

**Royal Cushion Vinyl Products Limited**

Cin no: L24110MH1983PLC031395

“Shlok” 60 – CD,

Govt. Industrial Estate, Charkop,  
Kandivali (W), Mumbai – 400 067

Tel: + 91 22 32655828, 28603514, 16

Fax: + 91 22 28603565

Website: www.rcvp.in

**Fax No: 22723121**

August 29, 2019

The DCS-CRD

**BSE Ltd.**

Corporate Relation Department

1<sup>st</sup> Floor, New Trading Ring,

Rotunda Building, Phiroze Jeebhoy Towers,

Mumbai 400 001

**Kind Attn: Mr. Rakesh Parekh**

**Scrip Code No. 526 193**

Dear Sir,

**Sub: Notice of 35<sup>th</sup> Annual General Meeting of the Company**

Further to our letter dated 23/08/2019 the Board of Directors at their meeting held today, i.e. 29<sup>th</sup> August, 2019, has approved the revised Notice of 35<sup>th</sup> Annual General Meeting due to some corrections.

Requesting to consider the revised Notice and take on record.

The meeting of the Board of Directors held today commenced at 3.30 pm and concluded at 4.30 pm.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,

For **ROYAL CUSHION VINYL PRODUCTS LTD**

*Mahesh Shah*  
Mahesh Shah  
Managing Director  
00054351



## **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 35<sup>th</sup> **ANNUAL GENERAL MEETING** of the Members of **ROYAL CUSHION VINYL PRODUCTS LIMITED** will be held on Monday, 30<sup>th</sup> September, 2019 at 12.30 pm at the Conference Room, 2<sup>nd</sup> Floor, 60 CD "SHLOK", Govt. Industrial Estate, Charkop, Kandivali (West), Mumbai 400 067, to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh Motasha (DIN 00054236) who retires by rotation and being eligible, offers himself for re- appointment.

### **SPECIAL BUSINESS:**

3. **To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 180(1)(a), 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended, the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consent and permission being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / alter / mortgage / lease / dispose part off its existing land admeasuring 60 acres along with building admeasuring 200000 sq. ft situated at Plot No. 55,68 & 37P Village Garadhia, Taluka Savli, Dist Vadodara, Gujarat, held by the Company ("Undertaking"), with or without underlying liabilities, contracts, permissions and consents, rights, registrations, in relation to the Undertaking, on an "as is where is" basis or in any other manner either in whole or in part to any entity(ies) as may be determined by the Board for a consideration not less than Rs. 25 crores (Rupees Twenty Five crores only) subject to certain adjustments in case of partial disposal, as agreed between the parties in terms of the definitive agreements as may be entered into between the Company and prospective buyer.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised and empowered to finalize and execute necessary documents including but not limited to definitive Agreements or

deeds of assignment / conveyance or any other ancillary documents, in such manner as decided by the Board and to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company to execute any documents, arranging delivery and execution of contracts, deeds, agreements and instruments.

**4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to recommendation and approval of Nomination and Remuneration committee and approval by the Board of Directors at their respective meetings held on August 20<sup>th</sup>, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 read with schedule V and other applicable provisions of the Companies Act, 2013 pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification (s) or re-enactments thereof for the time being force and any subsequent amendment/modification in the Rules, Act and all applicable laws in this regard, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Mahesh K. Shah (DIN: 00054351), as Managing Director of the Company for a period of 3 years effective from April 1<sup>st</sup>, 2020 up to March 31<sup>st</sup>, 2023 and to his remuneration, benefits and amenities as Managing Director will be in accordance with the terms and conditions as mentioned in Item No. 4 of the Explanatory Statement appended below and specifically approved, with the powers of the Board of Directors and/ or the Nomination and Remuneration to alter, amend, vary and modify the terms and conditions of the said re- appointment and remuneration payable from time to time as they deem fit in such manner and within the limits as mentioned in Item no. 4 of the explanatory statement, notwithstanding that such remuneration may not exceed the limits specified under section 197 and schedule V of the Act in any financial year during his tenure;

