

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that an Extraordinary General Meeting (EGM) of the Members of SUPREME TEX MART LIMITED on the requisition of Mr. Sanjay Gupta and Mrs. Manju Gupta, who holds more than 10% share capital of the Company on the date of this notice, be and is hereby convened under Section 100 (4) of the Companies Act, 2013 read with Rule 17 of the Companies (Management and Administration) Rules 2014 to be held at Hotel Park Plaza, Ferozepur Road, Ludhiana, Punjab 141001 on Wednesday, the 16<sup>th</sup> day of August 2017, at 12.00 Noon to transact the following business:

### **SPECIAL BUSINESS:**

#### **1. TO REMOVE MR. AJAY GUPTA FROM THE OFFICE OF MANAGING DIRECTOR AND DIRECTOR OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, Mr. Ajay Gupta (DIN 00842248) be and is hereby removed from the office of Managing Director and Director of the Company with effect from the date of this meeting.”

#### **2. TO REMOVE MR. GAUTAM GUPTA FROM THE OFFICE OF JT. MANAGING DIRECTOR AND DIRECTOR OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, Mr. Gautam Gupta (DIN 02642545) be and is hereby removed from the office of Jt. Managing Director and Director of the Company with effect from the date of this meeting.”

#### **3. TO APPOINT MR. SANJAY GUPTA AS MANAGING DIRECTOR AND DIRECTOR OF THE COMPANY, WITHOUT REMUNERATION**

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, Mr. Sanjay Gupta (DIN 01140824), be and is hereby appointed as a Director of the Company, with effect from the date of this meeting, not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Sanjay Gupta as the whole time director of the company with effect from the date of this meeting, designated as “Managing Director” without remuneration for a period of 3 years, not liable to retire by rotation.”

#### **4. TO APPOINT MRS. MANJU GUPTA AS EXECUTIVE DIRECTOR AND DIRECTOR OF THE COMPANY, WITHOUT REMUNERATION**

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, Mrs. Manju Gupta (DIN 06505209), be and is hereby appointed as a Director of the Company, with effect from the date of this meeting, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to the appointment of Mrs. Manju Gupta as the whole time director of the company with effect from the date of this meeting, designated as “Executive Director” without remuneration for a period of 3 years, liable to retire by rotation.”

#### 5. TO APPOINT MS. ISHITA GUPTA AS DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, Ms. Ishita Gupta (DIN 06505205), be and is hereby appointed as a Director of the Company, with effect from the date of this meeting, liable to retire by rotation, without remuneration.”

#### REQUISITIONISTS

Place: Ludhiana	Sd/-	sd/-
Date: 5 <sup>th</sup> July 2017	(SANJAY GUPTA)	(MANJU GUPTA)
	House No. 445, Sant Nagar, Civil Lines, Ludhiana- 141001	

#### Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
2. Every member entitled to vote at the Extraordinary General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Extraordinary General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
3. Members desirous of seeking any information on the accounts or operations of the Company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
4. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of EGM venue. Members who hold shares in dematerialized form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting
5. Members holding shares in physical form can avail of the nomination facility by filing prescribed form under section 72 of the Companies Act, 2013 with the Company or its Registrar & Share Transfer Agents and in case of shares held in demat form, the nomination has to be lodged with their respective Depository Participants (DPs).
6. Members holding shares in physical form are requested to advise any change of address immediately to the Company's R T A, M/s Beetal Financial Computer Services Pvt. Ltd. Members holding shares in electronic form must send the advice about the change of address to their respective Depository

Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.

