# EUROTEX INDUSTRIES AND EXPORTS LIMITED

**Registered Office: 1110, Raheja Chambers, 11th Floor, 213, Nariman Point, Mumbai – 400 021.**
**Phone : (022) 6630 1400 E-Mail : eurotex@eurotexgroup.com Website : www.eurotexgroup.com**
**CIN : L70200MH1987PLC042598**

**7th February, 2018**

**1) The Secretary**
**Bombay Stock Exchange Limited**
**1st Floor, New Trading Ring,**
**Rotunda Building, Phiroze Jeejeebhoy Towers,**
**Dalal Street, Fort, Mumbai - 400 001.**
**Stock Code: 521014** **(BY BSE LISTING CENTRE)**

**2) The Secretary**
**National Stock Exchange of India Limited**
**Exchange Plaza, 5th Floor,**
**Plot No. C/1, G Block,**
**Bandra-Kurla Complex,**
**Bandra (East), Mumbai - 400 051.**
**Stock Code: EUROTEXIND** **(BY NSE NEAPS)**

**Dear Sir/Madam,**

**Sub: Postal Ballot**

The Company proposes to seek Shareholders' approval by way of Postal Ballot for Resolutions mentioned in the Postal Ballot Notice dt.9th December, 2017.

In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has completed dispatch of Postal Ballot Notice and Form to the entitled Shareholders on 6th February, 2018. We will forward the copy of the newspapers cutting in this regard shortly.

We are enclosing herewith Postal Ballot Notice and Form for your kind information and record.

Thanking you,

Yours faithfully,
For **EUROTEX INDUSTRIES AND EXPORTS LIMITED**

EUROTEX INDUSTRIES AND EXPORTS LIMITED MUMBAI

**RAHUL RAWAT**
**COMPANY SECRETARY**

Encls: As above

# EUROTEX INDUSTRIES AND EXPORTS LIMITED

**Registered Office : 1110, Raheja Chambers, 11th Floor, 213, Nariman Point, Mumbai - 400021 (INDIA)**
**Phone: (022) 66301400 E-mail: eurotex@eurotexgroup.com Website: www.eurotexgroup.com**
**CIN: L70200MH1987PLC042598**

# POSTAL BALLOT NOTICE

**(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)**

## Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time (hereinafter referred to as the **"Rules"**) that the Special Resolution(s) in respect of matters as set out in accompanying Postal Ballot Notice are proposed to be transacted by way of Postal Ballot.

An Explanatory Statement as required under the provisions of Section 102 of the Companies Act, 2013, pertaining to the said Resolution(s) setting out material facts in respect of the same is annexed hereto. This Postal Ballot Notice together with Postal Ballot Form is being sent to you for your consideration.

The Board of Directors of the Company (the "Board") has appointed Dr. S. K. Jain, Proprietor of S. K. Jain & Co., Practising Company Secretary (FCS 1473/COP 3076), for conducting the Postal Ballot process in a fair and transparent manner.

In accordance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and the provisions of Section 110 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Electronic Voting (**Remote e-Voting**) facility as an alternative to its Members to cast their votes electronically instead of casting the vote using physical Postal Ballot Form. The Company has engaged the services of Central Depository Services (India) Limited **("CDSL")**, an Agency authorized by the Ministry of Corporate Affairs **("MCA")** for providing e-Voting platform. The Procedure for e-Voting is explained under the Notes provided with this Postal Ballot Notice.

Members who wish to cast their votes physically through Postal Ballot Form are requested to carefully read the instructions printed on the Postal Ballot Form and return the form duly completed in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before 10th March, 2018.

The Scrutinizer will submit his Report to the Chairman or any other Director of the Company as authorized by the Board of Directors, after completion of scrutiny of physical Postal Ballot Forms/ e-Voting, but not later than two days from the date of conclusion of the Postal Ballot process and the result of the Postal Ballot will be announced at 5.00 p.m. on 12th March, 2018 at the Registered Office of the Company situated at 1110, Raheja Chambers, 11th Floor, 213, Nariman Point, Mumbai - 400021 and shall thereafter be published in the newspapers. The result of Postal Ballot alongwith the Scrutinizer's Report shall be communicated to the Stock Exchange(s) where the securities of the Company are listed and shall also be displayed at the Registered Office of the Company and hosted on the Company's Website (www.eurotexgroup.com).

