
NOTICE

Notice is hereby given that the 62nd Annual General Meeting of the of Godavari Biorefineries Limited will be held on Thursday, 28th September, 2017 at 12.00 noon at Nalanda Auditorium, 4th Floor, 'Somaiya Vidyavihar', SIMSR Building, Off 7th Rajawadi Road, Mumbai - 400 077, Maharashtra to transact the following businesses

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March 2017 including the Balance Sheet as at 31st March 2017 and the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Dr. Preeti Singh Rawat (DIN: 07154417), who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. Mohan Somanathan (DIN: 03184356), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To ratify appointment of M/s. Desai Saksena & Associates, Chartered Accountants (Firm Registration No. 102358W), as Auditors of the Company, as approved by members at the 59th Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2018.

SPECIAL BUSINESS

5. To approve re-appointment of Mr. S. N. Bableshwar Director – Works and remuneration payable to him.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, and subject to approval of the Central Government, if necessary, and subject to all such approvals as may be required, the approval of the members be and is hereby accorded to the re-appointment of Mr. S. N. Bableshwar (DIN : 05101183) as Director – Works for Company's business unit in Sameerwadi, Dist. Bagalkot, Karnataka with effect from 1st April, 2017 for a period of two years on the terms and conditions including remuneration as set out in the explanatory statement, with liberty to the Board of Directors to revise, implement, alter and vary the terms and conditions of his appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by and between the Board and Mr. S. N. Bableshwar.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

6. To consider revision and modification in remuneration payable to Mr. Samir Somaiya, Chairman & Managing Director.

To consider and, if thought fit, to pass with or without modification the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to approval of the Central Government, if necessary, and subject to all such approvals as may be required, the approval of the members be and is hereby accorded for revision and modification in remuneration payable to Mr. Samir Somaiya (DIN: 00295458), Chairman & Managing Director of the Company with effect from 1st April, 2017 for his remaining tenure till 31st March 2018 on the terms and conditions including remuneration as set out in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution.”

7. To consider and approve revision in remuneration of Mr. Vinay Joshi, Executive Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, and subject to approval of the Central Government, if necessary, and subject to all such approvals as may be required, the approval of the members be and is hereby accorded for the revision in remuneration payable to Mr. Vinay Joshi, (DIN:00300227), Executive Director of the Company, w.e.f. 1st April, 2017 on the terms and conditions including remuneration as set out in the explanatory statement, with liberty to the Board

of Directors to revise, implement, alter and vary the terms and conditions of his appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by and between the Board and Mr. Vinay Joshi.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution.”

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s. B.J.D. Nanabhoj & Company, the Cost Accountants (Firm Registration No. 000011) appointed by the Board of Directors of the Company, on the recommendation of Audit Committee, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2018, be paid the remuneration amounting to ₹ 2,25,000/- p.a. (Rupees Two Lakh Twenty Five Thousand Only) and also the payment of tax, as applicable and re-imbursment of out of pocket expenses incurred in connection with the aforesaid audit and the same is hereby ratified and approved.”

9. To approve contributing to Charitable and other funds.

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

“**RESOLVED THAT** pursuant to the provisions of Section 181 and other applicable provisions, of the Companies Act, 2013, if any, the consent of the Members be and is hereby accorded to the Board of Directors for contributing to charitable and other funds not directly relating to the businesses of the Company upto an aggregate sum of ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) during Financial Year 2017-18.

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

10. To approve Acceptance of Deposits.

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

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

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

11. To approve appropriation of amount to General Reserve Account.

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

“**RESOLVED THAT** the consent of members be and is hereby accorded for appropriation of a sum of ₹ 3,58,76,800 (Rupees Three Crores Fifty Eight Lakhs Seventy Six Thousand Eight Hundred Only) currently standing in Share Premium Suspense Account entirely to the General Reserve Account whereby the balance standing in the General Reserve Account shall reduce to the extent of amount appropriated.

