

NOTICE

NOTICE is hereby given that the **THIRTY-SIXTH ANNUAL GENERAL MEETING** of the Members of **KABRA EXTRUSIONTECHNIK LIMITED** will be held on Wednesday, the 31st day of July, 2019 at 03:30 p.m. at Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai - 400 058, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mrs. Ekta A. Kabra (DIN: 07088898), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.
3. 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 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and such other applicable provisions, if any, and pursuant to the recommendation of Audit Committee, M/s. A. G. Ogale & Co., Chartered Accountants, Firm Registration No. 114115 W, be and are hereby appointed as the Statutory Auditors of the Company to hold Office from the conclusion of the 36th Annual General Meeting till the conclusion of the 41st Annual General Meeting, on a remuneration as detailed in the Explanatory Statement forming part of this Notice.”

SPECIAL BUSINESS:

4. 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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) remuneration of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses to be paid to M/s. Urvashi Kamal Mehta & Co., Cost Accountants, Firm Registration No.: 001817, 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 March 31, 2020 be and is hereby ratified and confirmed.”
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 2(51), 188, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule V to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby accords its consent to the re-appointment of Mr. Shreevallabh G. Kabra (DIN: 00015415) as Chairman & Managing Director of the Company, for a period of 5 (five) years with effect from April 01, 2019 to March 31, 2023, liable to retire by rotation, on the terms, conditions and stipulations including remuneration as recommended by Nomination and Remuneration Committee and approved by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any duly authorized Committee of the Board for the time being exercising the powers conferred on the Board by this resolution) as detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board and Mr. Shreevallabh G. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the Act, or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

RESOLVED FURTHER THAT where in any Financial Year during the currency of the tenure of the said appointee, the Company has no profit or its profits are inadequate, the Company shall pay salary and perquisites as aforesaid subject to further approvals as may be required under Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or proper to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Mahaveer Prasad Taparia (DIN: 00112461), an Independent Non-Executive Director of the Company, who has attained the age of seventy five years and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided statutorily, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold such office for a period of two consecutive years w.e.f. September 09, 2019 and shall not be liable to retire by rotation during his tenure in accordance with the provisions of the Companies Act, 2013.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to this resolution.”
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Yagneshkumar B. Desai (DIN: 00021202), an Independent Non-Executive Director of the Company, who has attained the age of seventy five years and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided statutorily, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold such office for a period of two consecutive years w.e.f. September 09, 2019 and shall not be liable to retire by rotation during his tenure in accordance with the provisions of the Companies Act, 2013.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to this resolution.”
8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Nihalchand C. Chauhan (DIN: 00021782), an Independent Non-Executive Director of the Company, who has attained the age of seventy five years and who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided statutorily, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold such office for a period of two consecutive years w.e.f. September 09, 2019 and shall not be liable to retire by rotation during his tenure in accordance with the provisions of the Companies Act, 2013.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to this resolution.”
9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any, the consent of Members of the Company be and is hereby accorded to make the payment of the aggregate annual remuneration to the Executive Directors, viz. Mr. Shreevallabh G. Kabra, Promoter, Mr. Anand S. Kabra and Mrs. Ekta A. Kabra, both members of the promoter group exceeding 5 per cent of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013, till the expiry of their respective term as Executive Director(s).
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to the above resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 88, 94 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession to the earlier resolution passed in this regard at 33rd Annual General Meeting of the Company, approval of the Members of the Company be and is hereby accorded to keep the Register of Members, Index of Members and other such Registers as may be required to be maintained under Section 88 of the Companies Act, 2013, at the office of the Registrar and Transfer Agent (RTA) of the Company viz. Sharex Dynamic (India) Pvt. Ltd., C 101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli (West), Mumbai - 400083 or at such other office or place within Mumbai, where such RTA may shift from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this Resolution.”

Place : Mumbai
Date : May 28, 2019

By order of the Board
For **Kabra Extrusiontechnik Ltd.**

Arya Chachad
Company Secretary

Registered Office:

Fortune Terraces, “B” Wing, 10th Floor, New Link Road, Opp. Citi Mall, Andheri (West), Mumbai - 400 053.
Tel.: 022-26734822-24 • **Fax.:** 022-26735041 • **website:** www.kolsite.com • **Email:** ket_sd@kolsitegroup.com
CIN: L28900MH1982PLC028535

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A Person shall not act as a Proxy for more than fifty Members and holding in aggregate not more than ten percent of the total voting share capital of the Company. However a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company, provided that such person shall not act as a Proxy for any other person or member.

2. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 3 to 10 of the accompanying Notice is annexed hereto.
3. Brief profile and relevant details of the Directors proposed to be appointed / re-appointed has been furnished in this Annual Report.
4. Corporate Members are requested to send to the Company, at its Registered Office, a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
5. 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.
6. Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, July 25, 2019 to Wednesday, July 31, 2019 (both days inclusive). Except in case of transmission or transposition of securities, requests for effecting transfer of shares shall not be processed unless held in dematerialized form with effect from April 01, 2019.
7. Electronic copy of the Annual Report for FY 2018-19 including Notice of the 36th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email Ids are registered with the Company / Depository Participant(s), unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report are being sent by the permitted mode. Members may note that this Annual Report will also be available on the Company’s website viz. www.kolsite.com.
8. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company’s Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Further, pursuant to the provisions of Section

124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with applicable requisite fee. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules. The Company has uploaded the information in respect of the unclaimed dividends on its website at www.kolsite.com.

It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to Members' account on time.

9. Members who hold shares in physical mode 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 (R & T Agent), for consolidation into a single folio.
10. The Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which the Directors are interested as maintained by the Company under Section 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the Members at the Annual General Meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's R & T Agent.
12. Members desirous of updating their bank account details, Power of Attorney, correspondence address, Email Address, Contact Numbers, etc. are requested to follow the below procedure:

For shares held in Dematerialised Form: intimate such changes to their respective Depository Participant (DP). The changes intimated to the DP will then be automatically reflected in the Company's records, which will help the Company and its R & T Agent to provide efficient and better services.

For shares held in Physical Form: intimate such changes to the Company's R & T Agent.

13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
14. Members desirous of making a nomination in respect of their shareholding in the Company, as provided under Section 72 of the Companies Act, 2013, are requested to fill up Form SH-13 and send to the Company's R & T Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
15. Members desirous of obtaining any information with regard to accounts are requested to write to the Company Secretary at the Registered Office of the Company, at least 15 days in advance, so as to compile the same.
16. A route map showing directions to reach the venue of the 36th AGM is given in this Annual Report.

17. **VOTING THROUGH ELECTRONIC MEANS**

The Company is providing facility for voting by electronic means and the business may be transacted through such voting. The facility for voting, through ballot or polling paper shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The e-voting period commences on Sunday, July 28, 2019 at 09:00 a.m. IST and ends on Tuesday, July 30, 2019 at 5:00 p.m. IST. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, July 24, 2019, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

Members are requested to follow the below instructions for shareholders to vote electronically:
Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under ‘Shareholders’ section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or 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 Depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	<p>Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.</p>
Bank Account Number	<p>Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LI IPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.
- They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of Item Nos. 3 to 10 which sets out all material facts relating to the Ordinary and Special Business mentioned in the accompanying Notice

Item No. 3

M/s. Kirtane & Pandit LLP (previously known as M/s. Kirtane & Pandit), Chartered Accountants, were appointed as the Statutory Auditors of the Company in the 31st Annual General Meeting (AGM) held on September 09, 2014 to hold office for a term of 5 years till the conclusion of the this 36th AGM. Prior to the above appointment, they were the auditors of the Company for a period of four years from 27th AGM till the conclusion of 30th AGM.

In compliance of Section 139(2) of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 it is proposed to appoint of M/s. A. G. Ogale & Co., Chartered Accountants as the Statutory Auditors of the Company in place of the existing Statutory Auditors, to hold the office for a term of consecutive five (5) years from the conclusion of this 36th AGM till the conclusion of the 41st AGM. They have consented to and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and are not disqualified to be appointed as Auditors. In view of their professional reputation and standing, the Audit Committee at its meeting held on May 28, 2019 has recommended their appointment and also the Board of Directors at its meeting held on the same day, subject to the Members' approval, concurred with their appointment.

They are proposed to be paid a remuneration of ₹ 7.00 Lakhs towards Quarterly Limited Review of Consolidated Financial Results of the Company with its Subsidiary & Associate company as well as for Statutory, Tax, GST and Corporate Governance Audit of the Company for each financial year. Existing Auditors are paid ₹ 4.25 Lakhs for Quarterly Limited Review, Statutory and Tax audit.

The provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and IND-AS have imposed additional responsibilities on the Statutory Auditors in relation to audit, compliances and disclosures. This has increased scope of audit beyond accounting. The format of reporting has undergone change.

Their audit responsibility includes testing of Internal Financial Controls over Financial Reporting, Limited Review of Consolidated Financial Results, etc. In view of up-coming project to manufacture advance Lithium-ion Battery Packs equipped with Battery Management Systems (BMS) their audit volume would increase. Revision proposed in their fees is therefore justified in the opinion of the Board.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution proposed at Item No. 3.

