

NOTICE is hereby given that the Thirty Third (33rd) Annual General Meeting of the members of DONEAR INDUSTRIES LIMITED will be held on Monday, 23rd September, 2019 at 11:30 am at Donear House, 9th Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093 to transact the following business:-

Ordinary business:

1. To receive, consider and adopt audited standalone financial statement of the Company for the financial year ended on 31st March, 2019 and the Reports of the Board of Directors and the Auditor's thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Anupkumar Singh (DIN: 07343361) who retires by rotation and being eligible offers himself for re-appointment.

Special Business:

4. Ratification of remuneration of Cost Auditors for the Financial Year ending 31st March, 2020.

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Ordinary Resolutions:**

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Y. R. Doshi & Co., Cost Accountant, Mumbai (Membership No. 3286) be and are hereby appointed as Cost Auditors of the Company for financial year ending 31st March, 2020 at a remuneration of Rs. 1,25,000/- (Rupees One lakh Twenty Five Thousand Only) plus taxes as applicable and out of pocket expenses as approved by the Board of Directors of the Company to conduct the Cost audit of the Companies Textile manufacturing unit at Surat and Silvassa.”

5. Re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Santkumar Agarwal (DIN: 00153607) who was appointed as an Independent Director of the Company for a term of five years by the members at the 28th Annual General Meeting held on 24th September, 2014, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a term of two consecutive years commencing from 10th August, 2019 to 9th August, 2021, not liable to retire by rotation.

6. Approval of Material Related Party Transactions.

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

RESOLVED THAT pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the members of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to ratify/ approve all existing contracts / arrangements /agreements entered into/to be entered by the Company with the Companies in which some of the Directors and their relatives are interested and hence related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the annual standalone turnover of the Company as per audited financial statements of F.Y. 2018-19; having the following details and as per the Explanatory Statement annexed hereto;

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms and conditions thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above resolutions.”

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

Item No. 4

Pursuant to Section 148 of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint a cost accountant in practice and fix the remuneration on the recommendations of the Audit Committee. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of directors and ratified by the shareholders.

The Board of Directors at its meeting held on 30th May, 2019 upon the recommendation of Audit Committee subject to approval of the members on the remuneration to be paid to the cost auditor, approved the appointment of M/s. Y. R. Doshi, Cost accountants, Mumbai for conducting cost audit of the Company's textile manufacturing units at Silvassa and Surat on a remuneration of Rs. 1,25,000/- (One Lakh Twenty Five Thousand only) plus reimbursement of actual out of pocket expenses incurred for the financial year ending 31st March, 2020.

The remuneration payable to cost auditors for the financial year ending 31st March, 2020 has to be ratified by the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at item No. 4 of the Notice.

Item No. 5:

Mr. Santkumar Agarwal (DIN: 00153607) was appointed as a Director on 22nd January, 2003. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 28th Annual General Meeting held on 24th September, 2014 approved the appointment of Mr. Santkumar Agarwal as an Independent Director of the Company for a period of 5 years.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Mr. Santkumar Agarwal (DIN: 00153607) that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company commencing from 10th August, 2019 to 9th August, 2021 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Santkumar Agarwal fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. Santkumar Agarwal, the Board of Directors at its meeting held on 10th August, 2019 approved the continuance of office of Mr. Santkumar Agarwal as mentioned in the resolution.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. Santkumar Agarwal, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Board recommends the resolution set-forth in Item No. 5 for approval of the members, by way of Special Resolution.

Item No. 6:

Pursuant to Section 188 of the Companies Act, 2013 (“the Act”), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm’s length basis.

However, pursuant to regulation 23(4) of SEBI LODR, 2015, approval of the shareholders through Ordinary Resolution is required for all ‘material’ related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm’s length basis. For this purpose, a RPT will be considered ‘material’ if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company.

During the Financial year 2018-19, the RPT may exceed 10% of the total turnover of the Company with the following and other parties in which some of the Directors and their relatives interested:

Sr. No.	Name of Party
1	Lotus Fabrics
2	Mercury Industries
3	Neptune Fabs
4	Venus Textiles
5	GBTL Limited
6	OCM Private Limited
7	R. AjayKumar Real Estate LLP

Since some of the above transactions are not fixed for any particular term, it is not possible for the Company to ascribe an explicit monetary value to such transactions. However, approval of the Audit Committee and/or Board, wherever required, shall be obtained in terms of the provisions of the Companies Act, 2013 and Listing Regulations.

