



52nd ANNUAL REPORT 2013-2014

MODELLA WOOLLENS LIMITED

MODELLA WOOLLENS LIMITED



Board of Directors

Mr. V. K. Grover (Chairman & Managing Director)

Mr. B. K. Khemka

Mr. R. K. Chaudhary

Mrs. G. Grover

Registered Office :

4-C, Vulcan Insurance Building,
Veer Nariman Road,

Churchgate, Mumbai - 400 020.

Tel. : (022) 2204 7424 / 9879

Fax : (022) 2287 2620

E-mail : modella@vsnl.com

E-mail for investor

grievance.modella@hathway.com

BSE Ltd.

Code No. 503772

Demat ISIN in CDSL/NSDL

INE 380D01012

CIN L17120MH1961PLC012080

Bankers :

Union Bank of India

Solicitors :

Malvi Ranchoddas & Co.

Auditors :

Desai & Bhagtaney

Registrar & Share Transfer Agent :

Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate,
Ground Floor, Sitaram Mill Compound,
J. R. Boricha Marg, Lower Parel,
Mumbai - 400 011.

Tel.: 2301 6761/8261

E-mail : busicomp@vsnl.com

Website : www.busi-comp.com

NOTICE TO MEMBERS

NOTICE is hereby given that the 52nd Annual General Meeting of the Members of **MODELLA WOOLLENS LIMITED** will be held on Wednesday, the 24th day of September, 2014 at 12.00 noon at the Walchand Hirachand Hall, Indian Merchants' Chamber Building, 76 Veer Nariman Road, Churchgate, Mumbai-400 020 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Gopee Grover (DIN:00560162) who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint M/s. Desai & Bhagtaney, Chartered Accountants (FRN:115646W), Mumbai as Statutory Auditors of the Company, to hold office from the conclusion of 52nd Annual General Meeting until the conclusion of 55th Annual General Meeting subject to ratification by Members at every Annual General Meeting, at such remuneration as may be decided by the Board."

Special Business:

4. **To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Binod Kumar Shyamlal Khemka (DIN:00292252), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing in compliance with the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director to hold office for a term of five consecutive years w.e.f. 01.10.2014."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Rajendrakumar Ramcharan Chaudhary (DIN: 02916342), Director of the Company, who was appointed as a Director liable to retire by rotation under the provisions of the Companies, Act, 1956 and in respect of whom, the Company has received a notice in writing in compliance with the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director to hold office for a term of five consecutive years w.e.f. 01.10.2014"

6. **To consider and if thought fit, to pass with without modification(s), the following resolution as a Special Resolution.**

"RESOLVED THAT in supersession of Resolution passed u/s. 293(1)(d) of the Companies Act, 1956 at the AGM held on 31.07.2002 & pursuant to the provisions of Sections 180(1)(c), 180(2) and all other applicable provisions, if any, of the Companies Act, 2013, the approval of Members be and is

hereby accorded, to the Board or Committee of Directors to borrow such sum of money from time to time as may be required for the purpose of the Company's business, in excess of the aggregate of the paid up capital of the Company and its free reserves, that is to say reserve not set apart for any specific purpose, subject to the condition that such borrowings together with the money already borrowed (apart from temporary loans obtained by the Company from its bankers/ other entities in the ordinary course of business) shall not at any time exceed Rs.500 Lacs over and above the aggregate Paid up Capital of the Company and its Free Reserves."

Registered Office:

4C Vulcan Insurance Building,
Veer Nariman Road,
Mumbai- 400020

Place: Mumbai
Date: 28th April, 2014

**By Order of the Board of Directors
For MODELLA WOOLLENS LIMITED**

(V.K. Grover)
Chairman & Managing Director
(DIN: 00434129)

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER, IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED AND STAMPED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percentage of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies etc., must be supported by an appropriate resolution/ authority as applicable.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 16th September 2014 to Wednesday, 24th September 2014 (both days inclusive).
3. Explanatory Statement as required pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item Nos. 4 to 6 is annexed herewith.
4. The draft letter of appointment of proposed Independent Director shall be open for inspection at the registered office of the Company by any Member during the normal business hours.
5. Members may kindly note that the Company's share can now be held in de-materialised form with Central Depository Services Ltd.(CDSL) & National Securities Depository Limited(NSDL). The ISIN is 'INE380D01012'. The Company has appointed M/s. Purva Sharegistry India Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Ground Floor, Sitaram Mill Compound, J.R. Boricha Marg, Lower Parel, Mumbai-400 011 as the Registrar & Transfer Agent.
6. Members can avail of the Nomination facility by filling Form No. SH-13 pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 with the Company or its Registrar & Transfer Agent viz. M/s. Purva Sharegistry India Pvt. Ltd.
7. Members are requested to notify immediately change in their address, if any, to the Company and/or to its Registrar & Transfer Agent viz. M/s. Purva Sharegistry India Pvt. Ltd. or to respective Depository Participant in case of shares held in de-materialised form.

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8. Members desiring any information as regards the accounts & operations of the Company are requested to write to the Company at an early date so that the information sought can be made readily available at the meeting.

9. Pursuant to Circular No. 17/2011 dated 21-04-2011 and circular no. 18/2011 dated 29-04-2011. Issued by the Ministry of Corporate Affairs, Government of India, as a part of green initiative in the Corporate Governance, the Companies have permitted to send notices/documents to the members through email.

