

## NOTICE

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting of the members of Pratibha Syntex Limited will be held on Saturday, 30<sup>th</sup> September, 2023 at 12 Noon at the Corporate Office of the Company situated at 701 (A&B) NRK Business Park, Block No.B1, PU-4 (Commercial), Scheme No.54, Vijay Nagar Square, Indore-452010, M.P to transact the following businesses:

### Ordinary Business: -

#### 1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.

#### 2. Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company and its subsidiary for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

#### 3. Appointment of Mr. Shiv Kumar Chaudhary, (DIN 00071955) as Director, liable to retire by rotation

To appoint a Director in place of Mr. Shiv Kumar Chaudhary (DIN 00071955) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

### Special Business: -

#### 4. Ratification of Cost Auditor's Remuneration FY 2023-24

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the company be and is hereby accorded to ratify the remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s. K.G. Goyal & Co. Cost Management Accountants (Firm Registration No. 00017/07/2008), who are re-appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024.”

**“RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

#### 5. To consider and approve appointment of Mr. Narendra Kaushik (DIN 07590289) as Executive & Whole-Time Director of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the appointment of Mr. Narendra Kaushik (DIN 07590289) as Whole-Time Director of the Company for a period of five years, with effect from 30<sup>th</sup> September, 2023 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee (“Committee”) and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said appointment /remuneration in such manner as deemed fit necessary.”

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Narendra Kaushik, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Narendra Kaushik, Whole Time Director by way of salary, perquisites and



allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.”

**“RESOLVED FURTHER THAT** Mr. Narendra Kaushik, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**6. To consider and approve the related party transactions for the financial year 2023-24:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions if any, of the Companies Act, 2013 (the ‘Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and as per the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be accorded to the Board of Directors of the company to enter into contracts and/or agreements with related parties as defined under the Act with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions of whatever nature with related parties for the financial year 2023-24 to the maximum amounts per annum as provided in the table provided in and forming part of the Explanatory statement.”

**“RESOLVED FURTHER THAT** the Board of Directors of the company, be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts deeds and things that may be necessary proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution”.

**7. Increase in Managerial Remuneration of Mr. Shiv Kumar Chaudhary, Executive & Whole-Time Director of the Company:**

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

**“RESOLVED THAT** pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Shiv Kumar Chaudhary (DIN: 00071955), Executive & Whole-Time Director of the Company, which is in excess of threshold limits as prescribed under Schedule V of the Companies Act, 2013 and the Rules made thereunder.”

**“RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.”

**“RESOLVED FURTHER THAT** the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Managing Director.”

**“RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution.”

**8. Increase in Managerial Remuneration of Mr. Shreyaskar Chaudhary, Managing Director of the Company:**

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

**“RESOLVED THAT** pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the



Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Shreyaskar Chaudhary (DIN: 00059059), Managing Director of the Company, which is in excess of threshold limits as prescribed under Schedule V of the Companies Act, 2013 and the Rules made thereunder."

**"RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions."

**"RESOLVED FURTHER THAT** the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Managing Director."

**"RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution."

By Order of the Board

Registered Office:

301, Acme Plaza,  
Andheri Kurla Road,  
Opp. Sangam Cinema,  
Andheri (East), Mumbai- 400 059  
Date: 04.09.2023

Shreyaskar Chaudhary  
Managing Director





**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, THE INSTRUMENT APPOINTING PROXY, SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 10 am and 12 Noon on all working days prior to the date of the Annual General Meeting and will also be available for inspection at the Annual General Meeting.
6. In terms of the provisions of Section 152 of the Act, Mr. Shiv Kumar Chaudhary (holding (DIN 00071955), retires by rotation at the meeting. Human Resources, Nomination and Remuneration Committee and the Board of the Company command his re-appointment.
7. Details of Directors retiring by rotation/seeking appointment/reappointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
8. In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.



## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### Item No. 4:

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year 2023-24 at a remuneration of Rs. 65,000/- plus out of pocket expenses.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the cost Auditors for the financial year ending March 31, 2024 by passing an Ordinary Resolution as set out at Item No. '4' of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

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

### Item No. 5:

The terms and conditions of appointment of Mr. Narendra Kaushik are as under:

Period: For the period of 5 years w.e.f. September 30, 2023

1. Remuneration: On the existing terms of INR 37.74 Lacs per annum (inclusive of HRA, Special Allowance, LTA & other allowances) with such increment(s) as may be decided by the Nomination and Remuneration Committee from time to time in accordance with the HR policy of the Company;
2. He shall be entitled to the perquisites, benefits, and allowance as may be decided by Board and / or Nomination and Remuneration Committee from time to time;
3. In addition to above, he shall be entitled for Company's contribution to Provident Fund, leave encashment and payment of gratuity as per the HR Policy of the Company;
4. Overall Remuneration: The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Sameer Bhand in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force);
5. Mr. Narendra Kaushik shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof;
6. The perquisites shall be valued in terms of actual expenditure incurred by the Company and shall be evaluated wherever applicable as per Income Tax Act, 1961 or rules made thereunder and any modification thereof.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Narendra Kaushik under Section 190 of the Act. Details of Mr. Narendra Kaushik are provided in the "Annexure" to the Notice. Mr. Narendra Kaushik is interested in the resolution set out at Item No. 5 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice, except as a member of the Company, if any.