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

12. To Approve Alteration in Articles of Association of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactments thereof, for the time being in force) and subject to such approvals, permissions and sanctions from the appropriate authority, if any, the Articles of Association of the Company be and are hereby altered in the manner set out herein below:

The following sub article (c) be altered in Article 14 after sub article No.(b)

(c) The offer aforesaid shall be deemed to include a right exercisable by the Persons concerned to renounce the Shares offered to them

in favour of any other Persons who at the date of the offer are holders of the Shares of the Company and the Notice issued in relation thereto shall contain a statement of this right. PROVIDED THAT the Board (subject to consent of the Somaiya Group Nominees) may decline, without assigning any reason to allot any shares to such Person in whose favour any Member may renounce the Shares offered to him.”

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

By Order of the Board of Directors

Date: 30th May, 2017
Place: Mumbai

sd/-
Samir S. Somaiya
Chairman & Managing Director
DIN - 00295458

NOTES:

1. A statement pursuant to section 102(1) of the Companies Act, 2013, setting out all material facts relating to Special Business to be transacted at the meeting is annexed herewith and the same should be taken as part of this Notice.
2. Route Map of venue of the Meeting is attached.
3. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding 50 Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member.
4. Pursuant to Section 113 of the Companies Act, 2013, Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
6. During the period beginning 24 hours before the time fixed for commencement of the Annual General Meeting (AGM) and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days notice of writing is given to the Company.
7. Members / proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith and the Annual report copy to attend the meeting along with a valid identity proof such as PAN Card, Passport, AADHAR Card or Driving license to enter the AGM Hall.
8. Members are requested to inform of any change in their addresses immediately to: (i) Registrar & Transfer Agents (R & T Agents) in case of shares held in Physical Form or (ii) Depository Participants in case of shares held in Electronic Form
9. The Members are requested to send their queries, if any at least seven days before the AGM to the Company Secretary at the registered office of the Company or at email id investors@somaiya.com.
10. The Annual Report 2016-17, the Notice of the 62nd AGM and instructions for e-voting along with attendance slip and proxy form, are being sent by electronic mode to members whose email addresses are registered with the Company / depository participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies are being sent by permitted mode.
11. Members may also note that the Notice the 62nd AGM and the Annual Report will be available on Company's website, www.godavaribiorefineries.com.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrars and Share Transfer Agent.
13. In response to the Green Environment Initiative taken by the Ministry of Corporate Affairs, we urge the members to support our commitment to environmental protection by choosing to receive any shareholding communication through email. You can do the same by updating your email addresses to the concerned Depository Participant. Members who hold shares in physical form are requested to register their email addresses with Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company.

PROCEDURE FOR E-VOTING:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for e-voting shall also be made available at the AGM for those members who have not cast their votes earlier.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. Members can opt for only one mode of voting i.e. either by Polling Paper or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Polling Paper shall be treated invalid.
- V. The remote e-voting period commences on 25th September, 2017 (9:00 am) and ends on 27th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz: "Godavari Biorefineries 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.
 - (ii) Launch internet browser by typing the following **URL: <https://www.evoting.nsdl.com/>**
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) 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. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Godavari Biorefineries Limited".
 - (viii) Now you are ready for remote 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 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 tushar@tusharshri.com with a copy marked to evoting@nsdl.co.in
 - B. 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(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN USER ID (Remote e-voting Event Number) and PASSWORD/PIN.

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

Additional Information:

- i. 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.nsd.com or call on toll free no.: 1800-222-990.
- ii. 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.
- iii. 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).
- iv. 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 21st September, 2017.
- v. 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. 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- vi. 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.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.
- vii. 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.
- viii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Polling paper.
- ix. Mr. Tushar Shridharani, Practicing Company Secretary has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- x. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xi. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.godavaribiorefineries.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
- xiii. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:

Link Intime India Pvt. Ltd., C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 4000783.