Accordingly, the Company proposes to send notices/documents like the Annual Report in electronic form to the members who would register their email address with the Depositories, the Register and Transfer Agent or the Company. The Members are requested to register their email addresses by sending their details to the Registrar and Transfer Agent, M/s. Purva Sharegistry India Pvt. Ltd., 9, Shiv Shakti Industrial Estate, Ground Floor, Sitaram Mill Compound, J.R. Boricha Marg, Lower Parel, Mumbai-400 011.

Service of notices/documents to the Members whose email addresses will not be registered with the depository or the Company or the Registrar and Transfer Agent will be effected by mode of service as provided under Section 20 of the Companies Act, 2013.

10. Members are requested to bring their copy of the Annual Report as the practice of distributing copies of the Annual Report at the place of meeting has been discontinued as an austerity measure.

11. Members/Proxies are requested to bring their admission slip, duly filled, while attending the meeting.

12. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to all Members of the Company to enable them to cast their votes electronically on the items/resolutions mentioned in this notice. The Company has availed e-voting services as provided by National Securities Depository Limited (NSDL).

The Company has appointed Mrs. Jayshree S. Joshi, Proprietress of M/s. Jayshree Dagli & Associates, Company Secretaries, Mumbai, as Scrutinizer for conducting the e-voting process in a fair and transparent manner. The instructions of e-voting are detailed hereunder:

A. Members whose Shareholding is in dematerialized form and whose email addresses are registered with the Company/Depository Participant(s) will receive an e-mail from NSDL informing the User-ID and Password.

- i. Open e-mail and open PDF file viz. Modella Notice with your Client ID or Folio No. as password. The said PDF file contains your user ID and Password for e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing following URL: <https://www.evoting.nsdl.com>
- iii. Click on "Shareholder Login".
- iv. Put User ID and Password as initial password noted in step (i) above and Click Login.
- v. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. We strongly recommend that you should not share your new password with any other persons and take utmost care to keep your password confidential.
- vi. Home page of "e-voting" opens. Click on – Voting – Active Voting Cycles.
- vii. Select "EVEN" (E -Voting Event Number) of Modella Woollens Limited .
- viii. Now you are ready for e-voting as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer on or before 20th September, 2014 (6.00 p.m) on e-mail id: jayshreedagli@gmail.com or suyashri@vsnl.com with a copy marked to e-voting@nsdl.com
- B. For Members holding shares in dematerialized form whose email IDs are not registered with the Company/Depository Participants, Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following instructions may be noted:
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (E Voting Event Number) USER ID PASSWORD
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- C. The e-voting period commences on Thursday, 18th September, 2014(9.00 a.m.) and ends on Saturday, 20th September, 2014(6.00 p.m.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- D. The voting rights of Members through electronic means shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company as on the cut-off date of 22nd August, 2014.
- E. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each of the folio/demat accounts.
- F. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- G. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website 'www.modellawoollens.com' and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- H. Poll will also be conducted at the Annual General Meeting and members who has not cast his/her vote through e-voting facility may attend the Annual General Meeting and cast his/her vote.

**By Order of the Board of Directors
For MODELLA WOOLLENS LIMITED**

Registered Office:
4C Vulcan Insurance Building,
Veer Nariman Road,
Mumbai- 400020

(V.K. Grover)
Chairman & Managing Director
(DIN: 00434129)

Place: Mumbai
Date: 28th April, 2014

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Mr. Binod Kumar Shyamlal Khemka (DIN:00292252) was appointed as a Non-Executive Director of the Company w. e. f. 31/07/2002. Mr. Binod Kumar Shyamlal Khemka retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956 and being eligible offers himself for re-appointment. The Company has also received a notice in compliance with the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company.

As per Section 149 of the Companies Act, 2013, the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and no independent director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

The Company has received a declaration from Mr. Binod Kumar Shyamlal Khemka that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.

He does not hold any shares in the Company.

Mr. Binod Kumar Shyamlal Khemka has a good exposure in the various fields of Industries.

In the opinion of the Board, Mr. Binod Kumar Shyamlal Khemka fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company. His knowledge and experience will be of immense benefit and value to the Company and he is independent of the management. The draft letter of appointment of Mr. Binod Kumar Shyamlal Khemka shall be open for inspection at the Registered Office of the Company by any Member during normal business hours.

The Board recommends passing of this Resolution by way of Ordinary Resolution.

Except Mr. Binod Kumar Shyamlal Khemka, being the appointee, none of the Promoters, Directors, Managers, Key Managerial Personnel, or their Relatives, either directly or indirectly is in any way concerned or interested, financially or otherwise, in the above Resolution.

Item No.5

Mr. Rajendrakumar Ramcharan Chaudhary (DIN: 02916342) was appointed as a Non-Executive Director of the Company w. e. f. 30/04/2010. Mr. Rajendrakumar Ramcharan Chaudhary, whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has also received a notice in compliance with the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company.

As per Section 149 of the Companies Act, 2013, the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and no independent director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

The Company has received a declaration from Mr. Rajendrakumar Ramcharan Chaudhary that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.

He does not hold any shares in the Company.