**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 or expedient to give effect to this resolution.”

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

**“RESOLVED THAT** Mrs. Harsha Mukesh Shah (DIN:08386011) who was appointed as an Additional Director by the Board of Directors with effect from March 11<sup>th</sup>, 2019 under section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her Candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Harsha Mukesh Shah (DIN:08386011) an Independent Non-Executive Director of the Company, who has submitted a

declaration that she meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 not liable to retire by rotation, to hold office for a period of five consecutive from March 11<sup>th</sup>, 2019 to March 10<sup>th</sup>, 2024.

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

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

“**RESOLVED THAT** Mrs. Avani Jolly Pandit (DIN:08386003) who was appointed as an Additional Director by the Board of Directors with effect from March 11<sup>th</sup>, 2019 under section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her Candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Avani Jolly Pandit (DIN:08386003) an Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 not liable to retire by rotation, to hold office for a period of five consecutive from March 11<sup>th</sup>, 2019 to March 10<sup>th</sup>, 2024.

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

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

“**RESOLVED THAT** in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of section 188 and other applicable provisions, if any of the Companies Act, (Meeting of Board and its powers) Rules, 2014 and provisions of Regulation 23(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (“**LODR Regulations**”) as applicable and subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts/transactions with M/s. Natroyal Industries Private Limited, a related party, on such terms and conditions as may be mutually agreed upon, for availing or rendering services, purchase or sale of goods or materials or taking or giving the property on lease or provision of any other services, upto INR 180 Crores per annum with effect from April 1<sup>st</sup>, 2019.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the Related Party, and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company.”

**BY ORDER OF THE BOARD**

**For Royal Cushion Vinyl Products Limited**



**Chairman and Managing Director  
(DIN 00054351)**

A handwritten signature in blue ink, appearing to read "Mahesh Shah".

**Mahesh Shah**

Place:- Mumbai  
Date: August 29<sup>th</sup>, 2019

**Registered Office:  
Royal Cushion Vinyl Products Limited  
SHLOK, 60 CD, Govt. Industrial Estate,  
Charkop, Kandivli (West), Mumbai - 400 067  
CIN No. – L24110MH1983PLC031395  
Website: www.rcvp.in**

**Notes :**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A proxy form is attached herewith.
- c. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- d. An Explanatory Statement under Section 102 of Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

- e. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, **September 24<sup>th</sup>, 2019** to Monday, **September 30<sup>th</sup>, 2019** (both days inclusive) for the purpose of Annual Book Closure.
- f. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.
- g. In case of Joint Holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
- h. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Universal Capital Securities Private Limited, Registrar and Share Transfer Agent of the Company.
- i. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready at the Meeting.
- j. Members holding shares in physical form are requested to notify any change in their address including pin code, bank mandate, etc. to the Company's Registrar and Transfer Agent, **M/s. Universal Capital Securities Private Limited**. Members holding shares in electronic form are requested to furnish details for change/ updation to their respective Depository Participant.
- k. Members holding shares in the dematerialize form are requested to register/update their e-mail address with the concerned Depository participant. Members holding shares in physical form are requested to register/update their e -mail address with the registrar and share transfer agents of the Company. Alternatively, Members may intimate the email address at **M/s. Universal Capital Securities Private Limited, Unit: Royal Cushion Vinyl Products Limited., 21, Shakhil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 101. Tel No. 022 28257641, 022 28207203.**
- l. Applicable listing fees for the financial year 2019-20 have been paid to BSE Ltd.
- m. Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, members whose ledger folios have incomplete details with respect to PAN and/or Bank particulars are mandatorily required to furnish these details to the Company/RTA for registration in the folio. The Company has sent separate communication to all the members whose aforesaid details were not updated. You are requested to kindly update your PAN and/or complete Bank details so that the investments held by you are in compliance with the aforementioned circular.
- n. **VOTING THROUGH ELECTRONIC MEANS (E-VOTING):**
  - 1. In accordance with applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended (the Rules), the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Ltd. (CDSL) on all resolutions set forth in this Notice.

2. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cut-off date September 23<sup>rd</sup>, 2019.
3. The voting period begins on Friday the 27<sup>th</sup> day of September, 2019 at 9.00 a.m. and will end on Sunday, the 29<sup>th</sup> day of September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
4. Mrs. Padma Loya, of M/s. Loya & Associates., Practicing Company Secretaries (Membership No:25349; COP No:14972) has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the remote e-voting process and voting cast by member through poll at Annual General Meeting in a fair and transparent manner.
5. Members may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
6. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
7. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on Friday, the 27<sup>th</sup> day of September, 2019 at 9.00 a.m. and will end on Sunday, the 29<sup>th</sup> day of September, 2019 at 5.00 p.m. (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) being 23<sup>rd</sup> September, 2019 may cast their vote electronically. The remote 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](http://www.evotingindia.com).
  - (iii) Click on Shareholders-Login
  - (iv) Now Enter your User ID and password.
    - 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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	<ul style="list-style-type: none"> <li>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 mentioned in address label as sr no affixed on Annual Report, in the PAN field.</li> <li>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.</li> </ul>
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. 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 for 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 only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for the relevant **Royal Cushion Vinyl Products 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 out print of the voting done by you by clicking on “Click here to print” option on the Voting page.



- (xvii) If Demat account holder has forgotten the same 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. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2019. 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](http://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](mailto: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](mailto: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 remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) In case of members receiving the physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- a) Please follow all steps from sl. no. [i] to sl. no. [xx] above, to cast vote.
  - b) Mrs. Padma Loya, of M/s. Loya and Associates., Practicing Company Secretaries(Membership No. 25349, COP No. 14972) has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the remote e-voting process and voting cast by member through poll at Annual General Meeting in a fair and transparent manner.
  - c) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (sent along with the Notice) so as to reach the Scrutinizer appointed by the Board of Director of the Company, Mrs. Padma Loya, of M/s. Loya and Associates., Practicing Company Secretaries, C/o. Universal Capital Securities Pvt. Ltd. Unit: Royal Cushion Vinyl Products Limited, 21, Shakil Niwas, Mahakali Caves Road, Andheri [East], Mumbai – 400 093, not later than Thursday, September 26, 2019 (5.00 p.m.).

A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

- (xxii) The results of remote e-voting shall be declared by the Chairman on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rcvp.in within three (3) days of passing of the resolution at the AGM of the Company and communicated to the stock exchanges.

### PROFILE OF DIRECTORS BEING APPOINTED/RE-APPOINTED

Pursuant to regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be appointed/reappointed are given below.

Particulars	Mr. Mahesh K. Shah	Mr. Jayesh A. Motasha	Mrs. Harsha Mukesh Shah	Mrs. Avani Jolly
<b>DIN</b>	00054351	00054236	08386011	08386003
<b>Date of Birth</b>	01/04/1950	09/08/1957	28/07/1957	16/12/1982
<b>Qualification &amp; Experience</b>	Master degree in Science (Organic Chemistry) and was a Rank holder from Mumbai University	Bcom Graduate from Mumbai University	BA in English Literature and Indian culture	Diploma in designing and Art
<b>Expertise in specific functional area</b>	He has a rich and versatile experience of 45 years. He was Ex-Chairman of PLEXCOUNCIL and Member in Managing Committee of PLASTINDIA FOUNDATION. He was also past president of PLASTINDIA FOUNDATION and APEX BODY OF Plastic Association.	He has a vast and varied experience in all functions of the Company including production, financial, commercial and allied areas.	She has vast and varied experience as entrepreneur in tour and travel management.	She has vast and varied experience in designing and development of art work.
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	---	----	---	---
<b>Directorship held in other companies</b>	No	He is Director in Royal Spinwell Private Limited	No	No
<b>Membership / Chairmanships of Committees of</b>	-	He is a Chairman in Stakeholder Relationship Committee and	She is the Member in Audit Committee,	She is a Chairperson of Audit Committee