## SPECIAL BUSINESS:

### 1. TO RE-APPOINT SHRI KRISHAN KUMAR PATODIA AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 YEARS

To consider and if though fit, to pass with or without modification(s), the following Resolutions 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") and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Act, the recommendations of Nomination and Remuneration Committee and Board of Directors and such other approvals or consents as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded for re-appointment of Shri Krishan Kumar Patodia (DIN: 00027335) as Managing Director of the Company for a further period of three years with effect from 21st May, 2018, upon such terms and conditions as set out in the Agreement executed between the Company and Shri Krishan Kumar Patodia, as placed before this Meeting and duly initialed by Shri H. P. Siotia, Director of the Company, for the purpose of identification.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and the Board of Directors be and are hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above re-appointment and remuneration in such a manner as may be permitted in accordance with the provisions of the Act and any amendment thereto or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deemed necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing Resolutions."

**a) Salary**

Salary of Rs.1,75,000/- per month, with effect from 21st May, 2018.

**b) Incentive**

Incentive not exceeding 10% per annum of the salary as may be determined by the Board from time to time at their own discretion.

**c) Perquisites**

i. Housing: Rent free Accommodation will be provided to the appointee, the Perquisite value of which will be considered as per Income Tax Rules. In case no Accommodation is provided by the Company, House Rent Allowance subject to a ceiling of 60% of the Salary per month shall be paid. In addition the appointee shall be allowed Company owned furniture and fixtures, if required.

ii. The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.

iii. All medical expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.

iv. Leave Travel Concession for the appointee and his family will be allowed once in a year.

v. Fees of the Clubs: Subject to a maximum of two clubs will be allowed. This will not include admission and life membership fees.

vi. Personal Accident Insurance and Mediclaim Insurance for self and his family. The premium of which shall not exceed Rs.40,000/- per annum.

vii. Contribution to Provident Fund and to Superannuation or Annuity Fund not exceeding in total @25% of the salary.

viii. Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.

ix. Free use of Company's car for Company's work as well as for personal purpose along with driver.

x. Telephone at residence at Company's cost.

xi. Leave unavailed of to be encashed as per the rules of the Company.

xii. Subject to any statutory ceiling/s, the appointee may be given other allowances, perquisites, benefits and facilities as decided by the Board of Directors from time to time.

**d) Commission**

In addition to Salary, Incentive and Perquisites, the appointee shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company, subject to the ceiling stipulated in Sections 196 and 197 of the Companies Act, 2013.

**e) Minimum Remuneration**

The above appointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of remuneration as stated in Part II, Section II of Schedule V of the Companies Act, 2013, with such modifications as may be therein from time to time, being in force.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board/Committee be and is hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary."

**2. TO RE-APPOINT SHRI NARAYAN PATODIA AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 YEARS**

To consider and if though fit, to pass with or without modification(s), the following Resolutions 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") and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Act, the recommendations of Nomination and Remuneration Committee and Board of Directors and such other approvals or consents as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded for re-appointment of Shri Narayan Patodia (DIN: 00013122) as Managing Director of the Company for a further period of three years with effect from 21st May, 2018, upon such terms and conditions as set out in the Agreement executed between the Company and Shri Narayan Patodia, as placed before this Meeting and duly initialed by Shri H. P. Siotia, Director of the Company, for the purpose of identification.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and the Board of Directors be and are hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above re-appointment and remuneration in such a manner as may be permitted in accordance with the provisions of the Act and any amendment thereto or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deemed necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing Resolutions."

**a) Salary**

Salary of Rs.1,25,000/- per month, with effect from 21st May, 2018.

**b) Incentive**

Incentive not exceeding 10% per annum of the salary as may be determined by the Board from time to time at their own discretion.

