

Notice of 39th Annual General Meeting

Notice is hereby given that the 39th Annual General Meeting of the Members of Shaily Engineering Plastics Limited will be held at the registered office of the Company at Survey No. 364/366, Sankarda – Bhadarwa Road, At. & Po. Rania, Ta. Savli, Dist. Vadodara – 391 780, Gujarat, India, on Thursday, August 08, 2019 at 04:00 p.m., to transact the following business :

Ordinary Business :

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 31st March, 2019 including Balance Sheet as on 31st March, 2019, the Statement of Profit and Loss and the Cash Flow statement for the year ended on that date and the Report of Board of Directors and Auditors thereon.

Item No. 2 – Appointment of Mr. Amit Sanghvi as a director liable to retire by rotation

To appoint a Director, in place of Mr. Amit Sanghvi (DIN : 00022444), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

Item No. 3 – Remuneration to Cost Auditors

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 148 and the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable during the financial year 2019-20 to M/s Y. S. Thakar & Co., Practicing Cost Accountants, Vadodara, (Firm Registration No. 00318), appointed by the Board of Directors of the Company as Cost Auditors to conduct audit of the cost records of the Company for the Financial Year 2019-20, on such terms, conditions at a remuneration of ₹ 90,000/- p.a. plus out of pocket expenses incurred by them in connection with the aforesaid audit, as may be deemed fit, be and is hereby ratified and confirmed.

Resolved Further That the Key Managerial Personnel of the Company, be and are hereby severally authorized to take

necessary actions and complete the legal formalities related thereto.”

Item No. 4 – Appointment of Mr. Jiten Mathuria as a Non-Executive Independent Director

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

“**Resolved That** pursuant to the recommendation of the Nomination & Remuneration Committee of the Company and pursuant to the provisions of section 149, 152, 161 and other applicable provisions (including any modification or re-enactment thereof, if any), of the Companies Act, 2013 and rules made thereunder, read with Article 96 of the Articles of Association of the Company and Regulation 16 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for appointment of Mr. Jiten Prataprai Mathuria [DIN: 00297090], as a Non-Executive Independent Director on the Board of Directors of the Company with effect from May 18, 2019 for a period of five (5) years i.e. from May 18, 2019 to May 17, 2024, not liable to retire by rotation.

Resolved Further That the Key Managerial Personnel of the Company, be and are hereby severally authorised to take necessary actions and complete the legal formalities thereto.”

Item No. 5 – Appointment of Mr. Ranjit Singh as a Non-Executive Independent Director

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

“**Resolved That** pursuant to the recommendation of the Nomination & Remuneration Committee of the Company and pursuant to the provisions of section 149, 152, 161 and other applicable provisions (including any modification or re-enactment thereof, if any), of the Companies Act, 2013 and rules made thereunder, read with Article 96 of the Articles of Association of the Company and Regulation 16 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for appointment of Mr. Ranjit Singh [DIN:

01651357], as a Non-Executive Independent Director on the Board of Directors of the Company with effect from May 18, 2019 for a period of five (5) years i.e. from May 18, 2019 to May 17, 2024, not liable to retire by rotation.

Resolved Further That the Key Managerial Personnel of the Company, be and are hereby severally authorised to take necessary actions and complete the legal formalities thereto.”

Item No. 6 – Re-Appointment of Mr. Mahendra Sanghvi as an Executive Chairman

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

“**Resolved That** pursuant to recommendation of the Nomination & Remuneration Committee of the Company and pursuant to provisions of Section 196,197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) & re-enactment thereof for the time being in force], and other rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to approval of concerned authorities, if required, the consent of the members, be and is hereby accorded for re-appointment of Mr. Mahendra Sanghvi (DIN : 00084162) as an Executive Chairman for a period of 3(three) years from 01.04.2019 to 31.03.2022, on the remuneration and terms and conditions as detailed hereunder.

Term of Appointment: 3 years from 01.04.2019 to 31.03.2022, liable to retire by rotation.

Remuneration :

Basic Salary, Perquisites and other allowances / benefits at Rs. 10 lacs per month.

Perquisites and allowances:

- (a) Housing : House Rent Allowance, maintenance expense, society charges and like charges on actual basis as per the rules of the Company.
- (b) Leave Travel Concession for self and family as per the rules of the Company.

- (c) Medical Reimbursement : Medical Insurance and Personal Accident Insurance, as per rules of the Company.
- (d) Conveyance : As per rules of the Company.
- (e) Free Telephone facility at the residence as per rules of the Company.
- (f) Free facility of company owned car with driver as per rules of the Company.
- (g) Contribution to Provident Fund, Superannuation Fund/National Pension Scheme and Gratuity Fund shall be as per rules of the Company.
- (h) Leave : As per rules of the Company.
- (i) Other perquisites, allowances, benefits and amenities as per the service rules of the Company, as applicable from time to time.

Commission :

Mr. Mahendra Sanghvi is also entitled to be paid commission, in addition to salary, perquisites, allowances and others, calculated with reference to net profits of the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year or a part of the year, subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013.

Resolved Further That in event of absence or inadequacy of profits in any financial year during the tenure of Mr. Mahendra Sanghvi as an Executive Chairman, the remuneration specified above shall be paid and allowed to Mr. Mahendra Sanghvi, as minimum remuneration for such financial year.

Resolved Further That the Board of Directors, be and are hereby authorized to alter and vary the remuneration and terms and conditions of the said appointment to the extent, recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate, subject to the overall limits specified above in the resolution and the Companies Act, 2013, and as may be agreed to between the Board of Directors and Mr. Mahendra Sanghvi.

Resolved Further that the Key Managerial Personnel be and are hereby severally authorized to take necessary actions and complete the legal and administrative formalities thereto.”

Item No. 7 – Re-Appointment of Mr. Laxman Sanghvi as an Executive Director

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

“Resolved That pursuant to the recommendation of the Nomination & Remuneration Committee of the Company and pursuant to provisions of Section 196,197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modifications(s) & re-enactment thereof for the time being in force], and other rules made thereunder and Regulation 17 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to approval of concerned authorities, if required, the consent of the members, be and is hereby accorded for re-appointment of Mr. Laxman Sanghvi (DIN : 00022977) as an Executive Director for a period of 3(three) years from 01.04.2019 to 31.03.2022, on the remuneration and terms and conditions as detailed hereunder.

