



**SAFFRON INDUSTRIES LIMITED**

CIN: L21010MH1993PLC071683

Reg. Off.: Nava-Bharat Bhawan, Chatrapati Square, Wardha Road, Nagpur - 440015

**Notice of Annual General Meeting**

Notice is hereby given that the twenty-seventh Annual General Meeting of Saffron Industries Limited will be held on Wednesday, September 30, 2020 at 11:00 a.m. IST at Nava-Bharat Bhavan, Chhatrapati Square, Wardha Road, Nagpur - 440 015 to transact the following business:

**ORDINARY BUSINESS:**

**ITEM NO.1:**

To consider and adopt the audited financial statements of the company for the financial year ended on March 31, 2020 and the reports of the Auditors and Board of Directors thereon.

**ITEM NO. 2**

To appoint a Director in place of Shri Vinod Maheshwari (DIN-00340953), who retires from office by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS:**

**ITEM NO. 3**

Appointment of and remuneration payable to Shri. Manoj Rameshwar Sinha (DIN: 07564967) as a 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, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the approval of the Company be and is hereby accorded for the appointment of Shri. Manoj Rameshwar Sinha (DIN: 07564967) as a Whole Time Director of the Company for a period of 3 years, with effect from 8<sup>th</sup> January, 2020 to 7<sup>th</sup> January, 2023 whose office is liable to retire by rotation, on consolidated remuneration of Rs. 85,000/- (Rupees Eighty Five Thousand Only) per month and on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors on recommendation of 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 Board of Directors of the Company (including its committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **ITEM NO. 4**

Re-appointment of Smt. Manjulika Bajpai (DIN: 07143934) as an Independent Director of the company for second term.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Smt. Manjulika Bajpai (DIN: 07143934), who holds office of Independent Director up to 30<sup>th</sup> September, 2019 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Smt. Bajpai’s candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 1<sup>st</sup> October, 2019 upto 30<sup>th</sup> September, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **ITEM NO. 5**

Approval for Related Party Transactions.

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

“RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, the approval of members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with M/s. Nava Bharat Press, Nagpur a related party within the meaning of Section 2(76) of the Act, for supply of material, on such terms and conditions as the Board of Directors may deem fit, for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum from the financial year 2020-21 onwards, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

#### **ITEM NO. 6**

Approval for Related Party Transactions.

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

“RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, the approval of members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Nava-Bharat Press Limited a related party within the meaning of Section 2(76) of the Act, for supply of material, on such terms and conditions as the Board of Directors may deem fit, for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum from the financial year

2020-21 onwards, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

#### **ITEM NO. 7**

Approval for Related Party Transactions.

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

“RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, the approval of members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Madhyadesh Press Private Limited a related party within the meaning of Section 2(76) of the Act, for supply of material, on such terms and conditions as the Board of Directors may deem fit, for the value not exceeding Rs. 8 Crore (Rupees Eight Crores Only) per annum from the financial year 2020-21 onwards, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

#### **ITEM NO. 8**

Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.

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

“RESOLVED that pursuant to the provisions of Section 5 and 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 as amended from time to time, the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

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

**By Order of the Board,**

**Place: Nagpur  
Dated: September 02, 2020**

**Sd/-  
Shrikant Rikhe  
Company Secretary**

#### **NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 3 to 8 of the Notice, is annexed

hereto. The relevant details, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment by rotation at this Annual General Meeting (“AGM”) is also annexed.

2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10 percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the AGM.
4. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 24<sup>th</sup> September, 2020 to Wednesday, 30<sup>th</sup> September, 2020 (both days inclusive).
6. Members are requested to make all correspondence relating to share transfer (both in Physical & Demat form) to our Registrar and Share Transfer Agent, M/s. Adroit Corporate Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1<sup>st</sup> Floor, Makwana Road, Marol Naka, Mumbai – 400 059 (R&TA).
7. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (“DPs”) in case the shares are held by them in electronic form and with R&TA in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to R&TA in case the shares are held in physical form.
9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to R&TA in case the shares are held in physical form.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or R&TA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. In compliance with the MCA Circulars dated May 05, 2020 and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.saffronindustries.in](http://www.saffronindustries.in), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of NSDL <https://www.evoting.nsdl.com>
14. The route map showing directions to reach the venue of the twenty-seventh AGM is annexed.
15. Voting through electronic means
  - i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
  - ii. The Board of Directors has appointed M/s. Vaibhav Netke and Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
  - iii. The facility for voting through poll paper shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.
  - iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - v. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.
  - vi. The details of the process and manner for remote e-voting are explained herein below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at*

<https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.vaibhavjain34@gmail.com](mailto:cs.vaibhavjain34@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Ms. Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [saffronindustries20@gmail.com](mailto:saffronindustries20@gmail.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to saffronindustries20@gmail.com.

