

NOTICE

Notice is hereby given that an EXTRAORDINARY GENERAL MEETING of the Members of Shaily Engineering Plastics Limited will be held on Saturday, 1st February, 2014, at 12.30 p.m. at the Conference Room, Shaily Engineering Plastics Limited, Survey No. 364/366, At & Po. Rania, Ta: Savli, Dist. Vadodara - 391780, to transact the following business:

Special Business

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

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals and sanctions as may be required, consent of the shareholders be and is hereby accorded to increase the gross remuneration of Mr. Mahendra Sanghvi, Managing Director of the Company from existing Rs. 5,00,000 per month to Rs. 7,50,000 per month effective from 1.10.2013 till 31.03.2016, on the terms and conditions set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Mahendra Sanghvi as Managing Director, the remuneration as specified above shall be paid and allowed to Mr. Mahendra Sanghvi as minimum remuneration for such financial year.

RESOLVED FURTHER THAT any of the Directors and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

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

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals and sanctions as may be required, consent of the shareholders be and is hereby accorded to increase the gross remuneration of Mr. Laxman Sanghvi, Executive Director of the Company from existing Rs. 3,12,500 per month to Rs. 4,68,750 per month effective from 1.10.2013 till 31.03.2016 on the terms and conditions set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Laxman Sanghvi as Executive Director, the remuneration as specified above shall be paid and allowed to Mr. Laxman Sanghvi as minimum remuneration for such financial year.

RESOLVED FURTHER THAT any of the Directors and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

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

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals and sanctions as may be required, consent of the shareholders

be and is hereby accorded to increase the gross remuneration of Mrs. Tilottama Sanghvi, Whole-Time Director of the Company from existing Rs. 1,56,250 per month to Rs. 2,50,000 per month effective from 1.10.2013 till 31.05.2014 on terms and conditions set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mrs. Tilottama Sanghvi as Whole-Time Director, the remuneration as specified above shall be paid and allowed to Mrs. Tilottama Sanghvi as minimum remuneration for such financial year.

RESOLVED FURTHER THAT any of the Directors and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such approvals and sanctions as may be required, consent of the shareholders be and is hereby accorded to increase the gross remuneration of Mr. Amit Sanghvi, Whole-Time Director of the Company from existing Rs. 2,00,000 per month to Rs. 4,00,000 per month effective from 1.10.2013 till 30.09.2014 on terms and conditions set out in the explanatory statement annexed to this notice

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Amit Sanghvi as Whole-Time Director, the remuneration as specified above shall be paid and allowed to Mr. Amit Sanghvi as minimum remuneration for such financial year.

RESOLVED FURTHER THAT any of the Directors and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such permissions, sanctions and approvals as may be necessary, Mr. Samaresh Parida, a Non-Executive Director of the Company who possesses the requisite qualifications for practice of the profession, be paid a fixed remuneration of Rs. 18,00,000/- (Rupees Eighteen Lakhs Only) per annum plus applicable taxes, payable in equal quarterly installments of Rs. 4,50,000/- (Rs. Four Lakhs Fifty Thousand Only) per quarter, payable at the end of the relevant quarter w.e.f. 1st July, 2013 for a period of 2 years, for his professional services rendered / to be rendered to the Company.

RESOLVED FURTHER THAT any of the Directors and the Company Secretary be and are hereby severally authorized to carry out all the acts, deeds and things necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to Section 31 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-

Shaily Engineering Plastics Limited

Regd. Office: Survey No. 364/366, At & Po. Rania, Ta. Savli, Dist. Vadodara - 391780.



enactment(s) thereof for the time being in force), the last line of Article 83 of the Articles of Association of the Company, be amended by deleting the word 'Maharashtra' appearing in the beginning of the line and substituting it with the word 'Gujarat';

RESOLVED FURTHER THAT the remaining wordings of the Article 83 of the Articles of Association of the Company remain unchanged;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

Registered Office:

**Survey No. 364/366,
At & Po. Rania - 391 780,
Taluka Savli, Dist. Vadodara**

Date: 14th November, 2013

**By order of the Board
For Shaily Engineering Plastics Limited**

**Sd/-
Mahendra Sanghvi
Chairman & Managing Director**

NOTES:

1. The relative explanatory statement, pursuant to Section 102 of the Companies Act, 2013 (Corresponding to Section 173 of the Companies Act, 1956) is attached hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and on a poll to vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be duly completed and deposited at the registered office of the company not less than 48 hours before the scheduled time of the meeting.
3. Members are requested to bring the attendance slips sent herewith for attending the meeting.
4. Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address and / or bank mandate to the Company.