Email: rnt.helpdesk@linkintime.co.in / shruthi.shetty@linkintime.co.in

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

Date: 30th May, 2017
Place: Mumbai

By Order of the Board of Directors

sd/-
Samir S. Somaiya
Chairman & Managing Director
DIN - 00295458

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 11 of the accompanying Notice:

Item No. 5:

Mr. S. N. Bableshwar, having Directors Identification Number – 05101183, Director – Works of Sameerwadi Unit of the Company was further re-appointed for a period of two years starting from 1st April, 2017.

Mr. Bableshwar aged 66, is a B. Sc. (Chemistry), Post Graduate Diploma in Sugar Technology (ASNI), Kanpur and Associate Member of Institute of Chemical Engineering from Jadavpur University, Kolkata. Mr. Bableshwar has served as a Technical Officer with renowned consultancy firm namely M/s. J. P. Mukherjee & Associates, Pune for a brief period of two years from 1978- 1980. He began his relationship with the company over 40 years ago. Subject to the supervision and control of the Board of Directors Mr. Bableshwar is currently in-charge of running the affairs of the Company including at the Sameerwadi unit of the Company. He is also a Director on the Board of the subsidiary Company, Solar Magic Pvt. Ltd.

He was appointed as Director – Works of Sameerwadi Unit of the Company w.e.f 1st October, 2011. He was further re-appointed for a period of three years w.e.f 1st April, 2014 to 31st March, 2017.

Keeping in view the additional responsibilities, Mr. Bableshwar has been re-appointed as Director (Works) – Sameerwadi of the Company for further period of two years with effect from 1st April, 2017. The terms and conditions of his appointment including his remuneration were approved by the Board of Directors in their meeting held on 21st February, 2017. The details of his remuneration are set out in Resolution No. 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, except Mr. Bableshwar, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

General Terms & Conditions:

- 1) Basic Salary : ₹ 2,50,000/- p.m.
- 2) Special Allowance : ₹ 39,600/- p.m.
- 3) Bonus : 20% of Basic Salary
- 4) Performance Incentive: 0.3% of Net Profit after Tax of Sameerwadi Unit of the Company with maximum limits upto ₹ 20 Lakhs per annum, subject to recommendation of Remuneration and Nomination Committee and approval of Board of Directors or approval of Members, as may be required.
- 5) Perquisites:
 - i) Housing : Furnished Accommodation at Factory
 - ii) Medical Reimbursement : As per Company's Rules.
 - iii) Leave Travel Reimbursement : One month's Basic pay subject to Income Tax Laws and Company's Rules.
 - iv) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites, use of car and telephone for private purpose shall be billed by the Company to Mr. S. N. Bableshwar.

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

Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company.

None of the other Directors or Key Managerial Personnel (KMP) or their relatives except Mr. S. N. Bableshwar have any concern or interest, financial or otherwise, in the proposed resolution.

Your directors therefore recommend the resolution for your approval.

Item No. 6:

Mr. Samir Somaiya, having Directors Identification Number – 00295458, Chairman & Managing Director of the Company was re-appointed as Chairman and Managing Director of the Company for a period of three years starting from 1st April, 2015 under the authority of the resolution passed by the Shareholders at the Annual General Meeting of the Company held on 30th September, 2015.

Mr. Samir Somaiya (age 49 years), is Bachelor of Chemical Engineering and a Master of Chemical Engineering from Cornell University, U.S.A. He has also acquired his Masters degree in Business Administration from Cornell University, U.S.A. and a Masters Degree of Public Administration is conferred upon him by the Harvard University. Mr. Samir Somaiya carries more than 20 years of experience in the field of Sugar, Chemical & Power.

Subject to the supervision and control of the Board of Directors Mr. Samir Somaiya is in-charge of running the affairs of the Company including Budgeting, Planning, Projects and Corporate affairs. He is a dynamic new generation industrialist. As a Chairman and Managing Director, he has played a key role in making the Company one of the most efficient sugar producers in the country. The Company has built a strategic foundation for growth under his leadership.