Term of Appointment : 3 years from 01.04.2019 to 31.03.2022, liable to retire by rotation.

Remuneration :

Basic Salary, Perquisites and other allowances / benefits at Rs. 5.5 lacs per month.

Perquisites and allowances:

- (a) Housing : House Rent Allowance, maintenance expense, society charges and like charges on actual basis as per the rules of the Company.
- (b) Leave Travel Concession for self and family as per the rules of the Company.
- (c) Medical Reimbursement : Medical Insurance and Personal Accident Insurance, as per rules of the Company.
- (d) Conveyance : As per rules of the Company.
- (e) Free Telephone facility at the residence as per rules of the Company.

- (f) Free facility of company owned car with driver as per rules of the Company.
- (g) Contribution to Provident Fund, Superannuation Fund/National Pension Scheme and Gratuity Fund shall be as per rules of the Company.
- (h) Leave : As per rules of the Company.
- (i) Other perquisites, allowances, benefits and amenities as per the service rules of the Company, as applicable from time to time.

Commission :

Mr. Laxman Sanghvi is also entitled to be paid commission, in addition to salary, perquisites, allowances and others, calculated with reference to net profits of the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year or a part of the year, subject to overall ceilings stipulated in Section 197 of the Companies Act, 2013.

Resolved Further That in event of absence or inadequacy of profits in any financial year during the tenure of Mr. Laxman Sanghvi as an Executive Director, the remuneration specified above shall be paid and allowed to Mr. Laxman Sanghvi, as minimum remuneration for such financial year.

Resolved Further That the Board of Directors, be and are hereby authorized to alter and vary the remuneration and terms and conditions of the said appointment to the extent, recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate, subject to the overall limits specified above in the resolution and the Companies Act, 2013, and as may be agreed to between the Board of Directors and Mr. Laxman Sanghvi.

Resolved Further that the Key Managerial Personnel of the Company, be and are hereby severally authorized to take necessary actions and complete the legal and administrative formalities thereto.”

Item No. 8 – Re-Appointment of Mr. Milin Mehta as a Non-Executive Independent Director

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

“Resolved That pursuant to the recommendation of the Nomination & Remuneration Committee of the Company

and pursuant to the provisions of Section 149, 150, 152, 178 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any, as amended from time to time, consent of the members, be and is hereby accorded to the re-appointment of Mr. Milin Mehta (DIN : 01297508) as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years effective from 08th November, 2019 till 07th November, 2024.

Resolved Further That the Key Managerial Personnel of the Company, be and are hereby severally authorised to complete all the legal and administrative formalities thereto."

Item No. 9 – Re-Appointment of Mr. Sarup Chowdhary as a Non-Executive Independent Director

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

"Resolved That pursuant to the recommendation of the Nomination & Remuneration Committee of the Company and pursuant to the provisions of Section 149, 150, 152, 178 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b), 17(1A) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, if any, as amended from time to time, consent of the members, be and is hereby accorded to the re-appointment of Mr. Sarup Chowdhary (DIN : 0004439) as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term of one year effective from the conclusion of the forthcoming 39th Annual General Meeting of the Company till the conclusion of 40th Annual General Meeting of the Company to be held in the calendar year 2020.

Resolved Further That the Key Managerial Personnel of the Company, be and are hereby severally authorised to complete all the legal and administrative formalities thereto."

Item No. 10 – Approval of Shaily Employee Stock Option Plan 2019

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

"Resolved That pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members' of the Company be and are hereby accorded to the introduction and implementation of '**Shaily Employee Stock Option Plan 2019**' ("**ESOP 2019**" / "**Plan**") authorizing the Board of Directors of the Company (*hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations*) to create, and grant from time to time, in one or more tranches, not exceeding 131,570 (One lac thirty one thousand five hundred and seventy) employee stock options to or for the benefit of such person(s) who are in permanent employment of the Company within the meaning of ESOP 2019, including any director, whether whole time or otherwise (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as may be decided under ESOP 2019, exercisable into not more than 131,570 (One lac thirty one thousand five hundred and seventy) equity shares of face value of Rs.10/- (Rupees Ten) each fully paid-up, where one employee stock option would convert in to one equity share upon exercise, on such terms and in such manner as the Board / Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2019".

Resolved Further That the equity shares so issued and allotted as mentioned hereinbefore shall rank *pari passu* with the then existing equity shares of the Company.”

Resolved Further That in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

Resolved Further That in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the ESOP 2019 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

Resolved Further That the Board be and is hereby authorised to take requisite steps for listing of the equity shares allotted under ESOP 2019 on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB Regulations and other applicable laws.

Resolved Further That the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2019.

Resolved Further That the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2019 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2019 and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum

and Articles of Association of the Company, SEBI SBEB Regulations and any other applicable laws in force.

Resolved Further That the Board and the Key Managerial Personnel, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint merchant Bankers, brokers, solicitors, registrars, compliance officer, investors service centre and other advisors, consultants or representatives, being incidental to the effective implementation and administration of ESOP 2019 as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.”

Registered Office : For and on behalf of the
Board of Directors

Survey 364/366,
At. & Po. Rania,
Tal. Savli, Dist.
Vadodara – 391780,
Gujarat

May 18, 2019

Mahendra Sanghvi
Executive Chairman

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. A proxy so appointed shall have no right to speak at the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent 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, provided such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

4. The Proxy form duly completed must be deposited at the Company's registered office not less than 48 hours before the time of commencement of the meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members/proxies/authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act'), and the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act, will be available for inspection by the members of the Company.
8. The Register of Members of the Company will remain closed from Monday, August 05, 2019 to Thursday, August 08, 2019 (both days inclusive), for the purpose of 39th Annual General Meeting for the financial year ended 31st March, 2019.
9. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s) We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
10. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting.
11. All the work related to share registry in terms of both – physical & electronic, are being carried out by the Company's RTA – M/s Bigshare Services Pvt. Ltd. – 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059 Tel No. 022-6263 8200. Email : investors@bigshareonline.com. The shareholders are requested to send their communication to the aforesaid address, quoting their Folio No/DP ID no and name of Company.
12. We urge the members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.
13. The Company has designated an exclusive email id : investors@shaily.com for redressal of shareholders/investors grievance. In case you have any queries, complaints or grievances, then please write to us at the above - mentioned email address.
14. Voting Process and Declaration of Results:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The Company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through poll paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The 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 Chairman of the Company will declare the voting results based on the scrutiniser's report received on e-voting and voting at the meeting. The voting results along with scrutiniser's report will be displayed on the:

 - (a) Notice Board of the Company at its Registered Office.
 - (b) Company's website – www.shaily.com
 - (c) CDSL website – www.evotingindia.com and
 - (d) Stock Exchange website – www.bseindia.com
- A. The 'Step by Step' procedure and instructions for casting your vote electronically are as under :
 - i. The e-voting period begins on Monday, August 05, 2019 (9:00 a.m.) and end on Wednesday, August 07, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as at the cut-off date of Saturday, August 04, 2019, may cast their vote electronically. Any person, who acquires shares of the

Company and becomes member of the Company after dispatch of the notice and holding shares as on cut-off date, may obtain the login Id and password by sending request at helpdesk.evoting@cdslindia.com. The e-voting module shall be disabled by CDSL for voting after Wednesday, August 07, 2019 (5:00 p.m.).

- ii. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- iii. Next click on “Shareholders” tab to cast your votes.
- iv. Now Enter your User ID
For CDSL : 16 digits beneficiary ID
For NSDL : 8 Character DP ID followed by 8 Digits Client ID

Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first-time user, follow the steps below :

PAN	<p>Enter your 10 digits alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)</p> <p>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. The Sequence Number is printed on address label/sticker affixed on the back page of the Annual Report.</p> <p>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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB#	Enter the date of birth as recorded in your demat account or in the Company records for the said demat account or folio in

	dd/mm/yyyy format.
Dividend Bank Details#	Enter your dividend bank details as recorded in your demat account or in the Company records for the said demat account or folio.

- # please enter DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the member id/folio no. 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 reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can be used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that such 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. Click on the EVSN for the relevant Company “SHAILY ENGINEERING PLASTICS LIMITED” on which you choose to vote.
- xi. 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.
- xii. Click on “Resolutions File Link”, if you wish to view the entire resolution(s).
- xiii. 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.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. If a DEMAT account holder has forgotten the same changed password then ‘Enter’ the User ID and the

image verification code and click on Forgot Password & enter the details as prompted by the system.

For and on behalf of the
Board of Directors

xvi. 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Survey 364/366,
At. & Po. Rania,
Tal. Savli, Dist.
Vadodara – 391780,
Gujarat

May 18, 2019

Mahendra Sanghvi
Executive Chairman

xvii. 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 <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system and on approval of the accounts, they would be able to cast their vote.

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

xix. M/s Samdani Shah & Kabra, Company Secretaries, Vadodara, has been appointed as the Scrutiniser for conducting the e-voting process.

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 3 Remuneration to Cost Auditors

In accordance with the provisions of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost records audited from a qualified Cost Accountant. The Board of Directors of the Company, on the recommendation of Audit Committee, at their respective meetings held on 18th May, 2019, approved the appointment and remuneration of M/s Y.S. Thakar & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2019-20.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2019-20 as set out in the resolution for aforesaid services to be rendered by him.

The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 5 of this Notice.

Item No. 4

Appointment of Mr. Jiten Mathuria as Non-Executive Independent Director

Pursuant to the recommendation of the Nomination & Remuneration, the Board of Directors in its meeting held on May 18, 2019, subject to approval of shareholders, have appointed Mr. Jiten Mathuria (DIN

: 00297090) as a Non-Executive Independent Director, for a period of five (5) years, effective from 18th May, 2019.

Mr. Jiten Mathuria, aged 45 years, a Mechanical Engineer, is the Promoter & Director of J P Polymers Private Limited, Mumbai, one of the largest distributor in Engineering & Specialty Polymers in India. He is a well-known face in the Plastics Industry. A self-made man, he started from scratch and has created a niche name for himself in the engineering polymers business. His core strengths are entrepreneurial skills, in-depth knowledge of Polymer Market, implementation of corporate growth strategy and a passion for driving business success.

He has over a decade experience in Business Management in Indian and International markets.

The management is confident that with the wide business background and an in-depth understanding of the Polymer market, Mr. Jiten Mathuria will be a valuable asset to Shaily's Board and will contribute to Shaily's future outlook and aggressive growth targets.

Mr. Jiten Mathuria has given his consent to act as a Director and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from Mr. Jiten Mathuria that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Jiten Mathuria fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Mr. Jiten Mathuria is Independent of the Management and possesses appropriate skills, experience and knowledge.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Jiten Mathuria is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Jiten Mathuria as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

None of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any

way, concerned or interested, financially or otherwise, in this resolution.

Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of Annexure – A to this notice.

The Board believes that the presence of Mr. Jiten Mathuria on the Board is desirable and would be beneficial to the company and hence recommends resolution No. 4 to be passed as an Ordinary Resolution.

Item No. 5

Appointment of Mr. Ranjit Singh as a Non-Executive Independent Director

Pursuant to the recommendation of the Nomination & Remuneration, the Board of Directors in its meeting held on May 18, 2019, subject to approval of shareholders, have appointed Mr. Ranjit Singh (DIN : 01651357) as a Non-Executive Independent Director, for a period of five (5) years, effective from 18th May, 2019.

Mr. Ranjit Singh, aged 61 years is a Mechanical Engineer (BE) from BITS Pilani and a Management Graduate from IIM Ahmedabad.

Career Profile :

Member, Board of Directors - Polyplex Corporation Limited (www.polyplex.com)

Member, Board of Governors, IIM Jammu (www.iimj.ac.in)

Founder – Aspirelabs Accelerator, Reimagine Plastic (www.aspirelabs.com)

Director & Mentor – Legistify (www.legistify.com)

Advisor – Crest Composites and Plastics

Former MD – Kalpataru Power Transmission Ltd

Mr. Ranjit Singh has over 30 years of experience in Industrial Management in Indian, International and Multicultural business environment. His core strengths include Corporate Growth and Turnaround Strategy and its implementation. He worked as Managing Director, Kalpataru Power Transmission (an Infrastructure Company) and Global COO & Board member of Polyplex Corporation Limited (4th Largest Polyester Film manufacturer in World). As a transformational leader he was significantly responsible for globalization and profitable growth of

the companies that he led. At present he is also a member of Board of Governors of IIM Jammu). Ranjit is based in Delhi and is deeply involved in the Start-up ecosystem and Strategy advisory space.