Explanatory Statement **(pursuant to Section 102 of the Companies Act, 2013)**

Item # 1

Mr. Mahendra Sanghvi is a Chemical Engineer from Wayne State University USA, Plastics Technologist and has done his Diploma MBA from Toronto University, Canada.

He started his career in North American Plastics Industry in the early 70s and progressively worked his way up to very senior position with extensive experience in all aspects of Plastic Injection Moulding. He has worked with reputed companies such as W.R. Grace, a division of ITW USA, Magna International (for its division in Toronto) etc. He was also the Director in Tilco Plastics Limited, a large injection moulding company in Canada. He has more than 39 years of experience in Plastics Industry.

Presently, he is on the Board of Munjal Auto Industries Ltd. and Integra Engineering India Ltd. Moreover, he is a member of Committee of Administration of The Plastics Export Promotion Council

(Plexcouncil) and also a member of the Executive Committee of the Organisation of Plastic Processors of India. He has been the Co-Chairman Overseas of Plastindia Foundation and is a well known face in the Plastics Industry Fraternity.

Mr. Mahendra Sanghvi was re-appointed as the Managing Director of the company for a period of 3 years w.e.f. 1st April, 2013 in the Board meeting held on 18.05.2013 at the same remuneration which was paid during his immediately preceding term as Managing Director ie. Rs. 5,00,000 per month. The remuneration has been unchanged since 1st April, 2010.

Hence, the Board of Directors have in their meeting held on 14th November, 2013 revised the remuneration of Mr. Mahendra Sanghvi from Rs. 5,00,000 per month to Rs. 7,50,000 per month within the range of Rs. 7,50,000 to Rs. 10,50,000 per month, starting from 1st October, 2013 for his remaining tenure of 2 years and 6 months, on the terms, conditions and remuneration set out below, subject to approval of shareholders and such other approvals and sanctions as may be required in the matter:

1. **Gross Remuneration** - Rs.7,50,000 per month in range of Rs. 7,50,000 to Rs. 10,50,000 per month.
2. **Commission** - Commission based on the net profits of the company as determined by the Board, subject to the ceiling prescribed in that behalf under the Companies Act, 1956 at the discretion of the Board of Directors.
3. **Accommodation** - House Rent Allowance and house maintenance expenses, society charges and the like relating thereto on actual basis within the ceiling of the gross remuneration.
4. **Perquisites** - Perquisites together with utilities thereof such as gas, electricity, water, servants' allowance, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursements, leave travel allowance for himself and his family, club fees, medical insurance, and the like in accordance with the rules of the company or as agreed by the Board of Directors, the total value thereof to be restricted to an amount not exceeding his monthly gross remuneration.
5. **Superannuation Scheme** - Contribution towards superannuation scheme @ 10% of basic salary, which would be within the monthly gross remuneration as mentioned above.
6. **Retirement Benefits** - Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity payable in accordance with the Rules of the Company and the value of such benefits shall not be included in the computation of the ceiling on remuneration or perquisites aforesaid.
7. **Use of Car and Telephone** - Provision of one company owned car and driver for the company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules, 1962 and telephone at residence (including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
8. **Leave** - In accordance with the Rules and Regulations of the company.

This may be treated as an Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956.

None of the Directors except Mr. Mahendra Sanghvi, Mr. Laxman Sanghvi, Mrs. Tilottama Sanghvi, and Mr. Amit Sanghvi are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 1 for approval of the members.

Item # 2

Mr. Laxman Sanghvi is a qualified Chartered Accountant as well as a Law graduate.

Prior to setting up Shaily Engineering Plastics Limited he was having his own independent Chartered Accountancy practice. He was the President of Panchmahals Industries Association.

Mr. Laxman Sanghvi was re-appointed as the Executive Director of the company for a period of 3 years w.e.f. 1st April, 2013 in the Board meeting held on 18.05.2013 at the same remuneration which was paid during his immediately preceding term as Executive Director ie. Rs. 3,12,500 per month. The remuneration has been unchanged since 1st April, 2010.