**c) Perquisites**

i. Housing: Rent free Accommodation will be provided to the appointee, the Perquisite value of which will be considered as per Income Tax Rules. In case no Accommodation is provided by the Company, House Rent Allowance subject to a ceiling of 60% of the salary per month shall be paid. In addition the appointee shall be allowed Company owned furniture and fixtures, if required.

ii. The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.

iii. All medical expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.

iv. Leave Travel Concession for the appointee and his family will be allowed once in a year.

v. Fees of the Clubs: Subject to a maximum of two clubs will be allowed. This will not include admission and life membership fees.

vi. Personal Accident Insurance and Mediclaim Insurance for self and his family. The premium of which shall not exceed Rs.35,000/- per annum.

vii. Contribution to Provident Fund and to Superannuation or Annuity Fund not exceeding in total @25% of the salary.

viii. Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.

ix. Free use of Company's car for Company's work as well as for personal purpose along with driver.

x. Telephone at residence at Company's cost.

xi. Leave unavailed of to be encashed as per the rules of the Company.

xii. Subject to any statutory ceilings, the appointee may be given other allowances, perquisites, benefits and facilities as decided by the Board of Directors from time to time.

**d) Commission**

In addition to Salary, Incentive and Perquisites, the appointee shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company, subject to the ceiling stipulated in Sections 196 and 197 of the Companies Act, 2013.

**e) Minimum Remuneration**

The above appointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of remuneration as stated in Part II, Section II of Schedule V of the Companies Act, 2013, with such modifications as may be therein from time to time, being in force.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board/Committee be and is hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary."

**3. TO RE-APPOINT SHRI RAJIV PATODIA AS EXECUTIVE DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 YEARS**

To consider and if thought fit, to pass with or without modification(s), the following Resolutions 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") and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Act, the recommendations of Nomination and Remuneration Committee and Board of Directors and such other approvals or consents as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded for re-appointment of Shri Rajiv Patodia (DIN: 00026711) as Executive Director of the Company for a further period of three years with effect from 21st May, 2018, upon such terms and conditions as set out in the Agreement executed between the Company and Shri Rajiv Patodia, as placed before this Meeting and duly initialed by Shri H. P. Siotia, Director of the Company, for the purpose of identification.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and the Board of Directors be and are hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above re-appointment and remuneration in such a manner as may be permitted in accordance with the provisions of the Act and any amendment thereto or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deemed necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing Resolutions."

**a) Salary**

Salary of Rs.75,000/- per month, with effect from 21st May, 2018.

**b) Incentive**

Incentive not exceeding 10% per annum of the salary as may be determined by the Board from time to time at their own discretion.

**c) Perquisites**

i. Housing: Rent free Accommodation will be provided to the appointee, the Perquisite value of which will be considered as per Income Tax Rules. In case no Accommodation is provided by the Company, House Rent Allowance subject to a ceiling of 60% of the salary per month shall be paid. In addition the appointee shall be allowed Company owned furniture and fixtures, if required.

ii. The expenditure incurred by the appointee on gas, electricity and water shall be reimbursed by the Company.

iii. All medical expenses incurred in India or abroad by the appointee for self and his family shall be reimbursed.

iv. Leave Travel Concession for the appointee and his family will be allowed once in a year.

v. Fees of the Clubs: Subject to a maximum of two clubs will be allowed. This will not include admission and life membership fees.

vi. Personal Accident Insurance and Mediclaim Insurance for self and his family. The premium of which shall not exceed Rs.30,000/- per annum.

vii. Contribution to Provident Fund and to Superannuation or Annuity Fund not exceeding in total @25% of the salary.

viii. Gratuity: Gratuity at the rate of one month's salary, for each completed year of service.

ix. Free use of Company's car for Company's work as well as for personal purpose along with driver.

x. Telephone at residence at Company's cost.

xi. Leave unavailed of to be encashed as per the rules of the Company.

xii. Subject to any statutory ceilings, the appointee may be given other allowances, perquisites, benefits and facilities as decided by the Board of Directors from time to time.

**d) Commission**

In addition to Salary, Incentive and Perquisites, the appointee shall also be entitled to commission, the amount of which will be determined by the Board from time to time based on the net profits of the Company subject to the ceiling stipulated in Sections 196 and 197 of the Companies Act, 2013.