He is also Chairman of K. J. Somaiya Trust, K. J. Somaiya Medical Trust, The Somaiya Trust and The Girivanvasi Pragati Mandal.

Mr. Samir Somaiya is a Promoter Director holding 40,10,865 Equity Shares consisting of 10.85% of the paid-up equity capital of the Company.

He is currently drawing a basic salary of ₹ 9,00,000/- per month plus commission & perquisites as per Company's policy.

Keeping in view the above, the extent of responsibilities entrusted with him, the Nomination and Remuneration Committee and Board of Directors of the Company has also recommended revising and modifying the terms of appointment and remuneration at its meeting held on 30th May, 2017.

Mr. Samir Somaiya will be paid remuneration as mentioned below -

General Terms & Conditions:

- 1) Basic : ₹ 11,50,000 p.m.
- 2) Commission : 2 % of Net profit subject to limit of 100% of the Basic Salary.
- 3) Perquisites:
 - i) A fully furnished Rent Free Residential Accommodation

OR

House Rent Allowance (HRA) limited to the 60% of basic salary or if he offers a house in his own name / spouse, the same may be taken on lease limited to 60% of basic salary.

- ii) The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per as per Income Tax Act, 1961 and Rules thereunder.
- iii) Medical Reimbursement: For him and his family as per Income Tax Act, 1961 and Rules thereunder.
- iv) Leave Travel Reimbursement: For him and his family as per Income Tax Act, 1961 and Rules thereunder.
- v) Club Fees-Subject to maximum of two clubs admission and membership fees as per rules of the Company.
- vi) Personal Accident Insurance/Medical Insurance or any other coverage as per rules of the Company. Annual Premium to be paid by the Company.
- vii) Provision of two cars with drivers, the entire expenditure of which will be borne by the Company.
- viii) Provision of telecommunication facilities including telephone/fax at residence.
- ix) Contribution to Provident Fund, Superannuation Fund or Annuity Fund at the rates applicable from time to time in the Company.
- x) Gratuity not exceeding half a month's salary for each completed year of tenure.
- xi) Encashment of leave at the end of tenure.
- xii) Reimbursement of entertainment expenses actually incurred in course of legitimate business of the Company.
- xiii) Housing, education, medical and other loans or facilities as applicable in accordance with the rules of the Company.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.

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

The Company has been benefitted with supervision, guidance and ardent leadership of Mr. Samir Somaiya as Chairman and Managing Director of the Company and he has established an ideal platform for the continuous growth of the Company, focusing on innovation, research, development,

quality management and developing institutional customers. The remuneration proposed to be paid to Mr. Samir Somaiya is justified having regard to the nature of services required from him and the responsibility which he is called upon to bear as Chairman and Managing Director of the Company. He is also member of Audit Committee, Research and Development Committee and Executive Committee of the Board of Directors of the Company.

Mr. Samir Somaiya is also a Director on the Board of Subsidiary Company i.e. Solar Magic Pvt. Ltd. and also Director on the Board of few associate companies.

None of the other Directors or Key Managerial Personnel (KMP) or their relatives except Mr. Samir Somaiya have any concern or interest, financial or otherwise, in the proposed resolution.

Your directors therefore recommend the resolution for your approval.

Item No. 7:

Mr. Vinay Joshi, having Directors Identification Number – 00300227, Executive Director of the Company was re-appointed as Executive Director of the Company for a period of three years starting from 1st April, 2016 under the authority of the resolution passed by the Shareholders at the Annual General Meeting of the Company held on 30th September, 2016.

Mr. Vinay Joshi aged 63, is a Post Graduate in Commerce from University of Pune with specialization in Financial Accounting and Cost & Management Accounting. He has been associated with diverse industries including Sugar, Ethanol, Chemicals, Food processing, Power, Power Cables & Book Publishing. He has been associated with Somaiya Group of Companies for over 30 years in various capacities.