<b>other India Companies</b>		Member in Audit Committee and Nomination and Remuneration Committee.	Nomination and Remuneration Committee and Stakeholder Relationship Committee	and, Nomination and Remuneration Committee and Member of Stakeholder Relationship Committee
<b>No. of Shares held in the Company as in 31st March, 2019</b>	39450	26800	Nil	Nil
<b>Date of appointment on the Board</b>	21/11/1983	21/11/1983	11/03/2019	11/03/2019
<b>Number of meetings of the Board attended during the financial year 2018-19</b>	8	7	1	1

### **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 3 of the accompanying Notice.

#### **Note : 3**

In line with the strategic directions outlined by the Board of Directors (“the Board”) of the Company, the Board at its meeting held on 29/08/2018 approved the sale of part of land and buildings at Garadhia Plant by way of sale/transfer/lease etc. as may be deem fit by the Board of Company to any prospective buyers which may be in interest of the Company.

Under the aforesaid circumstances, with an objective to improve the financial health and long term viability of the Company’s business by reduction of debt, pursuant to the recommendation of the audit committee, the board of directors at its meeting held on 29/08/2018 approved the sale / transfer / alter / mortgage / lease / dispose off part of existing land and building situated at survey no. 55, 68 and 37P at Garadia, Gujarat held by the Company (“Undertaking”), with or without underlying liabilities, contracts, permissions and consents, rights, registrations, in relation to the Undertaking, on an “as is where is” basis or in any other manner either in whole or in part to any prospective buyers) as may be determined by the Board for a consideration not less than Rs. 25 Crores (Rupees Twenty Five crores only) subject to certain adjustments in case of partial disposal, as agreed between the parties in terms of the definitive agreements as may be entered into between the Company and prospective buyer(s).

The Company has manufacturing facilities at Garadia spread over 69 acres of the land. Currently 9 acres of land is being used for manufacturing activities and storage of materials. Approx. 60 acres of

Land is available as surplus and vacant Building of 200000 sq ft. The sale / transfer / alter / mortgage / lease / dispose off will not have any adverse impact on the production of the Company

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company, only with the consent of the Company by as Special Resolution. As per explanation to section 180(1)(a) of the Companies Act, 2013 ("Act"), since the investment in land and buildings exceeds twenty percent of the net worth (being negative) of the Company during the previous financial year ended March 31<sup>st</sup>, 2019, consent of the members would be required by way of a Special Resolution to sale and transfer the said land and building.

The Board of Directors recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution.

None of the directors and/or key managerial personnel of the Company and/or their relatives are concerned or interested in these resolutions.

#### **Note no:4**

The Board of Directors of your Company has reappointed Mr. Mahesh K. Shah as the Managing Director for a period of three years with effect from 01 April, 2020, subject to the approval of Members of the Company at the 35<sup>th</sup> Annual General Meeting, and subject to all other applicable approvals.

He is a rank holder in M.Sc (Organics) from Mumbai University. He was also past President of PLASTINDIA FOUNDATION an APEX BODY of Plastic Association of India. He was also Managing Committee Member for 20 years for PLASTINDIA FOUNDATION and Ex- Chairman of PLEXCOUNCIL (PLASTIC EXPORT PROMOTION COUNCIL).

Your Company is in the process of reappointing Mr. Mahesh K. Shah to act as a Managing Director of the Company under section 196, 197 and 203 of the Companies Act, 2013.

The Nomination & Remuneration Committee at their meeting held on 14<sup>th</sup> August, 2019 and Board of Directors of the Company in their meeting held on 20<sup>th</sup> August, 2019 had approved (subject to the approvals of the Members of the said Company) the following terms and conditions or remuneration payable to Mr. Mahesh K. Shah for a period of three years w.e.f. 1<sup>st</sup> April, 2020.