**e) Minimum Remuneration**

The above appointee shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profit subject to the ceiling of remuneration as stated in Part II, Section II of Schedule V of the Companies Act, 2013, with such modifications as may be therein from time to time, being in force.

**RESOLVED FURTHER THAT** for the purpose of giving effect to these Resolutions, the Board/Committee be and is hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary."

By order of the Board
For **Eurotex Industries and Exports Limited**

**Registered Office:**
1110, Raheja Chambers,
11th Floor, 213, Nariman Point,
Mumbai - 400021
Place: Mumbai
Date: 09th December, 2017

**Rahul Rawat**
**Company Secretary**
**M. No. 27891**

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES SET OUT IN THE NOTICE OF POSTAL BALLOT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 1, 2 & 3**

In accordance with the provisions of Schedule V, Part II, Section II where a Company has no profits or its profits are inadequate, it may pay remuneration to a managerial person by way of Salary, Dearness Allowance, Perquisites and other Allowances up to Rs.84 Lakhs per annum with prior approval of the Members provided the following conditions are taken care of;

i. Payment of remuneration is approved by a Resolution passed by the Board and in the case of a Company covered under sub-section (1) of Section 178 also by the Nomination and Remuneration Committee;

ii. The Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person;

iii. A Special Resolution has been passed at the General Meeting of the Company for payment of remuneration for a period not exceeding three years;

iv. A statement along with a Notice calling the General Meeting referred to in Clause (iii) is given to the shareholders containing certain information namely;

**I. General Information:**

a. Nature of Industry:

Manufacturer and Exporter of Yarn and Knitted Fabrics (Government recognized trading House as well as AN ISO 9001 and Oko-Tex Standard 100 Certificate Holder)

b. Date or expected date of commencement of commercial production:

Production is already in progress

c. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

d. Financial Performance based on given indicators:

The Company started its manufacturing and exports in the year 1989-90 and since then, the Company has been paying dividends except for financial years 2001-02, 2006-07 to 2012-13, 2014-15 to 2016-17 on Equity Shares. The Company's last five years performance is given hereunder:

**(Rs. in Crores)**

| **Particulars** | **2012-13** | **2013-14** | **2014-15** | **2015-16** | **2016-17** |
|---|---|---|---|---|---|
| Sales | 272.94 | 333.62 | 270.33 | 227.91 | 181.32 |
| Other Income | 10.62 | 11.15 | 9.78 | 7.31 | 7.79 |
| Total Revenue | 283.56 | 344.77 | 280.11 | 235.22 | 189.11 |
| Profit Before Tax | (0.42) | 10.25 | (3.37) | (5.72) | (12.24) |
| Profit After Tax | (1.80) | 5.57 | (3.23) | (5.38) | (12.05) |

e. Foreign Investment or Collaborators, if any:

No Foreign Investment or Firm Collaboration, so far.

## II. Information about the appointees:

### a. Shri Krishan Kumar Patodia

1) Background Details:

Shri Krishan Kumar Patodia is B.Sc. Textiles (Hons.) and a gold medalist from Punjab University, Chandigarh, having a rich and varied experience in the Textile Industry of more than 53 years. He is the Chief Promoter of Eurotex Industries and Exports Limited and is Managing Director from the inception. Prior to this he was Managing Director in PBM Polytex Limited for 8 years and earlier has been Managing Director of GTN Textiles Limited for 15 years. He holds rich experience in the Textile Industry in all the fields including raw material purchases, manufacturing, administration, finance, management and marketing. He has been instrumental in setting up this Export Oriented Unit in cotton spinning in private sector in India with the latest state of the art technology.

2) Past Remuneration:

During the financial year 2016-17, Shri Krishan Kumar Patodia was paid the following remuneration:

**(in Rs.)**

| Salary | Perquisites | P.F./Superannuation | Commission | Total |
|---|---|---|---|---|
| 21,00,000 | 20,33,742 | 5,25,000 | - | 46,58,742 |

3) Recognition or Awards:

Shri Krishan Kumar Patodia has been Vice President of Confederation of Export Units, Western Region. He was also the Managing Committee Member of The Cotton Textile Export Promotion Council. He is also a member of the Managing Committee of TITS College, Bhiwani.