#### **Other Instructions**

- i. The e-voting period commences on Sunday, September 27, 2020 (9:00 a.m. IST) and ends on Tuesday, September 29, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 23, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through poll paper.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after e-mailing of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- iv. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- v. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.saffronindustries.in](http://www.saffronindustries.in) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.



**Explanatory Statement  
(Pursuant to Section 102(1) of the Companies Act, 2013)**

**Item No. 3**

Subject to approval of members the Board of Directors of your company on recommendation of Nomination and Remuneration Committee at its meeting held on 8<sup>th</sup> January, 2020 has appointed Shri. Manoj Rameshwar Sinha (DIN: 07564967) as a Whole Time Director of the Company for a period of 3 years, with effect from 8<sup>th</sup> January, 2020 to 7<sup>th</sup> January, 2023 whose office is liable to retire by rotation, on consolidated remuneration of Rs. 85,000/- (Rupees Eighty Five Thousand Only) per month which may be increased by Board upto maximum limit as provided under Schedule V of the Act.

He is member of Audit Committee and Stakeholders Relationship Committee of the Company.

The Company has received from the above director:-

- (i) the consent in writing to act as Director; and
- (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013;

A copy of the agreement of service entered with the above Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The managerial person shall be paid managerial remuneration within limit provided under Section 197 of the Companies Act, 2013; where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, pay remuneration to the managerial person not exceeding, the limits provided in Section II of Part II of Schedule V of the Companies Act, 2013.

Accordingly our company has incurred losses during the financial year 2019-20; thus it may pay managerial remuneration pursuant to schedule V of the Act.

The Company fulfils the criteria for payment of managerial remuneration pursuant to Schedule V of the Act.

Details of Shri. Manoj Rameshwar Sinha (DIN: 07564967) seeking appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Age	51 yrs
Qualifications	Bachelor of Engineering (Civil)
Experience	24 Yrs
Nature of expertise in specific functional areas	Project Planning, Construction Management & Quality / Quantity Management
Terms and conditions of appointment	As per agreement of service
Proposed remuneration	Rs. 85,000/- per month
Remuneration last drawn	Rs. 60,000/- per month
Date of first appointment on the Board	12/07/2016
Shareholding in the company	Nil
Disclosure of relationships between directors inter-se	None
Names of entities in which he also holds the directorship and the membership of Committees of the board;	Directorship in - Adivaibhav Infrastructures Private Limited Poojadarshan Buildcon Private Limited  He does not hold any committee positions in the other Companies
The number of Meetings of the Board attended during the year (Previous Year)	9 (Nine)

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

**I. General information:**

- (1) Nature of industry  
The Company working in paper manufacturing industry.
- (2) Date or expected date of commencement of commercial production  
The Commercial production commenced on 7<sup>th</sup> October, 1993.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus  
Not Applicable.
- (4) Financial performance based on given indicators

(Rs. in lakh)

Particulars	2019-20	2018-19
Total Income	910.33	1677.50
Expenditure	946.56	1437.67
Profit before exceptional item and tax	(36.23)	239.83
Prior period expenses	0.00	(125.19)
Profit before tax	(36.23)	114.64
Profit after tax	(36.23)	114.64
Prior period adjustments(Income tax)	(0.21)	0.00
Profit for the year	(36.44)	114.64

- (5) Foreign investments or collaborations, if any.  
Not Applicable.

**II. Information about the appointee:**

- (1) Background details

Shri. Manoj Rameshwar Sinha (DIN: 07564967) has served company at different levels for over 20 years. He is Bachelor of Engineer (Civil) and has over 24 years of experience in Project Planning, Construction Management & Quality / Quantity Management.

- (2) Past remuneration

During his last tenure as a While-time Director he was paid remuneration of Rs. 60,000/- per month.

- (3) Recognition or awards  
No applicable.

- (4) Job profile and his suitability

He has been associated with company over last 20 years. He has discharged his duties at various levels in the hierarchy of the organization. During his tenure he has worked towards building team, organizational image, value addition and modernization of machineries/technologies/processes. He is closely associated with all levels of employees of the company.

- (5) Remuneration proposed

A consolidated remuneration of Rs. 85,000/- (Rupees Eighty Five Thousand Only) per month. This remuneration is subjected to review by the Board of Directors. The maximum remuneration to be paid shall not exceed the limit provided under Schedule V of the Act.

(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 with respect to the country of his origin)

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Shri. Manoj Rameshwar Sinha (DIN: 07564967), the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Not applicable.