Mr. Mahesh K. Shah be appointed as Managing Director of the Company with effect from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023. The Company shall pay to Mr. Mahesh K. Shah in consideration of the performance of his duties as Managing Director, the following Remuneration.

- a. Salary ` 75,000/- per month
- b. Other Perks Company will give other perk such as H.R.A, Reimbursement of Electricity, medical expenses, Leave travel allowances and Other perks to the extent of ` 50,000/- p.m
- c. Leave As per rules of the Company
- \*d. Gratuity As per rules of the Company
- \*e. Provision of for use on Company's business Cars & Telephones and telephones at residence. Personal long distance calls shall be billed by the Co to Mr. Mahesh K. Shah
- \*f. Provident fund Contribution to Provident Fund and Superannuation fund to the extent these singly or put together are not taxable under the Income Tax Act.
- g. Personal Accident For self and family Insurance

h. Minimum Notwithstanding the above where in any financial year during the currency of the term of office as Managing Director, the Company has made no profits or its profits are inadequate, the Company will pay the same remuneration as minimum remuneration by way of salary and other and perquisites to the extent of `1,25,000/- per month.

\* The perquisites shall be evaluated as per the actual cost or Income Tax Rules, as applicable.

\* Mr. Mahesh K. Shah as long as he functions as a Managing Director shall not be paid any seating fees for attending meetings of the Board of Directors or Committee thereof.

\* The Agreement shall be terminable at any time either party by giving 3 months' notice of such termination without assigning any reason and neither party will have any claim by reason of such termination. In any event the Managing Director shall not be entitled to any compensation in cases mentioned in Section 202 of the Companies Act, 2013

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

#### **Note : 5**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mrs. Harsha Mukesh Shah (DIN: 08386011) as an Additional Director of the Company and also Independent Director not liable to retire by rotation, for a term of 5 consecutive years from 11<sup>th</sup> March 2019 upto 10<sup>th</sup> March, 2024.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Harsha Mukesh Shah holds office of the Director upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as a Director. The Company has, in terms of section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director. Mrs. Harsha Mukesh Shah aged 62 years is BA in English Literature and Indian culture by profession.

She has varied years of experience as an entrepreneur in tour and travel management. She has a capacity of understanding person with a human touch and pro-actively solving the problems. The Company is currently incurring losses, in order to still keep motivating the employees; the Company is taking various initiatives for the motivations. Her experience will help in this.

She is not a Director in any of the Company and not holding any equity shares of the Company.

Mrs. Harsha Mukesh Shah is not debarred from holding the office of Director by virtue of any SEBI order or order by Competent authority.

The Company has received a declaration from Mrs. Harsha Mukesh Shah that she meets the criteria of Independence as prescribed under Listing Regulations.

In opinion of the Board, Mrs. Harsha Mukesh Shah fulfills the conditions specified under the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) of the listing Regulations for her appointment as Independent Director of the Company and is independent of the management.

In Compliance with the provisions of section 149, read with schedule IV of the Act and Regulation 17 of SEBI, Listing Regulations, the appointment of Mrs. Harsha Mukesh Shah as an Independent Director is now being placed before the Members for their approval.

Copy of the letter for appointment of Mrs. Harsha Mukesh Shah as an Independent Director setting out the terms and conditions of her appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on any working day.

Details of the number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Harsha Mukesh Shah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment Mrs. Harsha Mukesh Shah as Director/Independent Director for the approval by the shareholders of the Company.

Except Mrs. Harsha Mukesh Shah being an appointee herself and her relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

This explanatory statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India.

#### **Note :6**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mrs. Avani Jolly Pandit (DIN: 08386003) as an Additional Director of the Company and also Independent Director not liable to retire by rotation, for a term of 5 consecutive years from 11<sup>th</sup> March, 2019 upto 10<sup>th</sup> March, 2024.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Avani Jolly Pandit holds office of the Director upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as a Director. The Company has, in terms of section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director. Mrs. Avani Jolly Pandit aged 37 years is Diploma in Designing and Art by profession.