7. In order to service the Members effectively, members are requested to consolidate their holdings if the shares are held in the same name or in the same order of names but in several folios.
8. The equity shares of the Company have been notified for compulsory trading in demat form and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the Members are requested to avail this facility and get their shareholding converted into dematerialized form.
9. All Documents referred to in the accompanying notice and the Explanatory Statement is open for inspection at the registered office of the company on all working days between 10.00 A.M. and 12.00 Noon up to the date of the Extraordinary General Meeting. The Register of Directors shareholding shall be open for inspection during the period beginning 14 days before the General Meeting and ending 3 days after its conclusion.
10. The Ministry of Corporate Affairs (MCA) has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies. Your Company has decided to join the MCA in its environment friendly initiative. Henceforth, the Company proposes to send documents such as notice of General Meetings, Reports and other Communication to the members via electronic mode to their registered e-mail addresses. To support this green initiative of the Government in full measure, Members are requested to register/ update their e-mail addresses with their Depository Participants (D.P) in respect of the dematerialized holdings and the Members who hold shares in physical form are requested to send the details via email at [cs@seil.co.in](mailto:cs@seil.co.in) or [info@vccilindia.com](mailto:info@vccilindia.com) by quoting their registered folio numbers.
11. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e voting and hard copy of the ballot paper will be provided at the venue of the EGM for those members who have not exercised their e-voting.
12. E-Voting
  - a. Voting through electronic means: In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members facility to exercise their right to vote on Resolutions proposed to be considered at the Extraordinary General Meeting by electronic means known as remote e-voting. The Company also will be providing voting facility through polling paper at the Meeting and the members attending the Meeting who have not already cast their vote by remote e-voting may be able to exercise their voting right at the Extraordinary General Meeting. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 13<sup>th</sup> August, 2017 at 9.00 a.m. and ends on 15<sup>th</sup> August, 2017 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 (record date) of 09<sup>th</sup> August, 2017 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](http://www.evotingindia.com) during the voting period.
- (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](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: 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)
  - 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 in the PAN field.
  - 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.

• 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

- (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 EVSN for the relevant SUPREME TEX MART LIMITED which is 170720010 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. 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 e-voting, you may refer the Frequently Asked Questions ("FAQs") and 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).
  - b. The Company has appointed M/s Rajeev Bhambri & Associates, Company Secretaries, as the scrutinizer to scrutinize the e-voting process as well as the Ballot process at the Extraordinary General Meeting in a fair and transparent manner.
  - c. III. The Scrutinizer shall, immediately after the conclusion of voting at the EGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the Chairman, who shall declare the result of the voting forthwith.
  - d. The Results shall be declared on or after the Extraordinary General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Extraordinary General Meeting of the Company and communicated to the Stock Exchange(s). All

documents referred in the accompanying notice and the statement pursuant to section 102 (1) of the Companies Act, 2013, will be available for inspection at the registered office of the Company during business hours on all working days upto the date of this Extraordinary General Meeting of the Company.

- 13.** No Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed to this notice. **However the reasons for moving the resolutions in terms of Sub Rule 5 of Rule 17 of the Companies (Management and Administration) Rules, 2014 are attached separately for information of members to enable them to take conscious decision in the best interest of the Company.**

## ANNEXURE TO THE NOTICE

### Representations by Mr. Ajay Gupta, Managing Director and Mr. Gautam Gupta, Joint, Managing Director

Present distressed financial state of the Company is solely and exclusively due to the various acts of gross mismanagement committed by none other than Mr. Sanjay Gupta – the requisitioner in his capacity as the Managing Director of the Company. During his reign as Managing Director dragged Company into the web of borrowings of staggering amounts, and it was there after destined that the Company will not be able to sustain the said debt burden, and will eventually default. That the said fact was well within the knowledge of Mr. Sanjay Gupta, and foreseeing Company uncontrollably falling into the debt trap and subsequent default, conveniently sought to escape all responsibility/liability/answerability, and resigned from the Board of Directors of the Company, and from his position as Managing Director of the Company *w.e.f.* 19.04.2013. Mr. Sanjay Gupta at its helm as the Managing Director, took massive loans despite the cash accruals being almost stagnant.

It is Mr. Ajay Gupta who, along with Mr. Gautam, Gupta sought to step-in and repair the grave damage caused by Mr. Sanjay Gupta against the Company. The present directors, along with the other loyal and hard-working employees of the Company are working day and night to undo the damage caused by Mr. Sanjay Gupta, and bring the Company out of the present financial crisis.

The figures evincing the total borrowings of the Company from Financial Year (“FY”) ending 31.03.2011 to FY ending 31.03.2014 are produced in tabular form hereunder:

	<i>Year Ending 31.03.2011</i>	<i>Year Ending 31.03.2012</i>	<i>Year Ending 31.03.2013</i>	<i>Year Ending 31.03.2014</i>
Total Borrowing (Rs. in Cr.)	433.66	395.24	484.37	453.13
Deferred Tax Liability (Rs. in Cr.)	7.38	7.88	8.30	-1.25
Accumulated Deferred tax Liability (Rs. in Cr.)	15.43	23.30	31.60	30.35
Cash Accruals (Rs. in Cr.)	30.92	36.01	36.78	26.86

Infact, the liability on the part of repayment of loans per annum as detailed below was more than the existing Cash accruals.