Item No. 4

In terms of the provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 28, 2019, appointed M/s. Urvasi Kamal Mehta & Co., Cost Accountants (Firm Registration No.: 001817), as Cost Auditor for conducting the Cost Audit for the financial year ending March 31, 2020, on a remuneration of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals. No revision in their fees is proposed as compared to previous year.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. The Directors recommend that the remuneration payable to the Cost Auditor in terms of an ordinary resolution set out at Item No. 4 of the accompanying Notice be ratified by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

Item No. 5

Mr. Shreevallabh G. Kabra aged 82 years, B. A. (Hons) has more than 50 years of industry experience and is founder of Kolsite Group of Companies. He was one amongst the first generation entrepreneurs, who has vision to set up this company for manufacturing Plastic Extrusion Machinery in 1982. His vision for quality and customer centricity has enabled the Company to achieve its present glory of manufacturing quality machinery by design that enabled the Company to be compliant with major global quality systems.

His pursuit of excellence has ensured that “Kolsite” is a brand to reckon with, in the industry. This was further validated by recognition accorded by the Ministry of Science and Technology, Department of Scientific and Industry Research, New Delhi to in-house R&D Unit of the Company at Dunetha and Kachigam, Daman. This is testimony of his untiring effort to the commitment of quality.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on January 31, 2019, re-appointed Mr. Shreevallabh G. Kabra as a Chairman & Managing Director for a term of 5 (five) years w.e.f. April 01, 2019 on the terms and conditions as follows:

The Basic Salary of ₹ 3,90,000/- (Rupees Three Lakhs Ninety Thousand Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule V thereto. The proposed remuneration is at the same level of last drawn salary.

In addition to the above, he shall be entitled to the following perquisites restricted to an amount equal to his annual salary as given herein below:

- (i) Accommodation (Furnished or otherwise) or House Rent Allowance in lieu thereof subject to a ceiling of 50% of basic salary.
- (ii) Medical Reimbursement: For self, spouse and family subject to a ceiling of one (1) month basic salary in a year or three (3) months' salary in a block of three (3) years.
- (iii) Leave Travel Reimbursement: For self, spouse and family once in a year incurred in accordance with the rules of the Company.
- (iv) Club Fees: Subject to a maximum of two clubs. This will not include admission and life membership fees.
- (v) Personal Accident Insurance & Mediclaim Policy: For self, spouse and family as per the rules of the Company.
Explanation: 'Family' means spouse, dependent children and dependent parents.
- (vi) Provident Fund: Company's contribution to Provident Fund.
- (vii) Gratuity: As per rules of the Company.
- (viii) Encashment of leave: As per rules of the Company.
For the purpose of gratuity & encashment of leave, the period of service of said appointee shall be considered as service with the Company without any break in service & on a continuous basis.

- (ix) Provision of car and telephone at residence for use of Company's business will not be considered as perquisites. However, personal long distance telephone calls and use of car for private purpose shall be billed by the Company to the appointee.
- (x) The office of said appointee may be terminated by the Company or the appointee by giving the other three (3) months' prior notice in writing.
- (xi) The terms & conditions set out for appointment & payment of remuneration herein above may be altered & varied by the Board as it may, from time to time, deem fit.

The above may be treated as a written memorandum, setting out the terms of re-appointment of Mr. Shreevallabh G. Kabra under Section 190 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Section 188, 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of and remuneration payable to Mr. Shreevallabh G. Kabra is placed before the Members at this Annual General Meeting for their approval by a Special Resolution as set out at Item No. 5 of the Notice, since he has attained age of 70 years.

He is not disqualified from being appointed as director in terms of Section 164 of the Act and consented to act as a Director. Brief resume of Mr. Shreevallabh G. Kabra are provided in this Annual Report. The Company has received a notice in writing pursuant to Section 160 of the Act, from the member of the Company proposing candidature of Mr. Shreevallabh G. Kabra to hold the office of Director.

Mr. Shreevallabh G. Kabra is concerned / interested in the resolution as set out in the Notice at Item No. 5, since it pertains to his own re-appointment and remuneration. Mr. Satyanarayan G. Kabra, Mr. Anand S. Kabra and Mrs. Ekta A. Kabra, Directors are also deemed to be interested in aforesaid resolution, being relatives of the said appointee, to the extent of their shareholding interest, held in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the Item No. 5 of the Notice, except to the extent of their respective shareholding interest, if any held, in the Company.

Your Directors recommend passing of the resolution at Item No. 5 of the Notice as a Special Resolution.

Item No. 6, 7 & 8

Mr. Mahaveer P. Taparia, Mr. Yagneshkumar B. Desai and Mr. Nihalchand C. Chauhan were appointed as Independent Non-Executive Director(s) of the Company by the members at the 31st AGM of the Company held on September 09, 2014 for a period of five consecutive years commencing from the date of the said AGM.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The Board, upon recommendation of the Nomination and Remuneration Committee, based on the skills, rich experience, knowledge, continued valuable guidance of above said Directors to the management and based on the outcome of performance evaluation, considers that, given their background and experience and contributions made by them during their tenure, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Independent Director(s).