The Board recommends the special resolution set out at Item No. 5 of the Notice for approval by the members.

### Item No. 6:



In light of provisions of Section 188(1) of the Companies Act, 2013 and rules made thereunder, the Audit committee and Board of Directors of the Company have approved the transactions along with the annual limits that your company may enter with its related parties for the financial year 2023-24.

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are provided in the table appended below for the perusal of the members.

(a) Name of related party and nature of their relationship	(b) Nature and duration of the transaction	Maximum Expected Value of the transactions per annum (Amt in Lakhs)
Mrs. Prerna Chaudhary, spouse of Mr. Shreyaskar Chaudhary, Managing Director and daughter-in- law of Mr. S.K. Chaudhary, Chairman of the Company	Appointment to any office or place of profit in the Company, Ongoing	INR 57
Vasudha Swaraj Private Limited, an entity controlled by Mr. S.K. Chaudhary, Chairman and Mr. Shreyaskar Chaudhary, Managing Director	Sale, purchase, or supply of any goods or material, Ongoing	INR 20000
Mr. Shreyaskar Chaudhary, Managing Director of the Company	Appointment to any office or place of profit in the subsidiary company Pratibha Swaraj Private Limited, Ongoing	INR 15

(c) Any advance paid or received for the contract or arrangement, if any. Nil

(d) Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract: All proposed transactions would be carried out as part of the business requirements of the Company.

(e) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: All factors have been considered.

(f) Any other information relevant or important for the Board to take a decision on the proposed transaction: Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party. A copy of the draft agreement with said related parties setting out the terms and conditions is/are available for inspection without any fee to members at the Company's registered office during the normal business hours on working days up to the date of the AGM and will be placed on the website of the company.

Your Directors recommend the resolution for your approval.

Except Mr. Shiv Kumar Chaudhary, Mr. Shreyaskar Chaudhary, Mrs. Sushma Chaudhary and Mrs. Prerna Chaudhary, none of the Directors, Key Managerial Persons of the Company and their relatives is/are concerned or interested in the resolution.

#### **Item No. 7:**

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 19<sup>th</sup> July, 2023 approved the revision of remuneration payable to Mr. Shiv Kumar Chaudhary, Executive & Whole-Time Director of the Company effective from 1<sup>st</sup> April, 2023. Further, the members are requested to authorise the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. Shiv Kumar Chaudhary as mentioned below.

Terms and Conditions:

#### **REMUNERATION:**

1. Annual remuneration of Rs.99.92 Lakhs (Rupees Ninety Nine Lakhs Ninety Two Thousands) (inclusive of HRA, LTA, Medical & other Allowances as per policy of the Company);
2. Perquisites: Other perquisites in accordance with rules and policy of the Company.
3. Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

The Board of Directors in their meeting held on 19<sup>th</sup> July, 2023 proposed to increase remuneration payable to Mr. Shiv Kumar Chaudhary, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members is being sought, by way of special resolution, for payment of remuneration to Mr. Shiv Kumar Chaudhary, Executive & Whole-Time Director.

Accordingly, the Board recommends the resolution set forth relating to increase in the managerial remuneration payable to Mr. Shiv Kumar Chaudhary, Executive & Whole-Time Director, by way of Special Resolution.

Except Mr. Shiv Kumar Chaudhary, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.



#### **Item No. 8**

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 19<sup>th</sup> July, 2023 approved the revision of remuneration payable to Mr. Shreyaskar Chaudhary, Managing Director of the Company effective from 1<sup>st</sup> April, 2023. Further, the members are requested to authorise the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. Shreyaskar Chaudhary as mentioned below.

#### **Terms and Conditions:**

##### **REMUNERATION:**

1. Annual remuneration of Rs. 1.71 Crores (Rupees One Crore and Seventy One Lakhs) (inclusive of HRA, LTA, Medical & other Allowances as per policy of the Company);
2. Perquisites: Other perquisites in accordance with rules and policy of the Company.
3. Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

The Board of Directors in their meeting held on 19<sup>th</sup> July, 2023 proposed to increase remuneration payable to Mr. Shreyaskar Chaudhary, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members is being sought, by way of special resolution, for payment of remuneration to Mr. Shreyaskar Chaudhary, Managing Director.

Accordingly, the Board recommends the resolution set forth relating to increase in the managerial remuneration payable to Mr. Shreyaskar Chaudhary, Managing Director, by way of Special Resolution.

Except Mr. Shreyaskar Chaudhary, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

**By Order of the Board**

**Shreyaskar Chaudhary  
Managing Director**



Registered Office:  
301, Acme Plaza,  
Andheri Kurla Road,  
Opp. Sangam Cinema,  
Andheri (East),  
MUMBAI-400 059  
Date: 04.09.2023