

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF GINZA INDUSTRIES LIMITED WILL BE HELD ON FRIDAY, 29th SEPTEMBER, 2017 AT 2.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 11, CLIVE ROW, 4TH FLOOR, ROOM NO 1/A/A, KOLKATA, WEST BENGAL – 700001 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements and audited consolidated financial statements of the Company for the year ended 31st March, 2017 including and the Reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Laxmipat Banthia (holding DIN No. 06538252) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), M/s. Bhuwania & Agrawal Associates., Chartered Accountants (Firm Registration No. 101483W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration and reimbursement of out of pocket expenses as may be determined by the Board of Directors of the Company.”

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 provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and read together with the Companies (Audit and Auditors) Rules, 2014, M/s NKJ and Associates, Cost Accountants appointed as the Cost Auditors of the Company bearing membership no. 18869, for the conduct of the audit of

the cost accounting records of the Company for the Financial Year 2017-18, as per their scope of work and be paid remuneration of Rs. 50,000/- exclusive of Service tax and reimbursement of out of pocket expenses incurred, if any.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to file Form CRA-2 with the Central Government and to do all acts, deeds including filing of any e-forms with Registrar of Companies and take steps as may be necessary, proper or expedient to give effect to this resolution.”

5. **To Appoint Ms. Nivedita Juvatkar as a Company Secretary of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Section 2(24) & Section 203 read with rule made there under and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force Ms. Nivedita Juvatkar an Associate Member of the Institute of Company Secretaries of India, who possess the requisite qualification as prescribed under the Companies (Appointment and Qualifications of Secretary) Rules, 1988, be and is hereby appointed as Company Secretary w.e.f. 31/08/2017 to perform the duties of a Secretary as required under the Companies Act, 2013 and any other duties assigned by the Board of Directors from time to time.

RESOLVED FURTHER THAT the remuneration payable to Ms. Nivedita Juvatkar may be revised from time to time by the Board of Directors or any Remuneration Committee that may be formed for this purpose.

RESOLVED FURTHER THAT in terms of definition of ‘Key Managerial Personnel’ provided under Section 2(51) of the Companies Act, 2013, Ms. Nivedita Juvatkar, be and is hereby identified and termed as ‘Key Managerial Personnel’ in relation to the Company.

RESOLVED FURTHER THAT Mr. Ashok Kumar Sethia be and is hereby authorized to file Forms DIR-12, Form MGT 14 and any other Forms as may be required with the Registrar of Companies and to do all such acts, deeds, things etc. as may be required to give effect to the above resolution.”

6. **To fix the remuneration to Mr. Laxmipat Banthia (DIN 02464903), Whole Time Director of the Company in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the board is hereby given, subject to the approval of the shareholders, for increasing remuneration of Mr. Laxmipat Banthia, (DIN 02464903), Whole Time Director of the Company from Rs. 39 Lakhs (Rupees Thirty- Nine Lakhs) per annum to Rs. 45 lakhs (Rupees Forty-Five Lakhs) per annum with increase of Rs. 6 lakhs (Rupees Six Lakhs) per annum.

RESOLVED FURTHER THAT pursuant to Section II of Part II of Schedule V and other applicable provisions, if any, of the Act, (including any amendment/modification thereof) and subject to such approvals as may be necessary, the Company is authorized to pay remuneration of Rs. 45 lakhs (Rupees Forty-Five Lakhs) to Mr. Laxmipat Banthia, Whole-time Director of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to increase, vary or amend the remuneration (within the limits of Schedule V) including salary, allowances, perquisites and benefits, minimum remuneration and other terms of his appointment, from time to time, as deemed expedient or necessary.

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 to give effect to the above resolution.”