Hence, the Board of Directors have in their meeting held on 14th November, 2013 revised the remuneration of Mr. Laxman Sanghvi from Rs. 3,12,500 per month to Rs. 4,68,750 per month within the range of Rs. 4,50,000 to Rs. 7,50,000 per month, starting from 1st October, 2013 for his remaining tenure of 2 years and 6 months, on the terms, conditions and remuneration set out below, subject to approval of shareholders and such other approvals and sanctions as may be required in the matter:

1. **Gross Remuneration** - Rs.4,68,750 per month in range of Rs. 4,50,000 to Rs. 7,50,000 per month.
2. **Commission** - Commission based on the net profits of the company as determined by the Board, subject to the ceiling prescribed in that behalf under the Companies Act, 1956 at the discretion of the Board of Directors.
3. **Accommodation** - House Rent Allowance and house maintenance expenses, society charges and the like relating thereto on actual basis within the ceiling of the gross remuneration.
4. **Perquisites** - Perquisites together with utilities thereof such as gas, electricity, water, servants' allowance, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursements, leave travel allowance for himself and his family, club fees, medical insurance, and the like in accordance with the rules of the company or as agreed by the Board of Directors, the total value thereof to be restricted to an amount not exceeding his monthly gross remuneration.
5. **Superannuation Scheme** - Contribution towards superannuation scheme @ 10% of basic salary, which would be within the monthly gross remuneration as mentioned above.
6. **Retirement Benefits** - Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity payable in accordance with the Rules of the Company and the value of such benefits shall not be included in the computation of the ceiling on remuneration or perquisites aforesaid.
7. **Use of Car and Telephone** - Provision of one company owned car and driver for the company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules, 1962 and telephone at residence (including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
8. **Leave** - In accordance with the Rules and Regulations of the company.

This may be treated as an Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956.

None of the Directors except Mr. Laxman Sanghvi, Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 2 for approval of the members.

Item # 3

Mrs. Tilottama Sanghvi is a science graduate and has overseas working experience.

She is the Whole-Time Director of the company and looks after Rania Plant, administrative functions & Stores operations. She had overseen the function of Finishing Division of the Company very successfully.

Mrs. Tilottama Sanghvi was re-appointed as the Whole-Time Director of the company for a period of 3 years w.e.f. 1st June, 2011 in the Board meeting held on 27.05.2011 at the same remuneration which was paid during her immediately preceding term as Whole-Time Director ie. Rs. 1,56,250 per month. The remuneration has been unchanged since 1st April, 2010.

Hence, the Board of Directors have in their meeting held on 14th November, 2013 revise the remuneration of Mrs. Tilottama Sanghvi from Rs. 1,56,250 per month to Rs. 2,50,000 per month within the range of Rs. 2,50,000 to Rs. 5,50,000 per month, starting from 1st October, 2013 for her remaining tenure of 8 months, on the terms, conditions and remuneration set out below, subject to approval of shareholders and such other approvals and sanctions as may be required in the matter:

1. **Gross Remuneration** - Rs.2,50,000 per month in range of Rs. 2,50,000 to Rs. 5,50,000 per month.
2. **Commission** - Commission based on the net profits of the company as determined by the Board, subject to the ceiling prescribed in that behalf under the Companies Act, 1956 at the discretion of the Board of Directors.
3. **Accommodation** - House Rent Allowance and house maintenance expenses, society charges and the like relating thereto on actual basis within the ceiling of the gross remuneration.
4. **Perquisites** - Perquisites together with utilities thereof such as gas, electricity, water, servants' allowance, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursements, leave travel allowance for herself and her family, club fees, medical insurance, and the like in accordance with the rules of the company or as agreed by the Board of Directors, the total value thereof to be restricted to an amount not exceeding his monthly gross remuneration.
5. **Superannuation Scheme** - Contribution towards superannuation scheme @ 10% of basic salary, which would be within the monthly gross remuneration as mentioned above.
6. **Retirement Benefits** - Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity payable in accordance with the Rules of the Company and the value of such benefits shall not be included in the computation of the ceiling on remuneration or perquisites aforesaid.
7. **Use of Car and Telephone** - Provision of one company owned car and driver for the company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules, 1962 and telephone at residence (including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
8. **Leave** - In accordance with the Rules and Regulations of the company.