He is currently Member of the Board of Directors of Godavari Biorefineries Ltd. in the capacity of Executive Director. Mr. Vinay Joshi is also a Director on the Board of the Subsidiary Company Solar Magic Pvt. Ltd and fellow group company The Book Centre Limited. He is also the President of the South Indian Sugar Mills Association - Karnataka (SISMA-K) where he represents the interest of the sugar industry before the Central and State government authorities in India. He is also a member of the executive committee of the Indian Sugar Mills Association (ISMA)

Mr. Joshi was re-appointed as Executive Director of the Company for the period of three years starting from 1st April, 2016 as approved by the Shareholders at the last Annual General Meeting of the Company.

Mr. Joshi is currently drawing a basic salary of ₹ 3,68,350/- per month plus bonus, commission & perquisites as per Company's policy. The revised remuneration to be paid w.e.f 1st April, 2017 is as mentioned below-

General Terms & Conditions:

- 1) Basic : ₹ 4,25,350/- p.m.
- 2) Bonus : 20% of Basic Salary.
- 3) Commission : 0.5% of Net profit subject to limit of 100 % of the Basic Salary.
- 4) Perquisites :
 - i) HRA : ₹ 20,000/- p.m.
 - ii) Medical Reimbursement : As per Company Rules.
 - iii) Leave Travel Reimbursement : One month's Basic pay.
 - iv) Contribution to Provident Fund at the rates applicable from time to time in the Company.
 - v) Gratuity not exceeding half a month's salary for each completed year of tenure.
 - vi) Provision of car with driver for official purpose, the expenditure of which will be borne by the Company with a limit upto ₹ 25,000/- p.m.
 - vii) Encashment of Leave at the time of retirement/cessation of service, which will not be included in the computation of the ceiling on perquisites.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.

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

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

None of the other Directors or Key Managerial Personnel (KMP) or their relatives except Mr. Vinay Joshi have any concern or interest, financial or otherwise, in the proposed resolution.

Your directors therefore recommend the resolution for your approval.

The statement as required under Clause (iv) Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the item nos. 5, 6 and 7 are as follows:

I. General Information:

(1) Nature of Industry:

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

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

Existing Company, hence already commenced business.

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

Existing Company, not applicable

(4) Financial performance based on given indicators:

(₹ in Lacs)

| Particulars | 2016-17 | 2015-16 |
|--|---------|---------|
| Sales | 98,515 | 136,478 |
| Profit / (Loss) before Exceptional items ,Depreciation, Interest and Tax | 8,013 | 11,104 |
| Exceptional Items | 1,026 | - |
| Profit / (Loss) before Depreciation, Interest and Tax | 6,987 | 11,104 |
| Finance costs | 7,956 | 8,323 |
| Profit / (Loss) after Interest but before Depreciation and Tax | (969) | 2,781 |
| Depreciation & Amortization | 4,978 | 4,344 |
| Profit / (Loss) Before Tax | (5,947) | (1,563) |
| Taxes (Income) / Expense | (1,452) | (434) |
| Profit / (Loss) After Tax | (4,495) | (1,129) |

(5) Foreign Investment of Collaborators, if any:

The Company has received investment in its equity share capital from Mandala Capital AG Limited. The Company also allotted the Non Convertible Debenture to Mandala Agribusiness Investments II Limited, both of which are Foreign Companies incorporated in Mauritius.

II. Information about the Appointees: The information with respect to Mr. S. N. Bableswhar, Mr. Samir Somaiya and Mr. Vinay Joshi is given in Item no. 5, 6 and 7 of the explanatory statement respectively.

III. Other Information:

1. Reasons of loss or inadequate profits:

Net Loss after Tax of ₹ 4495 Lakhs incurred by the Company for the financial year ended 31st March, 2017 was majorly on account of reduction in sugarcane crushing and recovery which resulted into low sugar and ethanol sales and lower power exports and prices.

