

NOTICE

Notice is hereby given that the **THIRTY THIRD ANNUAL GENERAL MEETING** of the Members of Shaily Engineering Plastics Limited will be held on Saturday, 10th August, 2013 at 12.30 p.m. at the Registered Office of the Company at Survey No. 364/366, At & Po. Rania - 391780, Taluka Savli, Dist. Vadodara, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, Profit and Loss Account along with notes appended thereto, for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh Shah, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sarup Chowdhary, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Amit Sanghvi, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and, if thought fit to pass, with or without modification(s), the following resolution as an ordinary Resolution:

“RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants, Vadodara (Firm Registration number 117364W), the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Managing Director be and is hereby authorized to fix the remuneration payable and reimbursement of out of pocket expenses, if any, to the said Auditors.”

Special Business

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

“RESOLVED THAT Mr. Pushp Raj Singhvi who was appointed as an Additional Director of the company w.e.f. 4th August, 2012 by the Board of Directors at their meeting held on 4th August 2012, and who holds office upto ensuing Annual General Meeting, pursuant to section 260 of the Companies Act, 1956 and Article 85 of the Articles of Association of the company and in respect of whom the Company has received notice in writing under section 257 of the Companies Act, 1956, from a member, proposing his candidature, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

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

“**RESOLVED THAT** Mr. Samaresh Parida who was appointed as an Additional Director of the company w.e.f. 1st September, 2012 by the Board of Directors at their meeting held on 4th August 2012, and who holds office upto ensuing Annual General Meeting, pursuant to section 260 of the Companies Act, 1956 and Article 85 of the Articles of Association of the company and in respect of whom the Company has received notice in writing under section 257 of the Companies Act, 1956, from a member, proposing his candidature, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

8. 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, approval of the company be and is hereby accorded to the re-appointment of Mr. Mahendra Sanghvi as the Managing Director of the Company for a period of 3 (three) years effective from 1.04.2013 till 31.03.2016, on terms, conditions and remuneration set out below, subject to approvals and sanctions as may be required.

1. **Gross Remuneration:** Rs.5,00,000 per month in range of Rs. 5,00,000 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 @ 12% 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.

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.”

9. 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, approval of the company be and is hereby accorded to the re-appointment of Mr. Laxman Sanghvi as the Executive Director of the Company for a period of 3 (three) years effective from 1.04.2013 till 31.03.2016, on terms, conditions and remuneration set out below, subject to approvals and sanctions as may be required, and he shall be a director liable to retire by rotation.

1. **Gross Remuneration:** Rs. 3,12,500/- per month in the range of Rs.3,00,000 to Rs.4,50,000 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 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, contribution towards superannuation scheme @ 12% of basic salary 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 @ 12% 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 requisite 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.

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.”

Registered Office:

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

Date: 18th May, 2013

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

**Sd/-
Kruti Parekh
Asst. Company Secretary**

NOTES:

1. The relative explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956 is attached hereto.
2. Relevant details of Directors seeking appointment/re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange are annexed.
3. **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.**
4. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, 6th August, 2013 to Saturday, 10th August, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members are requested to bring the attendance slips along with their copies of the Annual Report to the meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
7. 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.
8. The Ministry of Corporate Affairs has taken a ‘Green Initiative in Corporate Governance’ by issuing circulars allowing paperless compliances by Companies through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the listing agreement, companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose.

Recognizing the spirit of the circular, we would be sending documents like the Notice convening the general meetings, financial statements, Directors' Report, Auditors' Report, etc. to the e-mail address provided by you with your depositories. We request you to update your e-mail address with your depository participant to ensure that the annual report and other documents reach on your preferred email account. Members holding shares in physical form who have not registered their e-mail address with the Company can register the same by submitting to the Company duly filled-in 'E-Communication Registration Form' attached at the end of this Notice (also available on our website www.shaily.com). The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form, upon request.