4) Job profile and his suitability:

As Managing Director of the Company, Shri Krishan Kumar Patodia will have overall managerial responsibility and with his rich experience of more than 53 years of management at top levels in the Textile Industry, he is well suited for the post. He has been handling and monitoring all the activities of the Company including mill management, finance, administration, purchases and marketing. He has been the guiding force resulting in the good performance of the Company both in exports as well as in domestic market. In view of his increased responsibilities and working requirements, the remuneration recommended is fair and justified.

5) Remuneration proposed has already been given in detail in proposed Special Resolution.

6) Comparative Remuneration profile with respect to industry, size of the company, profile of the position and person:

The Nomination and Remuneration Committee and the Board of Directors of the Company have recognized the profile of Shri Krishan Kumar Patodia as rich and diversified in the industry. His remuneration is commensurate with his experience in the industry and in level with similar job in Textile Industry.

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

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the Related Parties were in the ordinary course of business and at arm's length basis. Shri Gopal Patodia, Shri Narayan Patodia and Shri Rajiv Patodia, the Directors of the Company are related to Shri Krishan Kumar Patodia.

### b. Shri Narayan Patodia

1) Background Details:

Shri Narayan Patodia is B. E. Mech. from BITS Pilani. He is one of the promoters of Eurotex Industries and Exports Limited and its Managing Director from year 1990. Prior to that he was Executive Director in PBM Polytex Limited. He holds rich experience in the Textile Industry in all the fields including raw material purchases, manufacturing, administration, finance, management and marketing of more than 37 years.

2) Past Remuneration:

During the financial year 2016-17, Shri Narayan Patodia was paid the following remuneration:

**(in Rs.)**

| Salary | Perquisites | P.F./Superannuation | Commission | Total |
|---|---|---|---|---|
| 15,00,000 | 4,14,779 | 3,75,000 | - | 22,89,779 |

3) Job profile and his suitability:

As Managing Director of the Company, Shri Narayan Patodia will have overall managerial responsibility and with his rich experience of more than 37 years of management at top levels in the Textile Industry, he is well suited for the post. He has been handling and monitoring all the activities of the Company including mill management, finance, administration, purchases and marketing. In view of his increased responsibilities and working requirements the remuneration recommended is fair and justified.

4) Remuneration proposed has already been given in detail in proposed Special Resolution.

5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The Nomination and Remuneration Committee and the Board of Directors of the Company have recognized the profile of Shri Narayan Patodia as rich and diversified in the industry. His remuneration is commensurate with his experience in the industry and in level with similar job in Textile Industry.

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

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the Related Parties were in the ordinary course of business and at arm's length basis. Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Rajiv Patodia, the Directors of the Company are related to Shri Narayan Patodia.

**c. Shri Rajiv Patodia**

1) Background Details:

Shri Rajiv Patodia is B.Sc. (Finance) from Babson College, U.S.A. He is having a rich and varied experience in the Textile Industry of more than 25 years. He is one of the Promoters of Eurotex Industries and Exports Limited and is Executive Director. He holds rich experience in the Textile Industry in all the fields including raw material purchases, manufacturing, administration, finance, management and marketing.

2) Past Remuneration:

During the financial year 2016-17, Shri Rajiv Patodia was paid the following remuneration:

**(in Rs.)**

| Salary | Perquisites | P.F./Superannuation | Commission | Total |
|---|---|---|---|---|
| 9,00,000 | 11,38,380 | 2,25,000 | - | 22,63,380 |

3) Job profile and his suitability:

As Executive Director of the Company, Shri Rajiv Patodia will have overall responsibility and with his rich experience of more than 25 years of management at top levels in the Textile Industry, he is well suited for the post. He has been handling and monitoring all the activities of the Company including mill management, finance, administration, purchases and marketing. He has been the guiding force resulting in the good performance of the Company both in exports as well as in domestic market. In view of his increased responsibilities and working requirements the remuneration recommended is fair and justified.

4) Remuneration proposed has already been given in detail in proposed Special Resolution.