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

Sugar being a seasonal industry, the performance of a financial year may not be representative of the next annual performance of the company. The integrated model concept adopted by the Company in regard to Power Co-generation and Distilleries operations is expected to offset the Losses from the sugar divisions of the Company to some extent and also provide a source of revenue. Sugar being seasonal and cyclical in nature, the working results witness a phase of upturn & downturn. The value added by-products like Co-generation of Power, Industrial Alcohol, Ethanol and Specialty Chemicals will also help the Company to improve its business prospects. The Company through process of innovation makes consistent efforts to optimize the resources and increase the margins.

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

Sugar business is essentially cyclical and swift changes in demand-supply dis-equilibrium cause volatile changes in pricing power. As such, over the years the Company has shifted its focus from sugar manufacturing to the downstream utilization of its by-products such as Co-generation of Power, Industrial Alcohol and Ethanol. The value added by-products like Co-generation of Power, Industrial Alcohol, Ethanol and Alcohol based Chemicals will help the Company to maximize its profits.

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

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

Item No. 8:

The Board, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. B.J.D. Nanabhoy & Company, Cost Accountants (Firm Registration. No.000011) as the Cost Auditors to conduct the audit of the cost records of the Company relating to Sugar and Industrial Alcohol, Electricity and Chemicals pursuant to Section 148 read with Rule 3 and 4 of Companies (Cost Records and Audit) Rules, 2014 and Companies (Cost Records and Audit) Amendment Rules, 2014 for the financial year ending March 31, 2018 at a remuneration of ₹ 2,25,000/- p.a (Rupees Two Lakh Twenty Five Thousand Only) plus applicable taxes and out of pocket expenses.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

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

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

Item No. 9:

As per the provisions of Section 181 of the Companies Act, 2013 (the Act in this statement), prior permission of the Company, in general meeting, is required to contribute to bonafide charitable and other funds, if the aggregate amounts, in any financial year exceeds five percent of the Company's average profits for three immediately preceding financial years. Considering the Corporate Social Responsibility activities undertaken by the Company voluntarily towards the Society, the Board of Directors consider that the consent of the Members of the Company should be obtained to contribute the sum up to ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs only) to charitable institutions and funds during the Financial Year 2017-18.

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

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

Item No. 10:

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

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

The Directors recommend the Resolution in the best interest of the Company for your approval.

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

Item No. 11:

Consequent upon the Order bearing reference number WTM/RKA/EFD-DRA-III/1-2/2016 dated 1st January, 2016 of the Securities And Exchange Board of India ("SEBI"); the Company has paid a sum of ₹ 35,876,800 (Rupees Three Crores Fifty Eight Lakhs Seventy Six Thousand Eight Hundred Only) to beneficiaries / contributories of Sameerwadi Sugarcane Farmers Welfare Trust; being differential valuation of Equity Shares as explained in above mentioned Order; the copy of which is available for inspection at the Registered Office of the Company as well available on the website of SEBI. The payment as had been made currently stands debited to Share Premium Suspense Account in the books of accounts of the Company. The Board of Directors with your consent; now proposes to appropriate entire amount to General Reserve Account and seek your consent to the proposed Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

ITEM No. 12 :

The existing Article 14 (c) reads as under:

"The offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to them in favour of any other Person and the notice issued in relation thereto shall contain a statement of this right. PROVIDED THAT the Board (subject to consent of the Somaiya Group Nominees) may decline , without assigning any reason to allot any shares to any Person in whose favour any Member may renounce the Shares offered to him."

The Board is of the view that any offer for Right shares should be restricted to the existing Members of the Company only. In view of this, it is recommended that the existing Article 14 (c) be substituted by the proposed new Article 14 (c).

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice except to the extent of their shareholding in the company.