Mr. Ranjit Singh has given his consent to act as a Director and is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Ranjit Singh that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Ranjit Singh fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Mr. Ranjit Singh is Independent of the Management and possesses appropriate skills, experience and knowledge.

The management is confident that with the wide business background and an in-depth understanding of the Polymer market, Mr. Jiten Mathuria will be a valuable asset to Shaily's Board and will contribute to Shaily's future outlook and aggressive growth targets.

Keeping in view his vast expertise and knowledge, the management is confident that Mr. Ranjit Singh will be a valuable asset to Shaily's Board and will contribute to Shaily's future outlook and aggressive growth targets and so it will be in the interest of the Company that Mr. Ranjit Singh is appointed as a Non-Executive Independent Director of the Company. Copy of the draft letter for appointment of Mr. Ranjit Singh as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

None of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of Annexure – A to this notice.

The Board believes that the presence of Mr. Ranjit Singh on the Board is desirable and would be beneficial to the company and hence recommend

resolution No. 5 to be passed as an Ordinary Resolution.

Item No. 6

Re-Appointment of Mr. Mahendra Sanghvi as an Executive Chairman

Mr. Mahendra Sanghvi, aged 71 years, is the Promoter and Executive Chairman of the Company. He is a Chemical Engineer from Wayne State University, USA, Plastics Technologist and has studied his Diploma MBA from Toronto University, Canada.

Mr. Mahendra Sanghvi, has a rich and varied experience in the Plastics Industry and has been involved in the operations of the Company for over a long period of time. Shaily was established under his able hands and the Company, under his guidance, management and leadership, has not only achieved remarkable growth but also bagged prestigious awards for the Company, including the TOP exporter awards.

Serving as Independent Director on Boards of reputed Companies, he also serves a member of the Executive Committee of the Organization of Plastic Processors of India and the Export Promotion Council (PLEX Council) and worked as the Co-chairman of Overseas Plastindia Foundation. He is a well-known face in the Plastics Industry. His guidance and continued services in the Company, will lead the organization to scale new heights.

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board had in its meeting held on May 18, 2019, approved re-appointment of Mr. Mahendra Sanghvi as an Executive Chairman for a period of 3(three) years, effective from 01.04.2019 to 31.03.2022, on the terms and conditions as set out in the resolution, subject to approvals of the shareholders and such other approvals and sanctions as may be required.

The Board considers the knowledge, experience and expertise of Mr. Mahendra Sanghvi in the field of Plastics Business and is of the opinion that appointment of Mr. Mahendra Sanghvi as an Executive Chairman shall be of immense benefit to the Company. The Board recommends Resolution No. 7 for approval by the Members by way of special resolution.

The details of Mr. Mahendra Sanghvi as required under the provisions of Regulation 36(3) of the SEBI (Listing

obligations and Disclosure Requirements) Regulations, 2015, and Schedule V of the Companies Act, 2013 and other applicable provisions are provided in Annexure – A & B to this Notice.

None of the Directors, Key Managerial Personnel and relatives thereof other than Ms. Tilottama Sanghvi, Mr. Laxman Sanghvi and Mr. Amit Sanghvi, and their relatives, has any concern or interest, financial or otherwise, in the resolution at Item No. 6 of this resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7

Re-Appointment of Mr. Laxman Sanghvi as an Executive Director

Mr. Laxman Sanghvi is the Promoter and Executive Director of the Company. He is a qualified Chartered Accountant as well as a Law graduate. Prior to setting up Shaily Engineering Plastics Limited, he had his own Independent Chartered Accountancy Practice. He was the President of Panchmahals Industries Association. At Shaily, he looks after the Purchase and Projects.

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board had in its meeting held on May 18, 2019, approved re-appointment of Mr. Mahendra Sanghvi as an Executive Chairman for a period of 3(three) years, effective from 01.04.2019 to 31.03.2022, on the terms and conditions as set out in the resolution, subject to approvals of the shareholders and such other approvals and sanctions as may be required.

Regulation 17 of the SEBI Listing Regulations, 2015, requires that if the remuneration paid to all executive directors, exceeds five percent of the net profit of the Company, shall require approval of shareholders by way of special resolution.

The Board considers the knowledge, experience and expertise of Mr. Laxman Sanghvi in the field of Plastics business and is of the opinion that appointment of Mr. Laxman Sanghvi as an Executive Director shall be of immense benefit to the Company. The Board recommends Resolution No. 7 for approval by the Members.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Mahendra Sanghvi and their relatives, has any concern or interest, financial or otherwise, in the resolution at Item No. 7 of this resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Shareholders.

Item No. 8

Re-Appointment of Mr. Milin Mehta as a Non-Executive Independent Director

Mr. Milin Mehta was appointed as an Independent Director of the Company at the 35th Annual General Meeting of the Company, for a period of five years from 08th November, 2014. The term of his office expires on the 07th November, 2019.

Mr. Milin Mehta is a Chartered Accountant and is a senior partner of M/s. K. C. Mehta & Co. Chartered Accountants, Baroda for about four decades. He is a fellow member of the Institute of Chartered Accountants of India. He is also a Law Graduate and has obtained a Master's Degree in Commerce. After becoming Chartered Accountant at a very young age of 21 years, he involved himself in the professional practice and also various social and professional activities. With exceptionally bright academic record, he has secured rank in the merit list in the examination of the Institute of Chartered Accountants of India and also secured Gold Medal in the M. Com. Examination of the M.S. University of Baroda. In the professional practice he is mainly engaged in the area of providing consultancy to various corporate and non-corporate bodies in the area of strategy, taxation (domestic and international) and Mergers, Acquisitions, Joint Ventures, etc. He has been strategic advisors to several industrial groups, especially the groups which have multi-country operations.