5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The Nomination and Remuneration Committee and the Board of Directors of the

Company have recognized the profile of Shri Rajiv Patodia as rich and diversified in the industry. His remuneration is commensurate with his experience in the industry and in level with similar job in Textile Industry.

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

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. Further, all transactions with the Related Parties were in the ordinary course of business and at arm's length basis. Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Narayan Patodia, the Directors of the Company are related to Shri Rajiv Patodia.

**III. Other Information:**

1) Reasons for loss or inadequate profits:

The operational loss is mainly due to volatility in cotton prices, decline in sale prices on account of global recession and increase in Power Cost as well as Manpower Cost.

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

Cost control measures including reduction in input costs, labour and other manufacturing costs are taken.

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

Not possible to quantify.

**IV. Disclosures:**

**The necessary disclosures have been mentioned in the Board of Director's report under the heading "Corporate Governance" attached to the Annual Report for the year ended 31st March, 2017.**

Shri Krishan Kumar Patodia himself and Shri Gopal Patodia, Shri Narayan Patodia and Shri Rajiv Patodia, being the relatives of Shri Krishan Kumar Patodia, are concerned or interested in the passing of the abovesaid Special Resolution at item no. 1 of the notice.

Shri Narayan Patodia himself and Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Rajiv Patodia being the relatives of Shri Narayan Patodia are concerned or interested in the passing of the abovesaid Special Resolution at item no. 2 of the notice.

Shri Rajiv Patodia himself and Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Narayan Patodia being the relatives of Shri Rajiv Patodia are concerned or interested in the passing of the abovesaid Special Resolution at item no. 3 of the notice.

Besides above, no other Director is concerned or interested in considering or passing the abovesaid Special Resolutions mentioned at item no. 1, 2 & 3 of the Notice.

The draft agreements containing the terms of appointment and remuneration payable to Shri Krishan Kumar Patodia, Shri Narayan Patodia, Managing Directors and Shri Rajiv Patodia, Executive Director are available for inspection by the members of the Company on any working day (except on Saturday, Sunday and any public holiday) at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. during the period 9th February, 2018 to 10th March, 2018.

The disclosure of the terms of remuneration in the above said explanatory statement may be treated as disclosure to the members and may also be treated as an abstract of Directors' interest in the contract appointing Managing Directors / Executive Director under provisions of Section 190 of the Companies Act, 2013.

The Board of Directors recommends the Resolutions as set out in item nos. 1 to 3 for consideration of the members of the Company.

By order of the Board

For **Eurotex Industries and Exports Limited**

**Rahul Rawat**
**Company Secretary**
**M. No. 27891**

**Registered Office:**
1110, Raheja Chambers,
11th Floor, 213, Nariman Point,
Mumbai - 400021
Place: Mumbai
Date: 09th December, 2017

## Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in relation to the Resolution(s) as set out in the Postal Ballot Notice is annexed hereto.
2. The Company has appointed Dr. S. K. Jain, Proprietor of M/s. S. K. Jain & Co., Practising Company Secretary (FCS:1473/COP: 3076) as the Scrutinizer to receive and scrutinize the Postal Ballot Forms from the Members. The Postal Ballot Form and self-addressed postage pre-paid envelope are enclosed for use of the Members.
3. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days between 11:00 a.m. and 1:00 p.m. upto Saturday, 10th March, 2018.
4. The voting rights with one vote per share shall be reckoned on the paid up value of shares registered in the name of the shareholders as on Friday, 19th January, 2018.
5. The Company also offers Electronic Voting option (**Remote e-Voting**) to all the Members. Members have an option to vote either through Remote e-Voting or Physically through Postal Ballot Form. Members opting for Remote e-Voting cannot vote through Postal Ballot Form. Similarly, Members opting to vote through Postal Ballot Form should not exercise the option for Remote e-Voting. However, in case Members cast their vote exercising both the options, i.e. through Remote e-Voting and Postal Ballot Form, then votes casted through Remote e-Voting shall only be taken into consideration and votes casted by Postal Ballot Form shall be treated as invalid. e-Voting shall commence from Friday, 9th February, 2018 at 9:00 a.m and shall end on Saturday, 10th March, 2018 at 5:00 p.m.
6. Members, who have registered their e-mail ids for receipt of documents in electronic mode under the **"Green Initiative"** undertaken by MCA, Postal Ballot Notice along with Postal Ballot Form are being sent on their registered e-mail ids. Members have an option to cast their votes either through Remote e-Voting or through Postal Ballot Form. Members, who wish to cast their votes physically through Postal Ballot Form, may do so by filling up the details required therein. The Postal Ballot Form for casting vote physically can also be obtained from the Company's Registrar and Share Transfer Agents, Datamatics Business Solutions Limited, Plot No. B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai - 400 093 or from the Company. The Postal Ballot Form duly completed should be sent to the Scrutinizer in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before Saturday, 10th March, 2018 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Members.
7. The attached self-addressed envelope bears the name and address of the Scrutinizer appointed by the Board and the Form after casting of the vote should be put inside the same and the envelope should be duly sealed. Envelope containing the Form will also be accepted if physical copy thereof duly sealed inside the attached postage pre-paid envelope is sent by any other mode at the expense of the Member.
8. The Form should be signed by the Member as per the specimen signature registered with the Company. In case the shares are jointly held, the Form should be completed and signed by the first named holder and in his/her absence, by the next named holder. Holders of Power of Attorney (POA) on behalf of a Member may vote on the Form mentioning the Registration No. of the POA registered with the Company or attach notarial attested copy of the POA. Unsigned Forms will be rejected.
9. In case of shares held by Companies, Trusts, Societies, etc. the duly completed Form should be accompanied by a certified copy of the Board Resolution / Authority and preferably, with the attested specimen signature(s) of the duly Authorised Signatory(ies) giving the requisite authority to the person voting on the Form.
10. Members are requested not to send any document (other than the Resolution/Authority as mentioned above) along with the completed Form inside the enclosed self-addressed prepaid envelope. If any extraneous matter be found in any such envelope, the same will not be considered and would be destroyed by the Scrutinizer.
11. There will be only one Form for each Folio/Client Id. Exercise of vote through Postal Ballot is not permitted through proxy.
12. Incomplete, improperly or incorrectly tick marked Forms will be rejected.
13. The Scrutinizer will submit his report to the Company after completion of the scrutiny and the results of Postal Ballot will be announced by placing it on the website of the Company www.eurotexgroup.com on Monday, 12th March, 2018 at 5:00 p.m.
14. The date of declaration of the result of the Postal Ballot shall be deemed to be the date of passing of the said Resolutions.

15. The instructions for Members for voting electronically are as under:

## INSTRUCTIONS FOR E-VOTING

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed with your assent (for) or dissent (against), in the attached postage pre-paid envelope, so as to reach the Scrutinizer on or before 10th March, 2018 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Members.

**The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on 9th February, 2018 (9:00 AM) and ends on 10th March, 2018 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 19th January, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

| | **For Members holding shares in Demat Form and Physical Form** |
|---|---|
| **PAN** | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders)·<br>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (which is printed on the Address Slip) in the PAN field.<br>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| **Dividend Bank Details or Date of Birth (DOB)** | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.<br>● If both the details are not recorded with the depository or company please enter the member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (iv) |

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used as printed on the Postal Ballot Form for e-Voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of the **"EUROTEX INDUSTRIES AND EXPORTS LIMITED"** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then enter the User ID and the Image Verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non-Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

# EUROTEX INDUSTRIES AND EXPORTS LIMITED

Registered Office : 1110, Raheja Chambers, 11th Floor, 213, Nariman Point, Mumbai - 400021 (INDIA)
Phone : (022) 66301400 E-mail : eurotex@eurotexgroup.com Website : www.eurotexgroup.com
CIN : L70200MH1987PLC042598

## POSTAL BALLOT FORM

**(Please read the instructions printed overleaf carefully before completing this form)**

**Serial No. :**

1. **Name and registered address of the Sole / First named Shareholder (IN BLOCK LETTERS)** :

2. **Name(s) of Joint Holder(s), if any (IN BLOCK LETTERS)** :

3. **Registered Folio No./ DP ID No./ Client ID No. (applicable to Shareholders holding shares in Dematerialized Form)** :