7. **To Change the Registered Office of the Company from the State of West Bengal to the State of Maharashtra consider and if thought fit, to pass with or without modification(s) the following resolution as an Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 13 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, and subject to the confirmation by the Regional Director/Central Government/Registrar of Companies or such other competent authorities, and subject to the approval of shareholders, the Memorandum of Association of the Company be altered so as to change the place of the Registered Office of the company from its present address situated at 11, Clive Row, 4th Floor, Room No 1A/A, Kolkata, West Bengal-700001 to A-501- 502, Lotus Corporate Park, Jay Coach Lane, Off Western Express Highway, Goregaon (E), Mumbai- 400063.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered by substituting the following new Clause II in place of the existing Clause II:

‘II. The Registered Office of the Company will be situated in the state of Maharashtra’

RESOLVED FURTHER THAT, subject to passing of Special Resolution by the members of the Company as regard to alteration of situation clause of Memorandum of Association of the Company pursuant to Section 13 of the Companies Act, 2013 read with Rule 30 of Companies (Incorporation) Second Amendment Rules, 2017, Mr. Ashok Kumar Sethia, Managing Director, Mr. Laxmipat Banthia, Whole-Time Director and Ms. Nivedita Juvatkar, Company Secretary of the Company be and are hereby severally authorized to act and empowered severally to sign the Petition, Application, Affidavits, Notices and all other necessary papers/ documents in connection therewith and to act for every purpose and to take every steps in connection therewith.

RESOLVED FURTHER THAT Mr. Anil Murarka, Practising Company Secretary (FCS 3150) of A Murarka & Co. and Mr. Sumit Modi, of R P Modi & Co, Chartered Accountants (FRN 308011E) be and are hereby authorized to appear and represent the Company before the Regional Director/Central Government/Registrar of Companies or such other competent authorities, in the Company’s Petition, under Section 13 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014, and to act for every purpose connected with the proceedings related to the said petition and that their statements and actions shall be binding on the Company.

RESOLVED FURTHER THAT Mr. Ashok Kumar Sethia, Managing Director of the Company and/or Mr. Laxmipat Banthia, Whole-Time Director be and is hereby severally authorized to take all steps as may be necessary for changing the address of the Registered Office of the Company.”

8. **To approve for the grant of Ex-Gratia to Mr. Laxmipat Banthia and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) the consent of the board is hereby accorded with subject to the approval of the shareholders, that Ex-Gratia of Rs. 25 Lakhs (Rupees

Twenty- Five Lakhs) to Mr. Laxmipat Banthia, (DIN 02464903), Whole Time Director of the Company which is within the limits provided under Section 197 of the Act read with Schedule V of the Act.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to file necessary form as may be required with the Registrar of Companies and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.”

Place: Mumbai
Date: 31.08.2017

By Order of the Board of Directors

Ashok Kumar Sethia
Managing Director
(DIN 01283310)

Notes:

1. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting under Item No's 4 to 7 of the Notice, is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be lodged with the Company at the registered office, duly completed and signed at least 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Members /Proxies should bring duly-filled Attendance Slips to attend the meeting along with their copy of Annual Report to the meeting.
4. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a duly certified copy of the Board Resolution authorizing such a representative to attend and vote on their behalf at the Annual General meeting.
6. Members are requested to notify changes, if any, in their registered addresses to the Company's Registrars.
7. All documents referred to in the notice and explanatory statement will be made available for inspection in physical or electronic form between 11. a.m. to 2.00 p.m at the Head Office as well as Corporate Office of the Company.
8. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Company/Depositories.
10. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

Place: Mumbai
Date: 31.08.2017

By Order of the Board of Directors

Ashok Kumar Sethia
Managing Director
(DIN- 01283310)

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

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to the businesses mentioned under item 3 to 7 of the accompanying notice dated 31st August, 2017.

ITEM NO 3:

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of The Companies (Audit and Auditors) Rules, 2014, every Company shall appoint Statutory Auditors to hold office for one term of 5 years and such appointment is subject to ratification by the Members every year in the annual general meeting. The Act further makes it mandatory to rotate the statutory auditors after two terms of 5 years, in case of a firm of auditors. Further, Companies have been given time till the year 2017 to effect rotation of Auditors, wherever necessary.

As you are aware that M/s. Agarwal Sanganeria & Co, Firm Registration No. 317724E, Chartered Accountants have been the auditors of the Company for 10 years. In order to comply with the requirements mentioned above, it is proposed to appoint M/s. Bhuwania & Agrawal Associates., Chartered Accountants (Firm Registration No. 101483W) as the Statutory Auditors of the Company at the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and the necessary resolution in this regard be passed by the members of the Company at the ensuing Annual General Meeting.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3. The Board of Directors accordingly recommend the resolution set out at Item No. 3 of the accompanying Notice for the approval of the members.