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

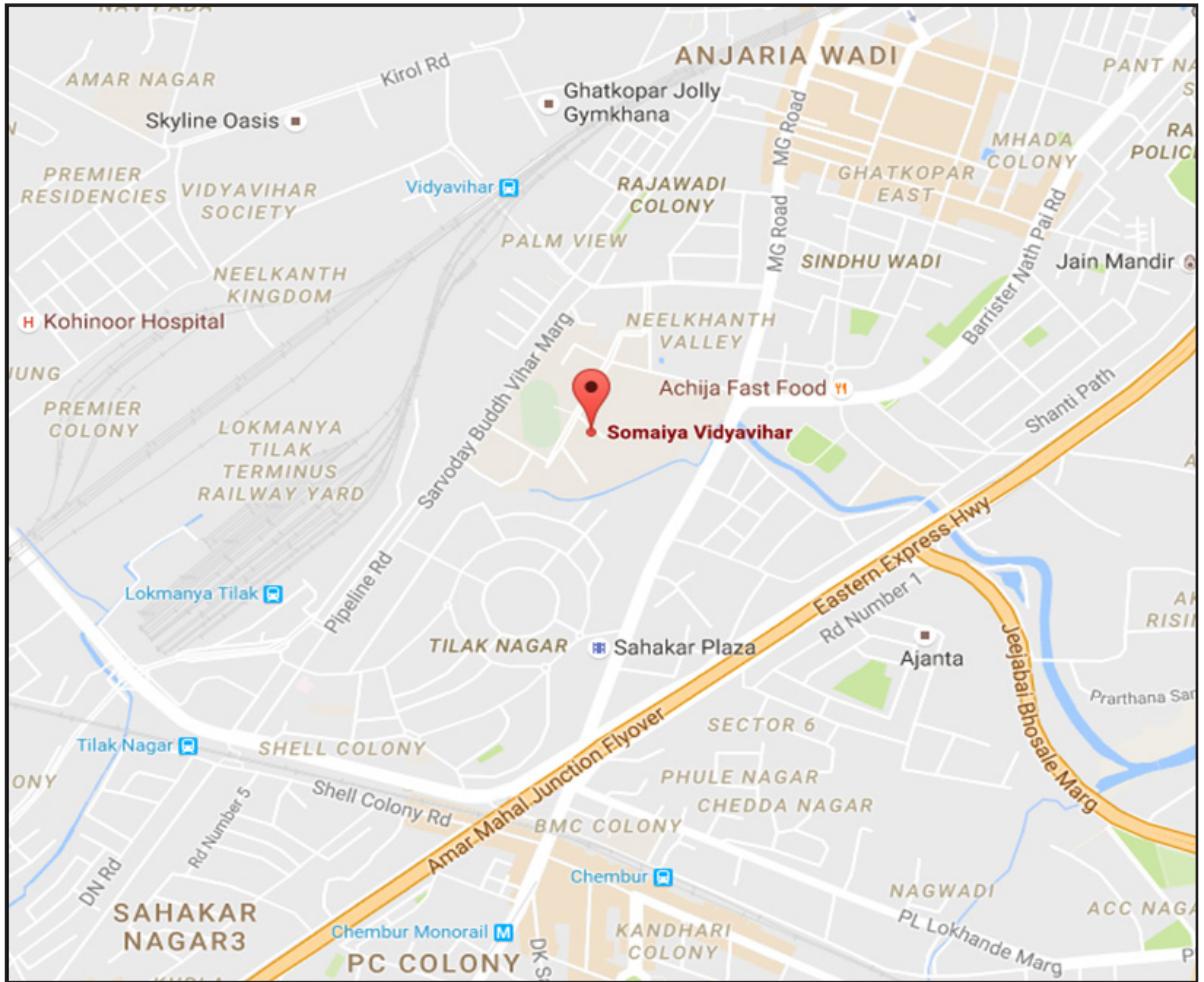
By Order of the Board of Directors

Date: 30th May, 2017
Place: Mumbai

sd/-
Samir S. Somaiya
Chairman & Managing Director
DIN - 00295458

VENUE:

Somaiya Vidyavihar,
SIMSR Building, Off 7th Rajawadi Road,
Mumbai-400077



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