<i>Year Ending 31.03.2011</i>	<i>Year Ending 31.03.2012</i>	<i>Year Ending 31.03.2013</i>	<i>Year Ending 31.03.2014</i>	<i>Year Ending 31.03.2015</i>	<i>Year Ending 31.03.2016</i>
19.76 (Rs. in Cr.)	34.62 (Rs. in Cr.)	38.56 (Rs. in Cr.)	39.40 (Rs. in Cr.)	41.96 (Rs. in Cr.)	41.96 (Rs. in Cr.)

It is blatantly clear that against the turnover approximating to Rs.8,94,00,000/-, the debt of Rs.4,84,00,000/-was availed, which was in no manner prudent or rational. That not only repayments, but other capital expenses also consume the cash accruals of the Company. When the cash accruals of the Company could not cover the repayment of loans and capital expenses, the working capital of the Company started depleting. That the same had direct impact on the margins and production/sale of goods by the Company. That the aforesaid chain of events which are solely attributable to the mismanagement committed by Mr. Sanjay Gupta resulted in the complete erosion of Net Worth of the Company.

In the present situations company is regular doing timely statutory compliances.

It is a fact duly admitted by the requisitioner that the present financial state of the Company is indeed bleak. In such a situation, it is of utmost necessity that funds be infused into the Company. However,

considering the present financial position of the Company, raising of funds through the Debt vehicles effectively impossible, and thus, it was decided in the *bona-fide* interest of the Company that funds shall be infused into the Company through equity, by preferential allotment of equity shares to the promoter/non-promoter groups, including the requisitioner herein. That the requisitioner have slyly sought to paint the said undeniable necessity of the Company as a proposed act of dilution of their shareholding, which in itself is factually incorrect.

Further, the averment of the requisitioner that the said proposed preferential share allotment will result in dilution of their shareholding below 10% of the total paid up capital of the Company. Even it happens, the fact remains that the company is in need of funds. If Requisitionist is so keen to keep his shareholding percentage, he can do by infusing funds in the company, but he not only refused to infuse funds rather requisitioner did violation of Insider Trading norms thereby making all the promoters ineligible to infuse funds into the company by taking part in preferential issue. This act of requisitioner denied the Company much needed funds.

Further, it is imperative to point out that the losses accrued in the Company are solely the result of the acts of grave mismanagement committed by Mr. Sanjay Gupta himself in the Company over the years. Mr. Sanjay Gupta at its helm as the Managing Director, took massive loans despite the cash accruals being almost stagnant. That Mr. Sanjay Gupta foresaw the irreversible damage of the said acts committed by him on the financial health of the Company, and thus, in a bid to escape all accountability/liability, resigned from the Board of Directors of the Company in 2013. The aforesaid acts of mismanagement led to a series of events which have culminated in the Company falling into the present financial crisis. However, Mr. Sanjay Gupta, in collusion with Mrs. Manju Gupta & Ms. Ishita Gupta are doing everything in their power to strangle the Company and prevent its recovery, That on perusal of the aforesaid revelations, the utterly *mala-fide* intentions and unclean hands of the requisitionists are blatantly clear.

## **EXPLANATION/JUSTIFICATION FOR MOVING PROPOSED RESOLUTIONS**

The members are hereby informed that Mr. Sanjay Gupta and Mrs. Manju Gupta had sent a requisition for convening the Extra Ordinary General Meeting of the company to protect company and shareholders worth from the mismanagement of the current management. The management of the company, even after the expiry of 45 days from the service of the said requisition has failed to convene the EGM. Now the requisitioner, as per the provisions of section 100 read with rule of the Companies (Management and Administration) Rules, 2014 is calling the meeting of shareholders on Wednesday, August 16, 2017 at 12.00 noon at Hotel Park Plaza, Ferozepur Road, Ludhiana, Punjab 141001.

### **1. Incompetency and financial irregularities by Mr. Ajay Gupta and Mr. Gautam Gupta**

Mr. Sanjay Gupta, proposed appointee as Director and Managing Director, was looking after the affairs of the Company effectively till March 2013. At that time, financial parameters of the Company was very impressive with cumulative reserves of Rs. 146.97 Crores as on 31<sup>st</sup> March 2013. All the accounts were regular and there were no statutory defaults.