The Board is of the opinion that Mr. Mahaveer P. Taparia, Mr. Yagneshkumar B. Desai and Mr. Nihalchand C. Chauhan fulfil the conditions for appointment as Independent Director(s) of the Company as specified in the Act and the Listing Regulations and are independent of the Management. None of them is disqualified or debarred to hold such office. Copy of draft letter for their appointment as Independent Directors setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during the normal business hours on all the working days. The brief profiles of the proposed appointees is provided in this report.

The Company has received from each of the proposed appointees, their consent to act as Director, intimation to the effect that they are not disqualified under Section 164(2) of the Companies Act, 2013, confirming their eligibility for such appointment and a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Listing Regulations, 2015. The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of Mr. Mahaveer P. Taparia, Mr. Yagneshkumar B. Desai and Mr. Nihalchand C. Chauhan, to hold the office of Independent Director(s).

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from April, 2019, a person who has attained the age of seventy five years can be non-executive Director in a listed Company,

subject to approval of its members by way of a special resolution. All the above named appointees are of age more than seventy five years and hence Special Resolution as set out in the Notice seeks approval of shareholders for their re-appointment as Independent Director(s), not liable to retire by rotation, for second term upto 2 (two) consecutive years upon completion of their current tenure as desired by them.

Mr. Mahaveer P. Taparia, Mr. Yagneshkumar B. Desai and Mr. Nihalchand C. Chauhan are interested in the resolutions set out respectively at Item Nos. 6, 7 and 8 of the Notice with regard to their respective re-appointments. The relatives of Mr. Mahaveer P. Taparia, Mr. Yagneshkumar B. Desai and Mr. Nihalchand C. Chauhan may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, held in the Company.

Save and except the above named proposed appointees, none of the Directors and/or Key Managerial Personnel of the Company, including their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolutions.

In view of above, the Board recommends the Special Resolution set out at Item No. 6, 7 & 8 of the Notice for approval by the members.

Item No. 9

In terms of the provisions of Section 197 of the Companies Act, 2013 ('the Act'), a public company can pay managerial remuneration by to its executive directors, including Managing & wholetime Director upto 11% of its net profit in that financial year computed as per Section 198 of the Act. Remuneration in excess of the aforementioned limit may be paid upon passing of special resolution by the shareholders.

Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') effective from April 01, 2019, provides that the annual remuneration payable to the executive directors who are promoters or members of promoter group shall be subject to the approval of the shareholders if: (i) such remuneration exceeds ₹ 5.00 Crore or 2.5% of the net profits of the listed entity, calculated as per Section 198 of the Act; whichever is higher (ii) the aggregate annual remuneration exceeds 5% of such net profits in case of more than one such director. The aforesaid approval shall be valid only till the expiry of the term of such director.

At present, the Company has three Executive Directors, namely, Mr. Shreevallabh G. Kabra, Promoter, Mr. Anand S. Kabra and Mrs. Ekta A. Kabra, both members of the promoter group. The annual remuneration paid to the said Directors is well within the ceiling prescribed under the Act, however, it may exceed the ceiling set out under the said Regulations during the period of their respective term of appointment and hence it is considered advisable to seek the approval of the shareholders by way of a special resolution to enable the Company to continue to make the payment of remuneration to the above named Executive Directors, even if aggregate remuneration to all of them exceeds the ceiling under the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Mr. Shreevallabh G. Kabra, Mr. Anand S. Kabra and Mrs. Ekta A. Kabra, Directors are concerned / interested in the resolution as set out in the Notice at Item No. 9, since it pertains to their own remuneration. Mr. Satyanarayan G. Kabra, is also deemed to be interested in aforesaid resolution, being their relative, to the extent of his shareholding interest, in the Company.

Save and except the above, none of the Directors and/or Key Managerial Personnel of the Company, including their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Item No. 10

M/s. Sharex Dynamic (India) Pvt. Ltd., ('Sharex') is the Registrar & Share Transfer Agent ('RTA') of the Company since July 01, 2016. As per intimation received from Sharex, they are shifting their office from the existing location at Luthra Industrial Premises, Sakinaka, Andheri (West), Mumbai – 400072 to C 101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli (West), Mumbai – 400083. In view thereof, the Register of Members, Index of Members and other prescribed records of the Company have to be shifted to its new address. Shifting of Register of Members is subject to the approval of the Members. The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the Members. None of the Directors and/or Key Managerial Personnel of the Company, including their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Place : Mumbai
Date : May 28, 2019

By order of the Board
For **Kabra Extrusiontechnik Ltd.**

Arya Chachad
Company Secretary