Mr. Milin Mehta has also been invited as special representative of the Institute of Chartered Accountants of India for making representation before the Central Board of Direct Taxes / Standing Committee of the Parliament on formation of new Direct Tax Code. Mr. Milin Mehta was also a member of the Committee set up by the Central Board of Direct Taxes for framing "Tax Accounting Standards". He has held the position of Treasurer and Vice

Chairman of the Western India Regional Council of the Institute of Chartered Accountants of India covering Gujarat, Maharashtra and Goa. He has contributed a large number of papers in various seminars and conferences organized by professional organizations all throughout the country and have also contributed articles in reputed Professional Journals and Magazines. Mr. Milin Mehta has been invited very often to take lectures in educational seminars for the Members of Income Tax Appellate Tribunal, Commissioners of Income Tax, Income Tax Officials of different ranks. He has also co-authored a book on "Minimum Alternate Tax" published by the Bombay Chartered Accountants' Society. He is also active in social service and is past President of the Baroda Lions Club Education Trust, which manages Baroda High Schools in the city of Baroda having about 11,000 children studying in its 4 campuses. He was a Government Nominated member of the Senate and Syndicate of the prestigious M. S. University of Baroda having about 40,000 students on its roll.

Section 149 of the Companies Act, 2013 prescribes that an Independent Director can be appointed for a second term of consecutive five years, by way of approval of members by special resolution.

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors, subject to approval of the shareholders, had in its meeting held on May 18, 2019, re-appointed Mr. Milin Mehta as a Non-Executive Independent Director for a second consecutive term of five years from 08th November, 2019.

Mr. Milin Mehta has given his consent to act as Director and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from Mr. Milin Mehta that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Milin Mehta fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations, 2015. Mr. Milin Mehta is independent of the management and possesses appropriate skills, experience and knowledge.

He is associated with the Company from the past five years and has made valuable contribution to the Company's growth story. Keeping in view his vast

expertise and knowledge, it will be in the interest of the Company that Mr. Milin Mehta is re-appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Milin Mehta as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. This Statement may also be regarded as a disclosure under SEBI Listing Regulations, 2015 of the Listing Agreement with the Stock Exchanges.

None of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of Annexure – A to this notice.

The Board feels that presence of Mr. Milin Mehta on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 8 to be passed as a Special Resolution.

Item No. 9

Re-Appointment of Mr. Sarup Chowdhary as a Non-Executive Independent Director

Mr. Sarup Chowdhary was appointed as an Independent Director at the 34th Annual General Meeting of the Company for a period of five years. The term of his office is due to expire at the conclusion of this ensuing 39th AGM of the Company.

Mr. Sarup Chowdhary, aged 74 years, a B.Tech from IIT Delhi has over five decades of professional and leadership experience in petrochemicals, engineering plastics, telecom/broadband & retail. He has worked with large corporates as a Board member and CEO positions at IPCL, GE Plastics, Reliance Industries. His areas of strength include strong advisory on sales & marketing strategies, business development and growth management, strategic & operational planning. He is a certified six sigma green belt.

He has held memberships/chairmanship of various Government & professional committees and sub-committees viz., member at National Committee on Plastics in Agriculture, Chairman of the sub-committee on supply & demand for Petrochemicals of Rakesh

Mohan Committee, Chairman Bureau of Indian Standards – Sectional Committee of Plastics, Chairman – National Executive Council, PlastIndia 2000.

His association with Shaily Engineering Plastics Limited has remained very fruitful, given his vast experience and knowledge and he has always guided Shaily to channel its growth story.

Section 149 of the Companies Act, 2013 prescribes that an Independent Director can be appointed for a second term of consecutive five years, by way of approval of members by special resolution.

Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors, subject to the approval of the shareholders, had in its meeting dated May 18, 2019, re-appointed Mr. Sarup Chowdhary as a Non-Executive Independent Director for a second term of one year from the conclusion of 39th AGM of the Company till the conclusion of the 40th AGM of the Company to held in the calendar year 2020.

Mr. Sarup Chowdhary has given his consent to act as Director and is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Company has received a declaration from Mr. Sarup Chowdhary that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Sarup Chowdhary fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations, 2015. Mr. Sarup Chowdhary is independent of the management and possesses appropriate skills, experience and knowledge.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Sarup Chowdhary is re-appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Sarup Chowdhary as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. This Statement may also be regarded as a disclosure under SEBI Listing Regulations, 2015 of the Listing Agreement with the Stock Exchanges.

None of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of Annexure – A to this notice.

The Board commends the Special Resolutions set out at Item No. 9 of the Notice for approval by the Shareholders.

Item No. 10

Approval of Shaily Employee Stock Option Plan 2019

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock-based compensation scheme. Your Company believes that equity-based compensation plans are an effective tool to reward the talents working with your the Company. With a view to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents, and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option plan namely 'Shaily Employee Stock Option Plan 2019' ("ESOP 2019"/ "Plan") seeking to cover eligible employees of the Company.

Accordingly, the Nomination and Remuneration Committee of the Directors ("Committee") and the Board of Directors of the Company at their respective meetings held on May 18, 2019 have approved the introduction of ESOP 2019, subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), the Company seeks your approval as regards implementation of the Plan and grant of options thereunder to the eligible employees of the Company as decided from time to time as per provisions of the Plan read with provisions of SEBI SBEB Regulations.

The main features of the ESOP 2019 are as under:

A. Brief Description of the Plan:

Keeping view the aforesaid objectives, the ESOP 2019 contemplates grant of options to the eligible employees of the Company. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOP 2019. All questions of interpretation of the ESOP 2019 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2019.

B. Total number of options to be granted:

The total number of options to be granted under the ESOP 2019 shall not exceed 1,31,570 (One Lakh Thirty One Thousand Five Hundred and Seventy) . Each option when exercised would be converted in to one equity share of Rs.10/-(Rupees Ten) each fully paid-up.

Further, SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under the ESOP 2019 remain the same after any such corporate action. Accordingly, if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 1,31,570 (One Lakh Thirty One Thousand Five Hundred and Seventy) , shall be deemed to be increased to the extent of such additional options issued.