She has vast and varied experience in designing and development of art work. The Company engaged in manufacturing of floor covering which are of different designs and colors. Her reach experience of designing will help the company to develop new products with different designs as per market/customers' requirements.

She is not a Director in any of the Company and not holding any equity shares of the Company.

Mrs. Avani Jolly Pandit is not debarred from holding the office of Director by virtue of any SEBI order or order by Competent authority.

The Company has received a declaration from Mrs. Avani Jolly Pandit that she meets the criteria of Independence as prescribed under Listing Regulations.

In opinion of the Board, Mrs. Avani Jolly Pandit fulfills the conditions specified under the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) of the listing Regulations for her appointment as Independent Director of the Company and is independent of the management.

In Compliance with the provisions of section 149, read with schedule IV of the Act and Regulation 17 of SEBI, Listing Regulations, the appointment of Mrs. Harsha Mukesh Shah as an Independent Director is now being placed before the Members for their approval.

Copy of the letter for appointment of Mrs. Avani Jolly Pandit as an Independent Director setting out the terms and conditions of her appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on any working day.

Details of the number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Avani Jolly Pandit as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment Mrs. Avani Jolly Pandit as Director/ Independent Director for the approval by the shareholders of the Company.

Except Mrs. Avani Jolly Pandit being an appointee herself and her relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5

This explanatory statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India.

**Note No.7**

Your Company while carrying out business activities may enter into the transactions with related parties as defined under the provisions of Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) for which the approval of members at general meeting required to be taken if the value of transactions including the value of transactions already entered exceeds threshold limit prescribed under the Act and/or Regulations. For abundant precaution, the Company proposed to avail the consent of the shareholders for entering into the transactions with related parties as detailed mentioned below.

The brief terms and conditions and other particulars of the above transaction are as follows:

Name of Related Party	Natroyal Industries Private Limited
Name of the Director or Key Managerial Personnel who is related, if any	Mr. Mahesh K. Shah, Chairman and Managing Director Mr. Jayesh Motasha, Director

Nature of Relationship	1. The above-mentioned Directors and their relatives are members in Natroyal Industries Private Limited. 2. The relatives of Mr. Mahesh K. Shah is Director in Natroyal Industries Private Limited.					
Material terms of the contracts / arrangements / transactions (figures in lakhs)	s. in lakhs)					
	Year	Sales/ services	Purchase/ services	Reimbursement of Expenses incurred by NIPL	Reimbursement of expenses incurred by company	Lease Rent income
	2018-19 (Actual)	7328	6174	87	Nil	59
2019-20 (Proposed)	Maximum 9000	Maximum 7500	Maximum 200	Maximum 15	Maximum 150	
Monetary Value / Consideration	As mentioned above					
Other relevant information	N.A.					

Pursuant to the applicable provisions of the Companies Act, 2013 and the 23(4) of the SEBI (LODR) Regulations, Mr. Mahesh K. Shah, Chairman and Managing Director, Mr. Jayesh A. Motasha, Director and their relatives are deemed to be interested in the transaction to the extent of their shareholding since relative of Mr. Mahesh K. Shah is Director and all the Directors mentioned herein along with their relatives are members in Natroyal Industries Private Limited.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

Members are hereby informed that pursuant to the regulations 23(4) of SEBI (Listing Obligations and Disclosure Regulations) Regulations, 2015, all the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

The Board of Directors recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as an Ordinary Resolution.

**BY ORDER OF THE BOARD**  
**For Royal Cushion Vinyl Products Limited**



**Mahesh K. Shah**  
**Managing Director**  
**(DIN 00054351)**

Place: Mumbai  
Date: August 29<sup>th</sup>, 2019

**Registered Office :**



**Royal Cushion Vinyl Products Limited,  
SHLOK, 60 CD, Govt. Industrial Estate,  
Charkop, Kandivli (West), Mumbai 400 067.  
CIN No. – L24110MH1983PLC031395  
Website: [www.rcvp.in](http://www.rcvp.in)**