### **III. Other information:**

(1) Reasons of loss or inadequate profits

The Company is operating in paper industry. The decline in order book position, escalation in production cost, use of low level of technology, outdated machineries and overall unrest in the paper industry leads to loss or inadequacy of profit.

(2) Steps taken or proposed to be taken for improvement

The Company is looking forward for new investment avenues, upgradation of technology, staffing competent personnel and prompt drafting and execution of business plans to overcome the present situation. As a part of diversification the company is also working in infra development activities and exploring new opportunities there. It is expected that these measures may lead to improvement in the present conditions of the company.

(3) Expected increase in productivity and profits in measurable terms

With the modernization of production plant, operational processes and diversification the management is optimistic to increase productivity and profitability in near future.

The Board recommends the resolution for appointment of the Whole-time Director at item no. 3 as Special Resolution of this notice for your approval.

Except Shri. Manoj Sinha none of the other Directors, Key Managerial Personnel and relatives thereof are concerned or interested in the resolution.

### **Item No. 4**

Smt. Manjulika Bajpai was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the company on 29<sup>th</sup> August, 2015 to hold office upto 30<sup>th</sup> September, 2019.

The Nomination & Remuneration Committee at its Meeting held on 25<sup>th</sup> September, 2019 after taking into account her performance evaluation, during her tenure and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by her during her tenure as an Independent Director since her appointment, has recommended to the Board that her continued association as an Independent Director would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended her re-appointment as Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from 1<sup>st</sup> October, 2019 to 30<sup>th</sup> September, 2024 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Smt. Manjulika Bajpai for her appointment to the office of Independent Director.

She is member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

Details of Smt. Manjulika Bajpai (DIN: 07143934) seeking re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Age	60 yrs
Qualifications	M.A.
Experience	5 yrs
Nature of expertise in specific functional areas	Management and HR
Terms and conditions of re-appointment	As per appointment letter
Proposed remuneration	Not applicable
Remuneration last drawn	Not applicable
Date of first appointment on the Board	31/03/2015
Shareholding in the company	Nil
Disclosure of relationships between directors inter-se	None
Names of listed entities in which she also holds the directorship and the membership of Committees of the board;	None
The number of Meetings of the Board attended during the year (Previous Year)	9 (Nine)

The above Director has given a declaration to the Board that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Smt. Manjulika Bajpai fulfils the conditions specified in the Act for her re-appointment as an Independent Director.

The Company has also received from the above director:-

- (i) the consent in writing to act as Director; and
- (ii) intimation that she is not disqualified under section 164(2) of the Companies Act, 2013;

A copy of the draft letter for the appointment of the above Director as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website [www.saffronindustries.in](http://www.saffronindustries.in).

The Board recommends the resolution for re-appointment of the Independent Director at item no. 4 as Special Resolution of this notice for your approval.

Except Smt. Manjulika Bajpai none of the other Directors, Key Managerial Personnel and relatives thereof are concerned or interested in the resolution.

#### **Item No. 5**

Our company is engaged in the business of production of news prints. The company from time to time requires to supply news prints to related parties.

Section 188 of the Companies Act, 2013 and the applicable rules framed thereunder provide that any related party transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the company as per last audited financial statements of the company.

Hence, approval of the shareholders is being sought for the related party transaction(s) proposed to be entered into by your company with Nava Bharat Press, Nagpur from the financial year 2020-21 onwards for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with Nava Bharat Press, Nagpur are as follows:

Sr. No.	Particulars	Remarks
1	Name of the related party	Nava Bharat Press, Nagpur
2	Name of the director or key managerial personnel who is related, if any	Shri. Vinod Maheshwari, Chairman
3	Nature of relationship	Chairman/Promoter of Saffron Industries Limited & Director/Promoter of Nava-Bharat Press(Nagpur) Private Limited one of the partner of Nava Bharat Press, Nagpur (A partnership firm)
4	Nature, material terms, monetary value and particulars of the contract or arrangements	Supply of news prints for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum from the financial year 2020-21 onwards.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	--

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 5 of this Notice as an Ordinary Resolution.

#### Item No. 6

Our company is engaged in the business of production of news prints. The company from time to time requires to supply news prints to related parties.

Section 188 of the Companies Act, 2013 and the applicable rules framed thereunder provide that any related party transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the company as per last audited financial statements of the company.