C. Identification of classes of employees entitled to participate in the ESOP 2019:

All permanent employees and Directors (hereinafter referred to as “Employees”) of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- a. a permanent employee of the Company who has been working in India or outside India;
- b. a director of the Company, whether a whole-time director or not but excluding an independent director.

but does not include—

- (i) an employee who is a Promoter or belongs to the Promoter Group; and
- (ii) a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

D. Requirements of Vesting and period of Vesting:

All the options granted on any date shall vest not earlier than minimum period of 1 (One) year and not later than a maximum period of 4 (Four) years from the date of grant of options as may be determined by the Committee. The Committee may extend, shorten or otherwise vary the vesting period from time to time subject to these minimum and maximum vesting period.

The vesting dates in respect of the options granted under the ESOP 2019 shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

E. Maximum period within which the options shall be vested:

All the options granted on any date shall vest not later than a maximum of 4 (Four) years from the date of grant of options as stated above.

F. Exercise price or pricing formula:

The Exercise Price shall be determined by the Committee at its sole discretion which shall not be less

than the face value of the Share as on date of Grant of such Option.

G. Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion 4 (Four) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the option grantees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.

H. Appraisal process for determining the eligibility of employees under the ESOP 2019:

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous year(s), contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

I. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted to any specific employee of the Company per employee under the ESOP 2019 shall not exceed 0.90% of the issued and paid up capital of the Company.

The maximum number of options which can be granted in aggregate under ESOP 2019 shall be 131,570 (One lakh thirty one thousand five hundred seventy).

The total number of Options granted under the ESOP 2019 per employee shall in no event be equal to or more than 1% of the issued and paid-up equity share capital of the Company at the time of grant.

J. Maximum quantum of benefits to be provided per employee under the ESOP 2019:

Apart from grant of options as stated above, no monetary benefits are contemplated under the ESOP 2019.

K. Route of ESOP 2019 implementation:

The ESOP 2019 shall be implemented and administered directly by the Company.

L. Source of acquisition of shares under ESOP 2019:

The ESOP 2019 contemplates issue of fresh/ primary shares by the Company.

M. Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc :

This is currently not contemplated under the present ESOP 2019.

N. Maximum percentage of secondary acquisition:

This is not relevant under the present ESOP 2019.

O. Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

P. Method of option valuation:

The Company shall adopt 'fair value method' for valuation of options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

Q. Declaration:

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the

difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the ESOP 2019 is available for inspection at the Company's registered office / corporate office during official hours on all working days till the date of the 39th Annual General Meeting / Extra ordinary general meeting.

None of the Directors, Key managerial personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted options under the ESOP 2019.

Registered Office:

Survey 364/366,
At. & Po. Rania,
Tal. Savli, Dist.
Vadodara – 391780,
Gujarat

For and on behalf of the
Board of Directors

May 18, 2019

Mahendra Sanghvi
Executive Chairman

Annexure – A

Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under :

A. Executive Directors - Reappointment

Name of Director	Mr. Mahendra Sanghvi	Mr. Laxman Sanghvi
Age	71 years	62 years
Qualification	B.E. (Chem), Diploma in Plastics Engineering, B.Sc. (Chem), Diploma in Business Studies	MCom, LLB, ACA
Nature of Expertise in specific functional area	Plastics Technologist/Rich Business Experience	Projects, Purchase, Rich business Experience
Date of first appointment on to the Board	09.03.1995	09.03.1995
Relationship with Directors inter-se	Ms. Tilottama Sanghvi – Spouse	Mr. Mahendra Sanghvi - Brother
	Mr. Amit Sanghvi – Son	
	Mr. Laxman Sanghvi – Brother	
Directorship in other public companies as on 31 st March, 2019	1. Integra Engineering India Limited	Nil
	2. Munjal Auto Industries Limited	
Chairmanship/ Membership of Committees of the Board	Shaily Engineering Plastics Limited Member of Nomination & Remuneration Committee	Shaily Engineering Plastics Limited Member of the Corporate Social Responsibility Committee
	Integra Engineering India Limited Member of Audit Committee	
	Chairman of Stakeholders Relationship Committee	
	Munjal Auto Industries Limited Member of Audit Committee and Stakeholders Relationship Committee	

B. Non-Executive Independent Directors – Re-appointment

Name of Director	Mr. Milin Mehta	Mr. Sarup Chowdhary
Age	54 years	74 years
Qualification	M.com, LLB, FCA	B.Tech (Chemical) from IIT Delhi,
Nature of Expertise in specific functional area	Strategic Advisor, Taxation (Domestic and International), Mergers & Amalgamation, Joint Ventures and other Financial aspects	High precision polymers manufacturing, Project Management, Sales and Marketing, General & Strategic Management
Date of first appointment on to the Board	08.11.2014	27.04.2006
Relationship with Directors inter-se	Mr. Milin Mehta is not related to any Director of the Company	Mr. Sarup Chowdhary is not related to any Director of the Company
Directorship in other public companies as on 31 st March, 2019	Rubamin Limited	Nil
Chairmanship/ Membership of Committees of the Board	Shaily Engineering Plastics Limited	Shaily Engineering Plastics Limited
	Chairman of Audit Committee and Stakeholders Relationship Committee	Chairman of Nomination & Remuneration Committee
	Member of Nomination & Remuneration Committee	Member of Audit Committee
Shareholding in the Company	Nil	Nil

C. Non-Executive Directors Independent Directors – Appointment

Name of Director	Mr. Jiten Mathuria	Mr. Ranjit Singh
Age	45 years	61 years
Qualification	Diploma in Mechanical Engineering	B.E. (Mech) from BITS Pilani, Management Graduate from IIM, Ahmedabad
Nature of Expertise in specific functional area	High Precision polymers, Business & Strategic Management, Sales and Marketing (Domestic & International)	Industrial Management in Indian, International and Multicultural Business Environment, Corporate Growth and Turnaround Strategy,
Date of first appointment on to the Board	18.05.2019	18.05.2019
Relationship with Directors inter-se	Mr. Jiten Mathuria a is not related to any Director of the Company	Mr. Ranjit Singh is not related to any Director of the Company
Directorship in other listed entities	None	Polyplex Corporation Limited
Chairmanship/ Membership of Committees of the Board	None	Polyplex Corporation Limited
		Member of the Corporate Social Responsibility Committee
Shareholding in the Company	Nil	Nil

Annexure – B

Statement under Schedule V of the Companies Act, 2013

I. General Information :

1.	Nature of Industry	:	The Company is engaged in manufacture of high precision injection molded plastic components, assemblies, sub - assemblies, for various industries and OEM segments.		
2.	Date of expected date of commencement of commercial production	:	Commercial production of the Company has commenced since 1987		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not applicable		
4.	Financial Performance based on given indicators	:	(₹ in lacs)		
			Particulars	FY 2018-19	FY 2017-18
			REVENUE	34,012.14	32,195.90
			Profit before Interest, Depreciation & Tax	5,440.03	5,544.83
			Profit before Tax	2,995.45	3,422.75
			Profit After Tax	1,928.08	2,389.15
5.	Foreign investments or collaborations, if any	:	The Company has not made any foreign investments and/or foreign collaborations.		