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956

Item # 6

Mr. Pushp Raj Singhvi has graduated in Commerce followed by a post graduation in Law from Calcutta University. He started his career with M/s Hoechst introducing HDPE to Indian market. Later on he joined M/s Indian Petrochemicals Corporation Ltd. during the market seeding phase of LDPE and PP and over the years rose to the position of General Manager (Polymers). Currently he is Vice Chairman and Managing Director of Borouge (India) Pvt Ltd, a billion dollar Polyethylene manufacturer jointly promoted by M/s Borealis of Austria and Abu Dhabi National Oil Company (ADNOC) of Abu Dhabi.

He has very deep rooted professional interest in the polymer industry. In the entire polymer Industry in India, he is amongst a very few professionals having in-depth knowledge and association of over 4 decades in all functional areas of marketing including field sales, Product Management, Regional Sales, Application Development, Product Development, Distribution and Logistics, Perspective Planning and many more. He was President of the presidential board of Indian Plastics Institute for the year 1998-99. He was also the Chairman (PCD12) of the Bureau of Indian Standards.

The Board of Directors had in their meeting held on 4th August, 2012 appointed Mr. Pushp Raj Singhvi as Additional Director with immediate effect. Hence, it is proposed to regularize his appointment as a Director of the company.

None of the Directors except Mr. Pushp Raj Singhvi is interested 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.

Item # 7

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.

The Board of Directors had in their meeting held on 4th August, 2012 appointed Mr. Samaresh Parida as Additional Director w.e.f. 1st September, 2012. Hence, it is proposed to regularize his appointment as a Director of the company.

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

The Board accordingly recommends the resolution as set out in Item No. 7 for approval of the members.

Item # 8

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.

The Board of Directors have in their meeting held on 18th May, 2013 re-appointed Mr. Mahendra Sanghvi as the Managing Director of the company for a period of 3 (three) years effective from 1.04.2013 till 31.03.2016, on the terms, conditions and remuneration set out below, subject to approvals of the Shareholders and such other approvals and sanctions as may be required. There has not been any change in the proposed remuneration; it is the same which was paid during his immediately preceding term of appointment.

1. **Gross Remuneration:** Rs.5,00,000 per month in range of Rs. 5,00,000 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 @ 12% 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.

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

The terms of re-appointment of Mr. Mahendra Sanghvi, as stated in this notice, may be treated as the abstract under Section 302 of the Companies Act, 1956.

The Board accordingly recommends the resolution as set out in Item No. 8 for approval of the members.

Item # 9

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.

The Board of Directors have in their meeting held on 18th May, 2013 re-appointed Mr. Laxman Sanghvi as the Executive Director of the company for a period of 3 (three) years effective from 1.04.2013 till 31.03.2016, on the terms, conditions and remuneration set out below, subject to approvals of the Shareholders and such other approvals and sanctions as may be required. There has not been any change in the proposed remuneration; it is the same which was paid during his immediately preceding term of appointment.

1. **Gross Remuneration:** Rs. 3,12,500/- per month in the range of Rs.3,00,000 to Rs.4,50,000 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 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, contribution towards superannuation scheme @ 12% of basic salary 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 @ 12% 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.

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 terms of re-appointment of Mr. Laxman Sanghvi, as stated in this notice, may be treated as the abstract under Section 302 of the Companies Act, 1956.

The Board accordingly recommends the resolution as set out in Item No. 9 for approval of the members.