This may be treated as an Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956.

None of the Directors except Mrs. Tilottama Sanghvi, Mr. Mahendra Sanghvi, Mr. Laxman Sanghvi and Mr. Amit Sanghvi are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 3 for approval of the members.

Item # 4

Mr. Amit Sanghvi is an Electrical Engineer from University of Ottawa and also has a Masters degree in Manufacturing Management from the Pennsylvania State University. He has previously worked with Arete Inc. (USA) as a Business process consultant for Pepsi and Coke and has made a remarkable contribution thereat.

Mr. Amit Sanghvi has worked his way up in Shaily starting as a Manufacturing Engineer and then as Marketing Engineer. During the last four years, Mr. Amit has been looking after the functions of Strategy, Sales & Marketing and Project Management. He has been responsible for defining the short-term and long-term strategy of the company, rationalizing the product portfolio, developing new products and managing the relationship with key customers. He has also been responsible for driving the brand strategy of Shaily for representation in global marketing fora. Under his leadership of the sales marketing function, the company has seen a remarkable growth in revenue.

Mr. Amit Sanghvi was appointed as the Whole-Time Director of the company for a period of 3 years w.e.f. 1st October, 2011. In the Board meeting held on 14.11.2013, the Board of Directors have

revised the remuneration of Mr. Amit Sanghvi from Rs. 2,00,000 per month to Rs. 4,00,000 per month within the range of Rs. 4,00,000 to Rs. 7,00,000 per month, starting from 1st October, 2013 for his remaining tenure of 1 year, on the terms, conditions and remuneration set out below, subject to approval of shareholders and such other approvals and sanctions as may be required in the matter.

1. **Gross Remuneration** - Rs.4,00,000 per month in range of Rs. 4,00,000 to Rs. 7,00,000 per month.
2. **Commission** - Commission based on the net profits of the company as determined by the Board, subject to the ceiling prescribed in that behalf under the Companies Act, 1956 at the discretion of the Board of Directors.
3. **Accommodation** - House Rent Allowance and house maintenance expenses, society charges and the like relating thereto on actual basis within the ceiling of the gross remuneration.
4. **Perquisites** - Perquisites together with utilities thereof such as gas, electricity, water, servants' allowance, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursements, leave travel allowance for himself and his family, club fees, medical insurance, and the like in accordance with the rules of the company or as agreed by the Board of Directors, the total value thereof to be restricted to an amount not exceeding his monthly gross remuneration.
5. **Superannuation Scheme** - Contribution towards superannuation scheme @ 10% of basic salary, which would be within the monthly gross remuneration as mentioned above.
6. **Retirement Benefits** - Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity payable in accordance with the Rules of the Company and the value of such benefits shall not be included in the computation of the ceiling on remuneration or perquisites aforesaid.
7. **Use of Car and Telephone** - Provision of one company owned car and driver for the company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules, 1962 and telephone at residence (including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
8. **Leave** - In accordance with the Rules and Regulations of the company.

This may be treated as an Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956.

None of the Directors except Mr. Amit Sanghvi, Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 4 for approval of the members.

Item # 5

Mr. Samaresh Parida was appointed on the Board of Shaily w.e.f. 1st September, 2012. Mr. Samaresh Parida is a Chartered Accountant, Cost Accountant and an MBA from the Indian Institute of Management, Ahmedabad, with solid experience in financial management, budgeting, reporting and profit centre management in blue chip companies like PepsiCo, Vodafone, Accenture and Toyota. He has a proven track record over 25 years in finance, operations and strategy roles largely in FMCG and telecom sector. He has gained vast experience in India and key global markets – specifically USA, Asia, Egypt, Russia, Latin America and Europe. He is a recognized personality for commitment to mentoring people and leading multi-functional teams. He is having a significant M&A experience including deal making, due diligence and acquisition integration.

Over the last few months, Mr. Parida has been involved with instituting formal system of reviews and monitoring of operations in Shaily which has facilitated the company to plan its operations and deliver 20% growth this year.

