	1,082	887
Net Worth	7,631	8,790	9,960	10,559	11,247
Borrowed Funds	4,042	7,628	9,027	8,498	6,722
Fixed Assets (Gross)	9,929	14,370	18,443	19,360	20,140
Net Current Assets	3,704	5,422	1,174	755	500
Book Value Per Share (Rs.)	505	659	747	792	844
Earning Per Share (Rs.)	132.16	192.91	87.79	81.20	66.51
Dividend (%)	230	330	150	160	112.50
Ratios :					
Debt Equity	0.34	0.61	0.75	0.66	0.47
Operating Profit To Sales	17%	19%	10%	10%	8%
Interest Coverage	17	13	4	5	6



5. Foreign Investments and Collaborations, if any : Nil

**II. Information about Harsh R. Gandhi :**

1. Background Details / Recognition or awards / job profile and suitability : Refer Para 1 of the Explanatory statement of item No.6 mentioned above.
2. Past remuneration: Gross remuneration (including salary, commission and contribution to provident and pension funds) for last three financial years is as under :

Financial Year	Gross Remuneration (Rs.lacs)
2012-13	81.40
2013-14	89.10
2014-15	119.28

3. Remuneration proposed: Gross remuneration (excluding exempt perquisites) proposed to be paid to Harsh R. Gandhi in the financial year in which there will be a loss or inadequacy of profits, shall be maximum Rs.120.00 lacs p.a.

4. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the nature of the industry, the profile, knowledge, skills and responsibilities shouldered by Harsh R. Gandhi, the above proposed remuneration is commensurate and comparable with the remuneration drawn by managerial personnel in similar capacities in other companies in the rubber and related industry.

5. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Harsh R. Gandhi except receiving remuneration as Executive Director, does not have any other pecuniary relationship with the company. Harsh R. Gandhi is a relative of Rajendra Gandhi, Managing Director and Nayna R. Gandhi, Director of the company.

**III. Other Information:**

1. Reasons of loss or inadequate profits: Profits are likely to be inadequate, due to challenging business environment in the automobile industry in general and in the rubber goods manufacturing industry in particular.
2. Steps taken or proposed to be taken for improvement : Company under the dynamic leadership of Harsh R. Gandhi is constantly endeavoring for :
  - a) Revenue maximization through geographic expansion and industry outreach for improved asset turnover.
  - b) Profitability improvement through cost optimization and new technology adoption; and
  - c) Rationalization of capital employed by combining manufacturing locations and integrating the operations.

By Order of the Board of Directors

Place : Mumbai  
Date : 30<sup>th</sup> May, 2015

Rajendra V. Gandhi  
Managing Director