ITEM NO. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint cost auditor to audit the cost records for the applicable products of the Company. The remuneration payable to the Cost Auditors is required to be ratified by the members of the Company in accordance to the provisions of the Act and Rule 14 of the Rules.

The Board of Directors of the Company at its meeting held on June 21st, 2017, on the recommendation of the Audit Committee had approved the appointment of M/s NKJ and Associates, Practicing Cost Accountants as the Cost Auditor of the Company for the financial year

2017-18 at a remuneration of Rs. 50,000/- exclusive of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit.

Accordingly, consent of members is sought for approving the Ordinary Resolution as set out in Item No. 4 for ratification of remuneration payable to the Cost Auditor for conducting the Audit of the Cost records of the Company, for the financial year ended 31st March, 2017.

None of the Directors of the Company or Key Managerial Personnel or their relatives are concerned or interested directly or indirectly in the proposed Ordinary Resolution as set out at Item No. 4.

The Board of Directors approved the Resolution set out at Item No. 4 of the Notice for ratification by the Members.

ITEM NO. 5

In pursuant to Section 2(24) & Section 203 of Companies Act, 2013 read with Rule 8A of Companies (Appointment and Remuneration) Rules, 2014 Every company which has a paid-up share capital of five crores or more shall have a whole-time company secretary. Therefore, Company requires to appoint Company Secretary in order to comply with the requirement of Companies Act, 2013.

The Board hereby decided to appoint Ms. Nivedita Juvatkar, an Associate Member of the Institute of Company Secretaries of India, who possess the requisite qualification as prescribed under the Companies (Appointment and Qualifications of Secretary) Rules, 1988, be and is hereby appointed as Company Secretary w.e.f. 31/08/2017 to perform the duties of a Secretary as required under the Companies Act, 2013 and any other duties assigned by the Board of Directors from time to time. The remuneration payable to Ms. Nivedita Juvatkar may be revised from time to time by the Board of Directors or any Remuneration Committee that may be formed for this purpose.

ITEM NO. 6

The Members of the Company at the Annual General Meeting held on 30th September, 2016 had approved the re-appointment of Mr. Laxmipat Banthia for the period of 5 years as a whole Time Director of the Company. The Board of Directors proposing to revise the payment of remuneration within the overall limits as prescribed under the Act. In this regard, the Nomination and Remuneration Committee in its meeting held on 31st August, 2017 recommended and Board of Directors in its meeting held on 31st August, 2017 approved the revision in the remuneration of Mr. Laxmipat Banthia, Whole Time Director after considering the current position of the Company. The payment of remuneration was approved by the Board based on industry standards and responsibilities handled by the Whole Time Director of the Company. The payment of remuneration to Mr. Laxmipat Banthia as stated in the notice is subject to the approval of the

Members and the same shall be paid after making the adjustment of remuneration already paid to him. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for payment of the remuneration to Mr. Laxmipat Banthia, Whole Time Director of the Company. None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way/ concerned or interested, in the resolution set out at Item No. 6 of the Notice. -Your Directors recommend the Resolution set out at Item No. 6 of the Notice for your approval.

ITEM NO. 7

The Company was incorporated under Companies Act, 1956 in the State of West Bengal. As per Clause II of the Memorandum of Association of the Company, the registered office of the Company is at present in the State of West Bengal. Considering the fact that the operational and business activities of the Company are undertaken from its Corporate Office situated in Mumbai, Maharashtra and the majority of the Directors of the Company are based in Mumbai, it is proposed that the Registered Office of the Company be shifted to the Corporate Office of the Company.

Such a change would enable the Directors to guide the Company more effectively and efficiently and also result in operational convenience. In terms of Section 12, 13 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder shifting of the registered office from one State to another and alteration of the Memorandum of Association requires the approval of Members by way of Special Resolution.

After the proposal is approved by the Members, a petition is required to be made, under Section 13(4) of the Companies Act, 2013, to the Central Government for approval of the alteration to the Memorandum of Association of the Company pursuant to shift the Company's registered office from the State of West Bengal to the State of Maharashtra.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item no. 6 of the notice except to the extent of their shareholding in the Company, if any. The Board recommends the resolution to the Members for their consideration and approval.

ITEM NO.8

Mr. Laxmipat Banthia is a Chartered Accountant, having 16 years of experience is associated with our company as Whole-Time Director. He has vast experience in the line of business and heads of elastic tape division of the Company.