Considering his valuable contribution for the company, the Board of Directors have in their meeting held on 14th November, 2013, subject to such permissions, sanctions and approvals as may be

Shaily Engineering Plastics Limited

Regd. Office: Survey No. 364/366, At & Po. Rania, Ta. Savli, Dist. Vadodara - 391780.



necessary, resolved to pay him remuneration of Rs. 18,00,000/- (Rupees Eighteen Lakhs Only) per annum plus applicable taxes, payable in equal quarterly installments of Rs. 4,50,000/- (Rs. Four Lakhs Fifty Thousand Only) per quarter, payable at the end of the relevant quarter w.e.f. 1st July, 2013 for a period of 2 years.

None of the Directors except Mr. Samaresh Parida are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 5 for approval of the members.

Item # 6

The Article 83 of the Articles of Association authorises the Board of Directors of the Company to appoint an alternate director.

The Article prescribes that the Board of Directors may appoint an alternate director to act for as a director during the absence for a period of not less than three months from the state in which the meetings of the Board are ordinarily held. It further specifies that an alternate director appointed under this Articles shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office as and when the original director returns to the State of Maharashtra in which the meeting of the Board are ordinarily held.

Pursuant to the petition filed by your Company, the Hon'ble Company Law Board, Mumbai Bench vide its order # 109/14/CLB/MB/2011/1423 dated 29th April, 2011 approved alteration of Clause II of the Memorandum of Association of the Company for the shifting of the Registered Office of the company from the State of Maharashtra to the State of Gujarat. Hence it is necessary to amend Article 83 of the Articles of Association of the company to replace State of 'Gujarat' for State of 'Maharashtra'.

None of the Directors are interested parties for the purpose of passing of the above resolution.

The Board accordingly recommends the resolution as set out in Item No. 6 for approval of the members.

Registered Office:

**Survey No. 364/366,
At & Po. Rania - 391 780,
Taluka Savli, Dist. Vadodara**

Date: 14th November, 2013

**By order of the Board
For Shaily Engineering Plastics Limited**

**Sd/-
Mahendra Sanghvi
Chairman & Managing Director**

STATEMENT AS PER SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. General Information

- 1. Nature of Industry** – The Company is engaged in manufacture and sale of High Precision Injection Moulded Plastic Components, Assemblies, Sub-assemblies, Finishing, etc. for various industries & OEM segment.
- 2. Date or expected date of commencement of commercial production** - Commercial production of the Company commenced since August, 1987.
- 3. In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus** – N.A.

4. Financial performance based on given indicators –

(Rs. In lacs)

Particulars	Current Year (2012-13)	Previous Year (2011-12)
Gross Total Income	12,507.38	14,636.52
Profit before depreciation and tax	1,067.55	1,345.70
Less: Depreciation	561.58	518.51
Less: Provision for taxation*	1.80	24.97
Less / (Add) : Deferred tax liability / (asset)	142.02	165.55
Profit after tax	362.15	636.67

*Including short/(excess) provision for previous year.

5. Export performance and net foreign exchange collaborations – The total earnings from exports for the year ended on 31st March 2013 were Rs. 9105.14 lacs.

The total foreign exchange earnings for the year ended on 31st March, 2013 was Rs. 9105.14 lacs and the total foreign exchange expenditure for the year ended on 31st March, 2013 was Rs. 2710.67 lacs.

6. Foreign investments or collaborators, if any – There are no foreign investments / collaborations.

II. Information about the Appointee

A) Mr. Mahendra Sanghvi

1. **Background details** - Mr. Mahendra Sanghvi, aged about 65 years, is a Chemical Engineer from Wayne State University USA, plastics technologist and has done Diploma MBA from Toronto University, Canada. He has more than 39 years of experience in the plastics industry in India as well as in North America. He has been the Managing Director of Shaily Engineering Plastics limited, for the past 24 years and is principally responsible for the company's growth and recognition globally.

2. **Past remuneration** – The total remuneration paid to Mr. Mahendra Sanghvi for the year ended on 31st March 2013 is Rs. 5,998,014/-.

3. **Recognition or awards** – The Company has bagged Exporter of the year award for 5 years ie. 2005-06, 2007-08, 2008-09, 2009-10 and 2010-11. The company is recognised globally as a supplier of high quality plastic components and assemblies. The company has the following quality certificates:

ISO 9001 : 2008
TS 16949 : 2009
ISO 13485 : 2012

4. **Job profile and his suitability** – As stated above, Mr. Mahendra Sanghvi is Chemical Engineer from Wayne State University USA, plastics technologist and has done Diploma MBA from Toronto University, Canada. He has more than 39 years of experience in the plastics industry in India as well as in North America. He has been the Managing Director of Shaily Engineering Plastics limited, for the past 24 years. He is vested with substantial powers of management of the Company and is principally responsible for the company's growth and recognition globally. As is evident from his qualifications, Mr. Mahendra Sanghvi is ideally suited to the nature of our Industry, the benefits of which, the Company has reaped over the years.