Hence, approval of the shareholders is being sought for the related party transaction(s) proposed to be entered into by your company with Nava-Bharat Press Limited from the financial year 2020-21 onwards for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with Nava Bharat Press, Nagpur are as follows:

Sr. No.	Particulars	Remarks
1	Name of the related party	Nava-Bharat Press Limited
2	Name of the director or key managerial personnel who is related, if any	Shri. Vinod Maheshwari, Chairman
3	Nature of relationship	Chairman/Promoter of Saffron Industries Limited & Director/Promoter of Nava-Bharat Press Limited
4	Nature, material terms, monetary value and particulars of the contract or arrangements	Supply of news prints for the value not exceeding Rs. 10 Crore (Rupees Ten Crores Only) per annum from the financial year

		2020-21 onwards.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	--

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as an Ordinary Resolution.

#### Item No. 7

Our company is engaged in the business of production of news prints. The company from time to time requires to supply news prints to related parties.

Section 188 of the Companies Act, 2013 and the applicable rules framed thereunder provide that any related party transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the company as per last audited financial statements of the company.

Hence, approval of the shareholders is being sought for the related party transaction(s) proposed to be entered into by your company with Madhyadesh Press Private Limited from the financial year 2020-21 onwards for the value not exceeding Rs. 8 Crore (Rupees Ten Crores Only) per annum.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with Nava Bharat Press, Nagpur are as follows:

Sr. No.	Particulars	Remarks
1	Name of the related party	Madhyadesh Press Private Limited
2	Name of the director or key managerial personnel who is related, if any	Shri. Vinod Maheshwari, Chairman
3	Nature of relationship	Chairman/Promoter of Saffron Industries Limited & Director/Promoter of Madhyadesh Press Private Limited
4	Nature, material terms, monetary value and particulars of the contract or arrangements	Supply of news prints for the value not exceeding Rs. 8 Crore (Rupees Eight Crores Only) per annum from the financial year 2020-21 onwards.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	--

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 7 of this Notice as an Ordinary Resolution.

#### Item No. 8

The Articles of Association (“AoA”) of the Company is presently in force since its incorporation. The existing Articles of Association are in line with the erstwhile Companies Act, 1956 which are thus no longer in full conformity with the Companies Act, 2013 (‘New Act’). With the coming into force of the new Act several articles of the existing Articles of Association of the Company require alterations / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

It is thus expedient to adopt new set of Articles of Association (primarily based on Table F set out under the Companies Act, 2013), in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/incorporation of provisions of the Companies Act, 2013. Hence the Board of Directors at its meeting held on 2<sup>nd</sup> September, 2020 decided to adopt new set of Articles in place of existing Articles of Association of the Company and seek members' approval for the same.

In terms of section 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Your Board of Directors recommends the Resolution set out at Item No. 8 of notice for the approval of members as a special resolution.

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

**By Order of the Board,**

**Place: Nagpur**  
**Dated: September 02, 2020**

**Sd/-**  
**Shrikant Rikhe**  
**Company Secretary**

**Annexure to item no. 2 of notice**

**Details of Shri. Vinod Maheshwari (DIN: 00340953) who retires by rotation and seeks re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]**

Shri. Vinod Maheshwari, aged about 76 years is a dynamic & intelligent Industrialist possessing rich experience of over 45 years in the Newspaper Industry. He is the Chairman of Saffron Industries Ltd.

Shri. Vinod Maheshwari is also Managing Editor of “Nava Bharat” the renowned Hindi Daily Newspaper covering three major states namely Maharashtra, Madhya Pradesh & Chhattisgarh. The activities related to printing & publishing of Newspaper “Nava Bharat” for Nagpur & Mumbai editions are handled by him.

He is a Member of the Nomination and Remuneration Committee of the Company.

Age	76 yrs
Qualifications	Bachelor of Arts
Experience	45 Yrs
Nature of expertise in specific functional areas	Has rich experience in the news print production and media industry
Terms and conditions of re-appointment	He shall be appointed as Non-executive Director without any remuneration
Proposed remuneration	Nil
Remuneration last drawn	Nil
Date of first appointment on the Board	20 <sup>th</sup> April, 1993
Shareholding in the company	Holds 17,85,800 equity shares (24.85 %)
Disclosure of relationships between directors inter-se	None
Names of entities in which he also holds the directorship and the membership of Committees of the board;	Directorship in - Nava-Bharat Press Limited Navabharat Infraventures Limited Navabharat News Media Limited Nava Bharat Press (Nagpur) Pvt Ltd Navabharat Real Estate Private Limited Madhyadesh Realty And Finance Private Limited Madhyadesh Publications Private Limited Madhyadesh Holdings Private Limited Madhyadesh Press Private Limited Bionova Papercrafts Private Limited  He does not hold any committee positions in the other Companies
The number of Meetings of the Board attended during the year (Previous Year)	9 (Nine)