**I/We hereby exercise my/our vote in respect of the Special Resolutions to be passed through Postal Ballot for the business stated in the Notice of Postal Ballot dated 9th December, 2017, issued by the Company by sending my / our assent / dissent to the said Special Resolutions by placing the tick mark (✓) in the appropriate column below:**

| Item No. | Description | No. of Shares | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|---|---|---|---|---|
| 1. | Re-appointment of Shri Krishan Kumar Patodia as Managing Director for a period of 3 years | | | |
| 2. | Re-appointment of Shri Narayan Patodia as Managing Director for a period of 3 years | | | |
| 3. | Re-appointment of Shri Rajiv Patodia as Executive Director for a period of 3 years | | | |

Place :

Date :

**(Signature of the Shareholder)**

## Electronic Voting Particulars

| Electronic Voting Event Number (EVEN) | e-Voting Sequence No. |
|---|---|
| **180118002** | |

**In case PAN is not updated with Depository or Company, kindly use Sequence No. for E-Voting.**

## INSTRUCTIONS

1. Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, assent or dissent of the members in respect of the Resolutions contained in the Postal Ballot Notice is being sought through Postal Ballot process.

2. A member desiring to exercise his/her vote by Postal Ballot, may send duly completed form in the enclosed self addressed Business Reply Envelope.

3. Postage on the Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot, if sent by courier or by Registered Post at the expense of the member will also be accepted. The Postal Ballot(s) should be sent to the Scrutinizer's address at Dr. S.K. Jain, Practicing Company Secretary, 13/16, Kapadia Chambers, Ground Floor, 599, J. S. S. Road, Chira Bazar, Mumbai - 400002.

4. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of business hours i.e. 5:00 p.m. on Saturday, the 10th March, 2018. A Postal Ballot Form received after this date and time will be strictly treated as if the reply from the member has not been received.

5. A Member has to convey his/her assent or dissent in the Postal Ballot Form only. Assent or dissent to the proposed resolutions may be recorded by placing a tick mark ( ✔ ) in the appropriate column. Postal Ballot Form bearing ( ✔ ) mark in both the columns will render the form invalid.

6. The Postal Ballot Form should be completed and signed by the Member. An incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over-written, wrongly signed Postal Ballot Form will be rejected. The Postal Ballot shall not be exercised by a proxy. The Scrutinizer's decision on the validity of Postal Ballot Form will be final.

7. In case of joint holding, the Postal Ballot Form should be completed and signed (as per the specimen signature registered with the Company / Depository) by the first named Member and in the absence of such Member, by the next named joint-holder. A Member may sign the Postal Ballot Form through an attorney; in such case certified true copy of the Power of Attorney should be attached to the Postal Ballot Form. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Member(s).

8. In case of shares held by Companies, Trusts, Societies etc., a duly completed Postal Ballot Form should be signed by its Authorized Signatory. In such cases the duly completed Postal Ballot Form should also be accompanied by a certified copy of the Board Resolution/Authority together with the specimen signature(s) of the duly Authorised Signatory(ies).

9. A Member neither needs to use all his/her votes nor needs to cast all his/her votes in the same way.

10. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on 19th January, 2018.

11. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified in Point no. 4 above.

12. No Member is entitled to vote on Postal Ballot unless all calls or other sums payable by him in respect of shares in the Company had been paid.

13. Members are requested not to send any other paper along with the Postal Ballot Form (except those authorised by the Company) in the enclosed self addressed postage prepaid envelope as all Postal Ballot(s) will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

14. The Resolutions, if assented by requisite majority, shall be considered as passed on Monday, the 12th March, 2018 (i.e. the date of Declaration of the Postal Ballot Result).

15. ***e*-Voting:** The Company is pleased to provide e-Voting facility as an alternate for all the Shareholders of the Company to enable them to cast their votes electronically instead of through physical Postal Ballot. e-Voting is optional. In case a member has voted through e-Voting facility, he does not need to send the physical Postal Ballot Form. In case a member casts his vote through e-Voting facility as well as sends his vote through physical vote, the vote cast through Remote e-Voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer. Members are requested to refer to the Postal Ballot Notice and Notes thereto, for detailed instructions with respect to electronic voting.