5. **Remuneration proposed** – The details of remuneration proposed to be paid to Mr. Mahendra Sanghvi are contained in the explanatory statement to Resolution No. 1 of Notice of the Extraordinary General Meeting.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)** – In comparison with the industry norms in other organization in same industry and looking at the profile of Mr. Mahendra Sanghvi, the proposed remuneration is justifiable.

The following is the comparative summary of managerial remuneration being paid in the plastic industry:

Company	Designation of Director	Remuneration per month	Period
Sintex Industries Ltd.	Managing Director	16,00,000	21 October 2013 to 20 October 2018
Finolex Industries Ltd.	Managing Director	5,80,500	April 2012 to November 2016
Astral Poly Technik Limited	Managing Director	8,00,000	February 2012 to January 2015

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any** - Mr. Mahendra Sanghvi is holding 8,29,875 equity share of the company. Apart from this, he does not have any other pecuniary transactions with the Company except by way of his contract of employment with the Company. He is the relative of Mr. Laxman Sanghvi, Mrs. Tilottama Sanghvi and Mr. Amit Sanghvi, Directors of the Company.

B) Mr. Laxman Sanghvi

- 1. Background details** - Mr. Laxman Sanghvi, aged 56 years, is a Chartered Accountant and a Law graduate. He is the Executive Director of the company. Prior to Shaily Engineering Plastics Limited he was an independent Chartered Accountant in practice.
- 2. Past remuneration** – The total remuneration paid to Mr. Laxman Sanghvi for the year ended on 31st March 2013 is Rs. 3,706,517/-.
- 3. Recognition or awards** – The Company has bagged Exporter of the year award for 5 years i.e. 2005-06, 2007-08, 2008-09, 2009-10 and 2010-11.
- 4. Job profile and his suitability** – As stated above, Mr. Laxman Sanghvi is a Chartered Accountant and a Law graduate. He is the Executive Director of the company and looks after the projects, purchasing & commercial operations of the company. Prior to Shaily Engineering Plastics Limited he was an independent Chartered Accountant in practice. As is evident from his qualifications, Mr. Laxman Sanghvi is ideally suited for the position of the Executive Director of the company, which is evident from the benefits gained by company through his expertise.
- 5. Remuneration proposed** – The details of remuneration proposed to be paid to Mr. Laxman Sanghvi are contained in the explanatory statement to Resolution No. 2 of Notice of the Extraordinary General Meeting.
- 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)** – In comparison with the industry norms in other organization in same industry and looking at the profile of Mr. Laxman Sanghvi, the proposed remuneration is justifiable.

The following is the comparative summary of managerial remuneration being paid in the plastic industry:

Company	Designation of Director	Remuneration per month	Period
Nilkamal Ltd.	Executive Director	3,75,000	April 2010 to March 2015
Supreme Industries Ltd.	Executive Director	5,50,000 (in the grade of Rs. 5,50,000–Rs. 60,000–Rs. 8,50,000)	July 2013 to June 2018
Astral Poly Technik Limited	Whole-Time Director	5,00,000	October 2012 to September 2015

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any** - Mr. Laxman Sanghvi is holding 5,01,924 equity share of the company. Apart from this, he does not have any other pecuniary transactions with the Company except by way of his contract of employment with the Company. He is the relative of Mr. Mahendra Sanghvi, Managing Director and Mrs. Tilottama Sanghvi Whole-Time Director of the Company.