II. Information about the appointee :

	Mr. Mahendra Sanghvi	Mr. Laxman Sanghvi
1. Background details	<p>Mr. Mahendra Sanghvi, aged 71 years, is the Promoter and Executive Chairman of the Company. He is a Chemical Engineer from Wayne State University, USA, Plastics Technologist and has studied his Diploma MBA from Toronto University, Canada.</p> <p>Mr. Mahendra Sanghvi, has a rich and varied experience in the Plastics Industry and has been involved in the operations of the Company for over a long period of time. Shaily was established under his able hands and the Company, under his guidance, management and leadership, has not only achieved remarkable growth but</p>	<p>Mr. Laxman Sanghvi, aged 62 years, is the Promoter and Executive Director of the Company.</p> <p>He is a qualified Chartered Accountant as well as a Law graduate. Prior to setting up Shaily Engineering Plastics Limited, he had his own Independent Chartered Accountancy Practice. He was the President of Panchmahals Industries Association. At Shaily, he looks after the Purchase and Projects.</p>

		also bagged prestigious awards for the Company, including the TOP exporter awards.	
2.	Past remuneration	Remuneration drawn in the F.Y. 2017-18 is ₹ 128.55 lacs.	Remuneration drawn in the F.Y. 2017-18 is ₹ 74.08 lacs.
3.	Job profile & suitability	Mr. Mahendra Sanghvi's, job involves managing the entire affairs of the Company. It requires long term strategy and vision to develop a Company. A Chairman is entrusted with powers and authority to manage the affairs of the Company. He has laid the foundation stone of the Company and is an experienced Plastics Technologist with strong business acumen.	Mr. Laxman Sanghvi's is a qualified Chartered Accountant and has practical experience of working in the Plastics Industry, more specifically in this Company. He has overseen the varied functions of the Company viz., Projects, Purchases, stores operation, budget control and administrative functions.
4.	Remuneration proposed	Detailed under Item No. 6 in the Notice convening the 39 th Annual General Meeting of the Company.	Detailed under Item No. 7 in the Notice convening the 39 th Annual General Meeting of the Company
5.	Comparative remuneration profile with respect to Industry, size of Company, Profile of position and person	The proposed remuneration is justified as compared to industry in India as well as abroad.	The proposed remuneration is justified as compared to industry in India as well as abroad.
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mr. Mahendra Sanghvi, holds 811,335 equity shares of the Company. Apart from this, he does not have any other pecuniary relationship with the Company except by way of his contract of employment with the Company. He is relative of Mr. Amit Sanghvi, Ms. Tilottama Sanghvi and Mr. Laxman Sanghvi, Executive Directors of the Company.	Mr. Laxman Sanghvi, holds 476,424 equity shares of the Company. Apart from this, he does not have any other pecuniary relationship with the Company except by way of his contract of employment with the Company. He is relative of Mr. Mahendra Sanghvi, Executive Chairman of the Company.

III. Other Information :

1. Reason of loss or inadequate profit : Not applicable
2. Steps taken or proposed to be taken for improvements : Not applicable
3. Expected increase in productivity and profits in measurable terms : Not applicable

IV. Disclosures :

1. The details of remuneration proposed to be paid to the Whole - Time Directors are mentioned in the notice for the 39th Annual General Meeting.
2. All the relevant information pertaining to the Managing Director, Executive Director, Whole Time Director and other Directors required to be disclosed in the Directors Report under the heading "Corporate Governance" are mentioned in the Annual Report.

PROXY FORM

CIN : L51900GJ1980PLC065554
 Name of the Company : Shaily Engineering Plastics Limited
 Registered Office : Survey # 364/366, At. & Po. Rania, Ta. Savli, Dist. Vadodara – 391780, Gujarat, India

Name of the Member(s)	:	
Registered Address	:	
Email ID	:	
Folio No./Client ID/DP ID	:	

I/We, being the member(s) of _____ equity shares of the above-named company, hereby appoint,

1. Name:

Address:

Email Id :

Signature :or failing him,

2. Name:

Address:

Email Id :

Signature :or failing him,

3. Name:

Address:

Email Id :

Signature :or failing him,

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **39th Annual General Meeting** of the Company, to be held on **Thursday, August 08, 2019 at 4:00 p.m., IST** at Survey # 364/366, Sankarda – Bhadarwa Road, At. & Po. Rania, Ta. Savli, Dist. Vadodara – 391 780 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution	Vote (Optional, See Note 2) (Please mention no. of shares)	
		For	Against
Ordinary Business			
1	Adoption of Financial Statements for the year ended 31 st March, 2019		
2	Appointment of Mr. Amit Sanghvi as director liable to retire by rotation		
Special Business			
3	Ratification of Remuneration of Cost Auditors		
4	Appointment of Mr. Jiten Mathuria as Non-Executive Independent Director		
5	Appointment of Mr. Ranjit Singh as Non-Executive Independent Director		
6	Re-appointment of Mr. Mahendra Sanghvi as an Executive Chairman		
7	Re-appointment of Mr. Laxman Sanghvi as an Executive Director		
8	Re-appointment of Mr. Milin Mehta as a Non-Executive Independent Director		
9	Re-appointment of Mr. Sarup Chowdhary as a Non-Executive Independent Director		
10	Approval of Shaily Employee Stock Option Plan 2019		

Signed this day of, 2019

Signature of Member(s)

Signature of Proxy Holder(s)

Affix
Revenue
Stamp of
not less
than ₹ 1

Notes :

1. This form of proxy, in order to be effective, should be duly stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before August 11, 2018 by 4:00 p.m. IST).
2. It is optional to indicate preference. If you leave the “for” or “against” column blank any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP



Shaily Engineering Plastics Limited

CIN : L51900GJ1980PLC065554

Survey # 364/366, At. & Po. Rania, Ta. Savli, Dist. Vadodara – 391780, Gujarat, India

Phone : +91 2667 244307/244348/244361 | Fax : +91 2667 244372

investors@shaily.com | www.shaily.com

39th Annual General Meeting – Thursday, August 08, 2019

Name of the Member(s)/Proxy* (In BLOCK Letters)	
Folio No. (For members holding shares in physical mode)	
DP ID – Client ID (For members holding shares in demat/electronic mode)	
Registered Address	
No. of Shares held	

I certify that I am a member/proxy/authorized representative for the member of the Company.