Under the present management of Mr. Ajay Gupta and Mr. Gautam Gupta, due to continual losses, the reserves were negative at Rs. 220.59 crores as on 31<sup>st</sup> March 2016. Losses during the three financial years ended were Rs. 387.68 Crores (financial year ended 31<sup>st</sup> March 2014- Rs. 1.15 Crores, financial year ended 31<sup>st</sup> March 2015- Rs. (-) 209.99 Crores and financial year ended 31<sup>st</sup> March 2016- Rs. (-) 178.84 Crores). Further, there is loss of Rs. 43.38 crores in the financial year ended 31<sup>st</sup> March 2017 also.

Despite the heavy losses, Mr. Ajay Gupta and Mr. Gautam Gupta tend to approve their remuneration in the AGM held on 5<sup>th</sup> August 2015. However, in the absence of requisite compliances, the Central Government rejected their remuneration despite the shareholders' approval.

Present management is highly incompetent, inefficient and mismanaged the Company as a result of which the net worth of the Company is fully eroded and Institutions has also initiated recovery proceedings for their over dues.

Mr. Sanjay Gupta and Mrs. Manju Gupta (present requisitionists) had also filed a petition u/s 241-242 of the Companies Act, 2013 for oppression and mismanagement against Mr. Sanjay Gupta and Mr. Gautam Gupta.

### **2. Audit qualifications**

There were various audit qualifications regarding non-compliance of statutory provisions. Some of the serious audit qualifications/ observations are:

- Significant doubt on the Company's ability to continue as a going concern.
- Absence of adequate internal control system commensurate with the size of the company and the nature of its business
- Non-provision of interest on the accounts declared Non-performing Asset (NPA) by the banks
- The company have devalued its inventory of Rs. 7442 lacs to Rs. 2133 lacs i.e. Rs. 5309 lacs has been written off during the FY 2014-15.
- Bad debts of Rs. 91.09 lacs written off during the year and provision of Rs. 2786.41 lacs made during the financial year 2014-15.

This cast serious doubts on the capabilities and intentions of the present management to run the business on the Standard business practices.

### **3. Statutory defaults**

As per Audit report and audit qualifications for the financial year ended 31<sup>st</sup> March 2016, there were serious irregularities in statutory payments of Income Tax, Provident Fund and ESI. There were defaults in payment to banks and financial institutions also.

Inspite of the fact that the Company was referred to in BIFR on the basis of Audited financial for the financial year ended 31<sup>st</sup> March 2015, no serious efforts were made to revive the Company. Due to non-serious attitude of the present persons in charge namely Ajay Gupta and Gautam Gupta, banks had moved BIFR for initiating recovery proceedings.



#### **4. Erosion in the shareholders' and stakeholders' value**

Due to continuing losses, no dividend was declared for the last many years. Present market value of shares is appx Rs. 4/-. Shareholders and stakeholders value is substantially eroded due to continuing heavy losses.

#### **5. Long term viability**

Mr. Ajay Gupta and Mr. Gautam Gupta fraudulently attempt to do preferential allotment of shares to Promoters and Promoters in concert in complete defiance of the provisions of Companies Act and SEBI regulations for which detailed complaint has been filed with BSE, NSE and SEBI. Fearing loss of resolution, the present management intentionally cancelled/did not hold the EGM scheduled on 8.6.2017.

#### **6. Proposal for appointment of Mr. Sanjay Gupta, Mrs. Manju Gupta and Ms. Ishita Gupta**

Mr. Sanjay Gupta, aged about 54 years, has wide experience in business, Textiles in particular and was successfully running the Company since 2013. Ms. Ishita Gupta has done Master of Science in Business (Marketing) with distinction from the University of Warwick , UK and will be an asset to the Company. Mrs. Manju Gupta has done MA, English. Mrs. Manju Gupta is wife of Mr. Sanjay Gupta and Ms. Ishita Gupta is daughter of Mr. Sanjay Gupta. They together have intentions, competence, resources and capability to turnaround the Company. Together, they are the largest shareholder of the Company. They are seeking their appointment **without any remuneration**.

In view of best interest of the Company, it is proposed to remove Mr. Ajay Gupta and Mr. Gautam Gupta and appoint Mr. Sanjay Gupta, Mrs. Manju Gupta and Ms. Ishita Gupta.

**The requisite amount of nomination deposit, as prescribed under Section 160 of the Companies Act, 2013, along with the proposal for appointment of the aforesaid directors had already been deposited by the requisitionists with the company.**