C) Mr. Amit Sanghvi

- 1. Background details** - Mr. Amit Sanghvi, aged 28 years, is an Electrical Engineer from University of Ottawa and also has a Masters degree in Manufacturing Management from the Pennsylvania State University. He has previously worked with Arete Inc. (USA) as a Business process consultant for Pepsi and Coke and has made a remarkable contribution thereat. Mr. Amit Sanghvi has worked his way up in Shaily starting as a Manufacturing Engineer and then as Marketing Engineer. During the last four years, Mr. Amit has been looking after the functions of Strategy, Sales & Marketing and Project Management. He has been responsible for defining the short-term and long-term strategy of the company, rationalizing the product portfolio, developing new products and managing the relationship with key customers.
- 2. Past remuneration** – The total remuneration paid to Mr. Amit Sanghvi for the year ended on 31st March 2013 is Rs. 2,399,928/-.
- 3. Recognition or awards** – Mr. Amit Sanghvi has been responsible for driving the brand strategy of Shaily for representation in global marketing fora. Under his leadership of the sales marketing function, the company has seen a remarkable growth in revenue.
- 4. Job profile and his suitability** – As stated above, Mr. Amit Sanghvi has got the necessary qualification for the position and has gained the necessary practical experience of working in the field at such a young age.
- 5. Remuneration proposed** – The details of remuneration proposed to be paid to Mr. Amit Sanghvi are contained in the explanatory statement to Resolution No. 4 of the Notice of the Extraordinary General Meeting.
- 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)** – In comparison with the industry norms in other organization in same industry and considering his vast experience the proposed remuneration is justified as compared to Industry in India as well as abroad.

Shaily Engineering Plastics Limited

Regd. Office: Survey No. 364/366, At & Po. Rania, Ta. Savli, Dist. Vadodara - 391780.



The following is the comparative summary of managerial remuneration being paid in the plastic industry:

Company	Designation of Director	Remuneration per month	Period
Nilkamal Ltd.	Executive Director	3,75,000	April 2010 to March 2015
Supreme Industries Ltd.	Executive Director	5,50,000 (in the grade of Rs. 5,50,000–Rs. 60,000–Rs. 8,50,000)	July 2013 to June 2018
Astral Poly Technik Limited	Whole-Time Director	5,00,000	October 2012 to September 2015

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any** - Mr. Amit Sanghvi is holding 60,000 equity shares of the company. Apart from this, he does not have any other pecuniary transactions with the Company except by way of his employment with the Company. He is relative of Mr. Mahendra Sanghvi and Mrs. Tilottama Sanghvi, Directors of the Company.

III. Other Information

1. **Reason of loss or inadequate profits** – N.A.
2. **Steps taken or proposed to be taken for improvements** – N.A.
3. **Expected increase in productivity and profits in measurable terms** - N.A.

IV. Disclosures

The details of remuneration proposed to be paid to the Managing Director, the Executive Director and the Whole-Time Directors is mentioned in the resolution and the explanatory statement annexed to the notice for the Extraordinary General Meeting.

SHAILY ENGINEERING PLASTICS LIMITEDRegistered Office: Survey No. 364/366, At & Po. Rania - 391780, Taluka Savli, Dist. Vadodara  **Shaily****ATTENDANCE SLIP**
Extraordinary General Meeting on 1st February, 2014

DP.Id*
Client Id*
Reg. Folio No.

Name and address of the Shareholder: _____

No. of Share(s) held: _____

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at Extra-Ordinary General Meeting of the Company to be held on Saturday, 1st February, 2014 at Registered Office: Survey No. 364/366, At & Po. Rania - 391780, Taluka Savli, Dist. Vadodara.

** Member's/Proxy's name in Block Letters_____
** Member's/Proxy's Signature

Note: Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.

* Applicable for Investors holding shares in electronic form.

** Strike out whichever is not applicable.

SHAILY ENGINEERING PLASTICS LIMITEDRegistered Office: Survey No. 364/366, At & Po. Rania - 391780, Taluka Savli, Dist. Vadodara  **Shaily****PROXY FORM**
Extraordinary General Meeting on 1st February, 2014

DP.Id*
Client Id*
Reg. Folio No.

I/We _____ of _____ being member/members of M/s. Shaily Engineering Plastics Limited, hereby appoint _____ of _____ or failing him _____ of _____ as my / our proxy to vote for me/us on my/our behalf at Extraordinary General Meeting of the Company to be held on Saturday, 1st February, 2014 at every adjournment thereof.

Signed this _____ day of _____ 2014

Signature of the member

Please Affix Rs. 1/- Revenue Stamp
--

Note:

1. Proxy need not be a member.
2. Proxy Form, complete in all respects, should reach the Registered Office of the Company on or not later than 48 hours before the time for holding of the Meeting.

* Applicable for Investors holding shares in electronic form.