The approval of the shareholders is being sought by way of an ordinary resolution for the proposed material related party transactions.

The contracts/ arrangements /transactions with the above entities are necessary in the ordinary course and have a significant role in the Company’s operations. Therefore, the Board of Directors commends the resolution as set out at item no. 6 for approval of shareholders as an Ordinary Resolution.

Except Mr. Rajendra Agarwal and Mr. Ajay Agarwal, none of the other directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at item No. 6 of the Notice.

By Order of the Board of Directors
For **Donear Industries Limited**

Poonam Barsaiyan
Company Secretary

Mumbai, 10th August, 2019

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. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.
2. The instrument appointing the proxy should be deposited with the Registered Office of the company not less than 48 hours before the commencement of the meeting.
3. Members are requested to intimate any change in their address to the Registrar and Transfer Agents of the Company at the following address:
LINK INTIME INDIA PVT LTD
C-101,247 PARK, L.B.S. MARG,
VIKHROLI (WEST), MUMBAI – 400 083
4. The Register of members and share Transfer Register will remain closed from 17th September, 2019 to 23rd September, 2019 (both days inclusive).
5. Dividend, if declared at the AGM will be paid on or after 27th September, 2019, in respect of shares held in physical form to those members whose names appear on the Register of Members of the Company as on close of business hours on 16th September, 2019 and in respect of shares held in electronic form to those 'Deemed Members' whose names appear in the statement of beneficial ownership furnished by the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd.(CDSL) as on that date.
6. Shareholders are requested to inform their Bank Account Numbers, Name and address of the Bank/Branch so that the same can be incorporated with their names in dividend warrants to avoid fraudulent encashment.
7. Members who hold shares in dematerialized form are requested to bring their ID & DPID numbers for easy identification of attendance at the meeting.
8. Shareholders seeking any information with regards to audited accounts are requested to write to the Company at least 10 days in advance so as to keep the information ready.
9. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. Members are requested to provide their e-mail address through SMS along with DP ID/Client Id to and ensure that the same is also updated with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
10. Members may note that the company has to transfer the dividends which remain unclaimed/unencashed over a period of 7 years to Investor Education and Protection Fund (IEPF) U/S 125 of the Companies Act, 2013. The details of dividend paid by the Company and respective due dates of transfer to the said Fund of the Central Governments, which remain unencashed, are as under:

Date of Declaration	Dividend for the year	Due date for transfer to the Government
22-09-2012	2011-2012	22 nd October, 2019
28-09-2013	2012-2013	28 th October, 2020
24-09-2014	2013-2014	24 th October, 2021
26-09-2015	2014-2015	26 th October, 2022
24-09-2016	2015-2016	24 th October, 2023
23-09-2017	2016-2017	23 rd October, 2024
29-09-2018	2017-2018	29 th October, 2025

Shareholders are advised to send the unencashed dividend warrants to the Registered Office of the company for revalidation and encash them before the due date for transfer to the Central Government.

In terms of the provisions of Section 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to Investor Education and Protection Fund and in compliance thereof the Company had transferred unclaimed dividend amount for the financial years upto 2010-2011 to the Investor Education and Protection Fund (IEPF) set up by the Central Government and now no claim in respect thereof lies either against the Company or the Fund. The unclaimed or unpaid dividend which have already been transferred or the shares which are transferred, if any, can be claimed back by the Members from IEPF Authority by following the procedure given on its website i.e. <http://iepf.gov.in/IEPFA/refund.html>.

As mandated by the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Company) Rules, 2013, the particulars of the shareholders whose dividend amounts have remained unpaid for the financial years 2011-2012 onwards are made available on website of the Company i.e. www.doneyar.com . The said details are also available on the portal of Investor Education and Protection Fund at www.iepf.gov.in. Shareholders who have not encashed dividend warrants for the aforesaid period are requested to write to the Company/ RTA to claim unpaid amounts.