Registered Office:

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

Date: 18th May, 2013

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

**Sd/-
Kruti Parekh
Asst. Company Secretary**

Details of Directors recommended for appointment or seeking re-appointment at the Annual General Meeting

Name of Director	Jayesh Shah	Sarup Chowdhary	Amit Sanghvi
Date of Birth	16.09.1956	09.03.1945	26.07.1983
Date of Appointment	07.12.2002	27.04.2006	01.10.2011
Qualification	B.Com	Chemical Engineering from IIT, Delhi	M.Sc (Supply Chain and Manufacturing) B.E. (Electrical)
Expertise in specific functional area	Business	High Polymers, Manufacturing, Project Management, Sales and Marketing, General & Strategic Management	Sales, Business Development & IT
Directorship held in other Public companies (excluding foreign and private companies)	--	--	--
Memberships/ Chairmanships of committees in other public companies	--	--	--
Shareholding in the Company	6,82,838 Equity Shares	NIL Equity Shares	60,000 Equity Shares

Name of Director	Pushp Raj Singhvi	Samaresh Parida
Date of Birth	01.01.1944	01.09.1960
Date of Appointment	04.08.2012	01.09.2012
Qualification	B.Com, L.L.B from Calcutta University.	Chartered Accountant, Cost Accountant MBA from the Indian Institute of Management, Ahmedabad
Expertise in specific functional area	In-depth knowledge in the polymer industry in all functional areas of marketing including field sales, Product Management, Regional Sales, Application Development, Product Development, Distribution and Logistics, Perspective Planning and many more.	Expertise in the field of financial management, budgeting, reporting, profit centre management, operations, strategy, M&A including deal making, due diligence and acquisition integration in India and key global markets.
Directorship held in other Public companies (excluding foreign and private companies)	- Windsor Machines Ltd. - Plasti Blends India Ltd.	--
Memberships/ Chairmanships of committees in other public companies	<u>Windsor Machines Ltd.</u> 1. Audit Committee 2. Remuneration Committee <u>Plasti Blends India Ltd.</u> 1. Audit Committee	--
Shareholding in the Company	Nil Equity Shares	Nil Equity Shares

Name of Director	Mahendra Sanghvi	Laxman Sanghvi
Date of Birth	22.02.1948	02.07.1956
Date of Appointment	09.03.1995	09.03.1995
Qualification	Chemical Engineering, Diploma in Plastics Engg. Diploma in Business, Management B.Sc. with Chemistry	ACA, L.L.M., M.Com
Expertise in specific functional area	Eminent industrialist with wide business experience in plastic industries	Administration & Finance
Directorship held in other Public companies (excluding foreign and private companies)	1. Munjal Auto Industries Ltd. 2. Integra Engineering India Ltd.	--
Memberships/ Chairmanships of committees in other public companies	<u>Munjal Auto Industries Ltd</u> 1. Audit Committee 2. Shareholders/ Investors Grievance Committee 3. Remuneration Committee <u>Integra Engineering India Ltd</u> 1. Audit Committee 2. Shareholders'/ Investors' Grievance Committee	--
Shareholding in the Company	8,29,875 Equity Shares	5,01,924 Equity Shares

STATEMENT AS PER SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. General Information

- 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.
- Date or expected date of commencement of commercial production** - Commercial production of the Company commenced since August, 1987.
- 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.
- 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. 8 of Notice of the 33rd Annual General Meeting. The remuneration proposed is the same which was paid to Mr. Mahendra Sanghvi during his immediately preceding term of appointment and for which central government approval was received vide letter dtd. 11th February, 2011.

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	8,00,000	May 2010 to October 2013
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, Mr. Amit Sanghvi and Mr. Jayesh Shah, 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. 9 of Notice of the 33rd Annual General Meeting. The remuneration proposed is the same which was paid to Mr. Laxman Sanghvi during his immediately preceding term of

appointment and for which central government approval was received vide letter dtd. 22nd December, 2010.

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.

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

1. The details of remuneration proposed to be paid to the Managing Director and the Executive Director is mentioned in the resolution and the explanatory statement annexed to the notice for the 33rd Annual General Meeting.
2. All the relevant information pertaining to the Managing Director, Executive Director, Whole-time Director and other Directors required to be disclosed in the Directors' Report under the heading "Corporate Governance", are mentioned in the Annual Report.