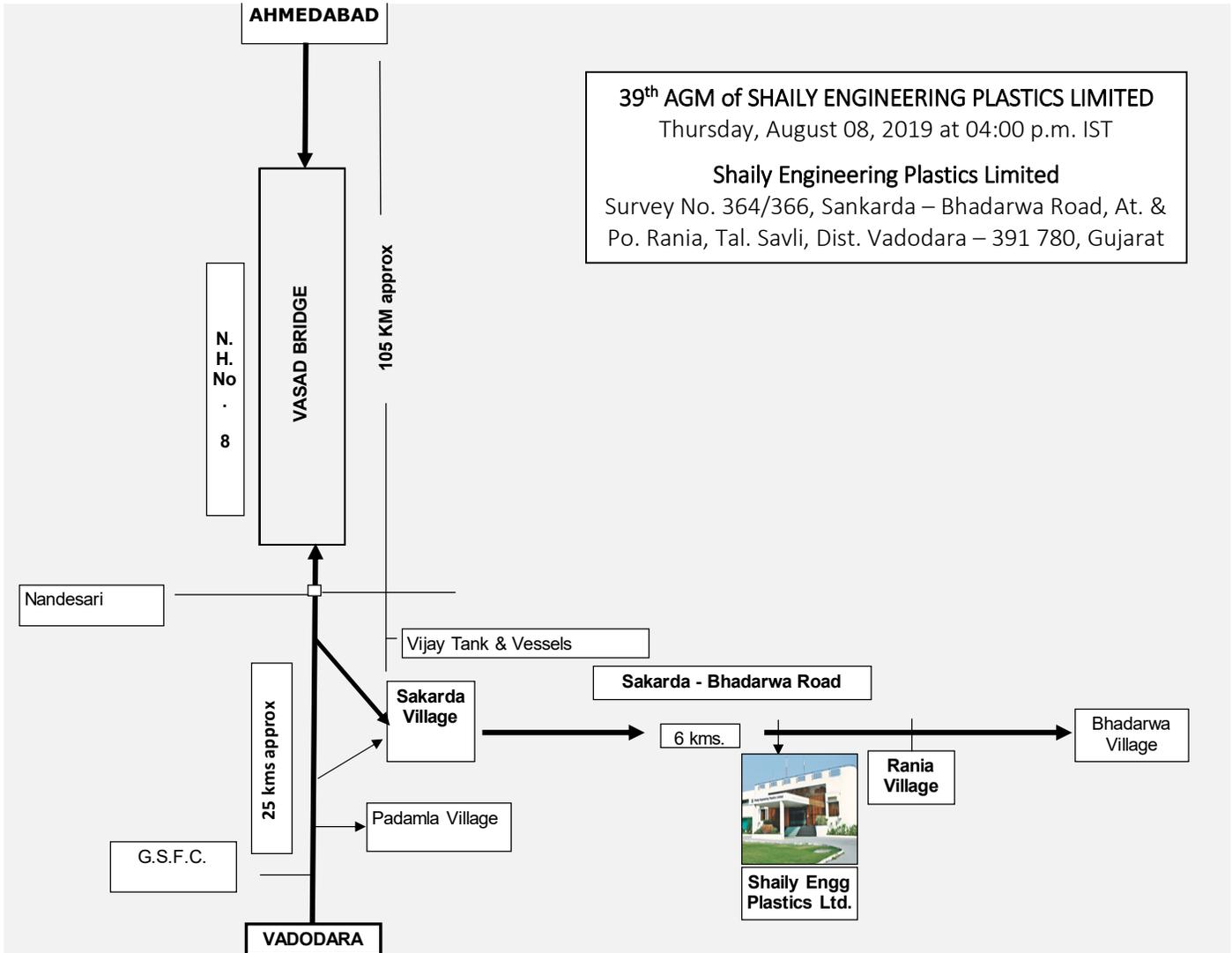
I hereby record my presence at the 39th Annual General Meeting of the Company at Survey # 364/366, Sankarda – Bhadarwa Road, At. & Po. Rania, Ta. Savli, Dist. Vadodara – 391 780, Gujarat, India, on Thursday, August 08, 2019.

.....
Signature of Member/Proxy*

Note :

- Please fill up this attendance slip and hand it over at the entrance of the meeting hall at the registration desk.
- Members are requested to bring their copies of Annual Report at the AGM.
- Members/Proxies are requested to carry **identity proofs** and show them at the registration desk of the meeting hall.
- **Please strike off whichever is not applicable.*

ROUTE MAP TO REACH THE VENUE OF THE ANNUAL GENERAL MEETING



Location URL :

From Vadodara Railway Station - <https://goo.gl/maps/Wr8KnerxWH32>

From Vadodara Airport - <https://goo.gl/maps/Td2dmXpzzdt>

From C.T.M. Ahmedabad - <https://goo.gl/maps/ripR6w9oCQn>

Please Note :

Members may kindly take note that for the convenience of members, transport facility is arranged by the Company from Vadodara, on the date of the AGM as per the details given below :

Start Time : 2:30 p.m.

Pick up points : Start from J.P. Nagar, Opp. Avishkar Complex, Old Padra Road, Vadodara → Chakli Circle → Trident Complex, Opp. Sardar baug → Yog Niketan, Nizampura → Chhani Toll Tax → AGM Venue.

Members who wish to avail such facility, are requested to kindly intimate the same, in writing to the Company at investors@shaily.com / secretarial@shaily.com , with their requisite details, atleast two (2) days before the AGM, to ensure adequate arrangement.