11. Re-appointment of Director:

Details of Director seeking re-appointment at the forthcoming Annual General Meeting on 23rd September, 2019 (in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

- a) Mr. Anupkumar Singh retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment

Name of the Director	Mr. Anupkumar Singh
Date of Birth	02-02-1975
Date of appointment	24-09-2016
Nature of his expertise in specific functional areas	He has sound technical knowledge, defined new standards in the field of fabric manufacturing.
List of other listed entities companies in which directorships/ membership of Committee held	None
Disclosure of relationships between directors inter-se	Nil
Shareholding	Nil

- b) Re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company for the term commencing from 10th August, 2019 to 9th August, 2021:

Name of the Director	Mr. Santkumar Agarwal
Date of Birth	07-03-1943
Date of appointment	24-09-2014
Nature of his expertise in specific functional areas	Experience in Business, Finance and share broking
List of other listed entities companies in which directorships/ membership of Committee held	None
Disclosure of relationships between directors inter-se	None
Shareholding	13550

12. Voting through electronic means

In Compliance with the Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Donear Industries Limited ("the Company") is pleased to offer e-voting facility as an alternate to the postal ballot to all the shareholders of the Company. For this purpose, the Company has entered into an agreement with Right2Vote Infotech Private Limited (Right2Vote) for facilitating e-voting to enable the shareholders to cast their votes electronically instead of dispatching duly filled postal ballot forms. E-voting is optional.

In case of members receiving e-mail:

- i) Log on to the e-voting website <https://right2vote.in/login/>
- ii) Enter your registered email ID as User ID. Use the same email ID as registered with your Dmat account. You will get a separate invite mail on this ID from contact@right2vote.in
- iii) Press GET OTP. One Time Password (OTP) would be delivered on your registered email ID. Enter the OTP to log in. OTP is valid for 30 minutes.
- iv) Once you log in, you would see Donear Industries Limited poll listed there with the company logo. Click on > symbol to vote.
- v) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. The page will also display the number of shares you hold. Select the option YES or NO as desired. Fill the number of your shares against the option of your choice. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vi) After selecting the resolution you have decided to vote on, click on "DONE".
- vii) Once you press "DONE" your vote would be recorded, you will not be allowed to modify your vote.
- viii) You will get a receipt on your email. You can also take out print of the voting done by you by clicking on 'my vote record' on my 'poll invite page'. option on the Voting page.
- ix) In case you have any queries or issues regarding e-voting, you may write an email to contact@right2vote.in
- x) The voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on the cutoff date of 16th September, 2019.

In case of members receiving the Physical copy:

- a) Please follow all steps from sl. no. (i) to sr. no. (x) above to cast vote.
- b) The voting period begins on 20th September, 2019 at 09:00 a.m. and ends on 22nd 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 16th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by Right2Vote for voting thereafter.
- c) In case you have any queries or issues regarding e-voting, write an email to contact@right2vote.in or contact on +91 9920591306.
- d) The voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on the cutoff date i.e. 16th September, 2019.
- e) Mr. Yogesh Sharma, Practising Company Secretary (C.P.No. 12366) has been appointed as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- f) As the voting of the Members is through electronic means, the members who do not have access to e-voting, may requisite a Physical Ballot form from the Registered office of the Company. You are required to fill in the ballot form and enclose it in sealed envelope and send it the scrutinizer so as to reach the Scrutinizer not later than 22nd September, 2019 at 5.00 p.m. Ballot Form received after this date will be treated as invalid. The Scrutinizer's decision on the validity of the forms will be final. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- g) The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the e-voting period unlock the votes in the presence of atleast two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any, forthwith forward to the Chairman of the Company.
- h) The results declared along with the scrutinizers report shall be placed on the Company's website www.donear.com and on the website of Right2Vote (<https://right2vote.in/>) within 2 (two) days of passing of the resolutions.

By Order of the Board of Directors
For **Donear Industries Limited**

Poonam Barsaiyan
Company Secretary

Mumbai, 10th August, 2019

Registered Office:
Donear House, 8th floor,
Plot No. A-50, Road No. 1,
MIDC, Andheri (East),
Mumbai – 400 093