His sheer dedication towards the work has made an impact in the company's prosperity. In this regards, as an appreciation of the dedicate efforts which contributed in achieving an excellent performance of elastic unit and having regard to the increased responsibilities for further improving the Company performance in an Competitive market and as the gratitude towards the work, the boards hereby on recommendation of Nomination and Remuneration Committee with regard to remuneration from time to time within the limits provided u/ s 197 of the Act read with Schedule V or any amendment thereto for the time being in force, subject to the approval of members grant Ex -Gratia of Rs. 25 Lakhs (Rupees Twenty- Five Lakhs) to Mr. Laxmipat Banthia, Whole- Time Director of the Company.

Place: Mumbai
Date: 31.08.2017

By order of the Board

Ashok Kumar Sethia
Managing Director
(DIN- 01283310)

INFORMATION / DISCLOSURE STATEMENT

Annexure to the Notice convening the Annual General Meeting to be held on 29th September, 2017 pursuant to Section II, Part II of Schedule V (iv) of the Companies Act, 2013 (the Act) in respect of items of the accompanying Notice pertaining to the revision in remuneration of Managerial Person.

I. GENERAL INFORMATION:

(1) Nature of Industry:

Ginza Industries Ltd, a Company incorporated on 24th July, 1986, under the Companies Act, 1956, is a leading manufacturer of Warp & Raschel Knitted Fabrics, Laces, Elastic Tapes, Processing, Value Added Fabrics, home textiles and garments (lingerie & Ladies Garment).

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

Not applicable as the Company is an existing Company.

(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 – as per audited financial results for the year ended March 31, 2017.

Particulars	2016-17 Rs. in lacs
Income from operations	32676.78
Other Income	337.63
Profit/(Loss) before interest, depreciation and taxation	4683.55
Net Profit /(Loss)	1015.20

(5) Export performance and net foreign exchange collaborations –

Rs. 5225.47 lacs (F.Y. 2016-17)

(6) Foreign Investments or collaboration, if any-

With the aim of establishing the Company's brand SOIE US in overseas market, Ginza Industries Limited has a Joint Venture in the name and style of SOIE US LLC with the overseas partner Mr. Vivek Baid in the State of New York, U.S.A.

The arrangement is that 51% shares is of Ginza Industries Limited and 49% is of Mr. Vivek Baid. There were no transactions during the Financial Year. 2016-17.

II (A). INFORMATION ABOUT MR. LAXMIPAT BANTHIA

1.	Background details	Mr. Laxmipat Banthia , is a Chartered Accountant, having 16 years of experience in the existing line of business and heads the elastic tape division of the Company.
2.	Past remuneration	Salary of Rs. 39 Lakhs p.a
3.	Recognition or awards	Granting of Ex-Gratia
4.	Job Profile and his suitability	Same as above in point II (A) 1.
5.	Remuneration proposed	Same as mentioned in body of Resolution at Item No. 6
6.	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 profile of Mr. Laxmipat Banthia, Whole-Time Director, the responsibilities shouldered on him and industry benchmarks and in appreciation of their dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the Company's performance in a competitive market, the remuneration proposed is commensurate with the remuneration packages paid to similar senior level counterparts in the companies.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	None of the Directors or relatives, except Mr. Laxmipat Banthia, is concerned or interested in this resolution.

III. OTHER INFORMATION: -

(1) Reasons for inadequate profits

In the Financial Year 2016-17, the demonetization exercise by Government of India impacted the industry. The unorganized textile segment came to virtual halt during this period and therefore sales of the company got affected considerably during third quarter of the last financial year.

(2) Steps taken for improvement and expected increase in productivity and profits in measurable terms:

Post demonization, market has stabilized and the sales of the company improved considerably and will result in improved profitability. Also, GST implementation will also help the company to reduce its cost on raw material considerably. Further the increase in market share of the organized player post GST would further improve the Company's revenue and profitability. Further the unofficial channel imports from China and Hongkong dependence on cash economy would be curtailed down post demonetization. These factors would improve overall financial efficiency of the Company.

**Place: Mumbai
Date: 31.08.2017**

By order of the Board

**Ashok Kumar Sethia
Managing Director
(DIN: 01283310)**