

NOTICE

Notice is hereby given that the 25th Annual General Meeting of members of FAIRDEAL FILAMENTS LIMITED will be held on Wednesday, 30th day of September, 2015 at 11:00 A.M. at the Registered Office of the company situated at 3rd Floor, Dawer Chambers, Nr. Sub Jail, Ring Road, Surat- 395 002 to transact the following Business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31st March, 2015, together with the Report of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Arvind R. Shah (DIN 00010483), Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution:

“RESOLVED THAT the appointment of M/s Natvarlal Vepari & Co., Chartered Accountants (having Firm Registration No. 123626W), who were appointed as Statutory auditors of the Company at the Annual General Meeting of the company held on 30.09.2014 from the conclusion of that meeting till the conclusion of the 27th Annual General Meeting pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, be and are hereby ratified at a remuneration as may be fixed by the Board of Directors.”

Special Business:

5. To appoint Ms. Sonia Piyush Khanna (DIN 07111677), as an Independent Director pursuant to the Companies Act, 2013.

In this connection, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to ‘the Act’, for the time being in force, Ms. Sonia Piyush Khanna (DIN 07111677), who was appointed as an Additional Director(Independent) of the Company by the Board of Directors with effect from March 31, 2015 and who holds office upto the date of the AGM, in terms of Section 161 of the ‘the Act’, in respect of whom the Company has received a notice in writing from a Member under Section 160 of ‘the Act’ proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years effective from the date of appointment by the Board, i.e. from March 31, 2015 to March 30, 2020.”

6. To Ratify the Remuneration of Cost Auditors.

In this connection, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Cost records and Audit Rules) 2014 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Kannaujiya & Co., Cost Accountants having Firm Registration No. 102990 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2015-2016, amounting to ₹ 25,000/- (Rupees Twenty Five Thousand) as also the payment of service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

7. To consider Issue of Bonus Shares

In this connection, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the recommendation of the Board of Directors and provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, the applicable regulations/ guidelines issued by the Securities and Exchange Board of India (SEBI) and subject to such approvals, consents, permissions and sanctions, as may be necessary from appropriate authorities, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”) for capitalization of a sum /not exceeding Rs. 55,00,000/- (Rupees Fifty Five Lacs Only) out of its Free Reserves/ Securities Premium Account or any other permitted reserves/ surplus of the Company for the purpose of issue of Bonus Shares of Rs.10/- (Rupees Ten) each credited as fully paid-up Equity Shares to the holders of the Equity Shares of the Company, whose names shall appear in the Register of Members or in the respective beneficiary account with their respective Depository Participants, on the ‘Record Date’ to be determined by the Board of Directors of the Company for the purpose, in the proportion of 1 (One) fully paid up Bonus Equity Shares of Rs.10/- (Rupees Ten) each for every 10 (Ten) fully paid-up Equity Share of Rs.10/- (Rupees Ten) each held by them and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Capital of the Company held by each such member, and not as income.

RESOLVED FURTHER THAT the new Equity shares of Rs. 10/- each to be allotted as bonus shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the fully paid up Equity shares of the Company as existing on the Record Date.

RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Shares but in the case of Members who hold Equity Shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in physical form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares to Non-resident Members, and other foreign investors, shall be subject to the compliance under the applicable regulations of the Foreign Exchange Management Act, 1999 and the Rules made thereunder, as may be necessary.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such equity shares on the Stock Exchanges where the shares of the Company are listed and to make necessary application to the depositories for crediting the Bonus shares to the depository accounts of the allottees.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board/Committee of the Board be and is hereby authorized to do or cause to do all such acts, deeds, matters and things, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto, as may be deemed necessary and expedient in this regard.”

8. Disclosure of Ultimate Beneficial Owners of the allottees with respect to Item No.3 ‘Preferential issue of equity shares of the Company’ in the notice of Extra-ordinary General Meeting held on 14th March, 2015

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT in modification and continuation of the special resolution passed by the shareholders of Fairdeal Filaments Limited at the Extra-ordinary General Meeting held on 14th March, 2015 in respect of preferential allotment and in compliance with the direction of BSE vide its in-principle approval letter dated 30th March, 2015, identity of ultimate beneficiary of non-promoter allottee i.e. Mr. Shyamsundar Kabra HUF, be and are hereby noted and ratified as detailed below:

Name of the allottee	Pre Preferential Issue		New Allotment	Post Preferential Issue		Natural persons, who are ultimate beneficial owners
	Category – Non-Promoter	No. of Shares held		% of Holding	No. of Shares held	
Shyamsundar Kabra HUF	0	0%	133000	133000	2.42%	1. Shyam Sundar Kabra (Karta) 2. Latadevi Kabra (Member) 3. Amitkumar Kabra (Member) 4. Anandkumar S. Kabra (Member)

RESOLVED FURTHER THAT the names of the ultimate beneficiaries of the above allottee be and are hereby noted and approved, to enable Fairdeal Filaments Limited or its Board of Directors to take requisite further action for seeking listing approval from BSE Limited, for the Equity Shares allotted on preferential basis.

RESOLVED FURTHER THAT all other terms and conditions of the preferential allotment as approved by the shareholders of the Company vide Special Resolution passed at the Extra-ordinary General Meeting held on 14th March, 2015 remain the same.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion deemed necessary, expedient, usual or proper and to settle any questioner difficulty that may arise with regard to the above or any other matter incidental or consequential there to without being required to seek any

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com

further approval and/ or consent of the members of the Company and it is deemed that the members have given their approval for the purpose of these acts”.

9. To increase the remuneration of Managing Director:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT, pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Part II of Schedule V of the Companies Act, 2013, and subject to approval of requisite authorities, if any, approval, be and is hereby accorded to increase in remuneration of Mr. Dhirajlal R. Shah as a Managing Director upto Rs.42.00 lakhs per annum and on such other terms and conditions as set out in the draft Supplemental Agreement as approved by the Nomination and Remuneration Committee as also the Board of Directors of the Company at its respective meeting held on 13th August, 2015, w.e.f. 1st October, 2015 for his residual tenure ending on 30th September, 2016.

FURTHER RESOLVED THAT the Board of Directors of the Company shall have liberty to vary any terms and conditions relating to appointment of and remuneration payable to Mr. Dhirajlal R. Shah as a Managing Director.

FURTHER RESOLVED THAT in case of absence or inadequacy of profit, aforesaid remuneration shall be treated as minimum remuneration.

10. To increase the remuneration of Whole-time Director:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT, pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Part II of Schedule V of the Companies Act, 2013, and subject to approval of requisite authorities, if any, approval, be and is hereby accorded to increase in remuneration of Mr. Arvind R. Shah as a Whole-time Director upto Rs.42.00 lakhs per annum and on such other terms and conditions as set out in the draft Supplemental Agreement as approved by the Nomination and Remuneration Committee as also the Board of Directors of the Company at its respective meeting held on 13th August, 2015, w.e.f. 1st October, 2015 for his residual tenure ending on 30th September, 2016.

FURTHER RESOLVED THAT the Board of Directors of the Company shall have liberty to vary any terms and conditions relating to appointment of and remuneration payable to Mr. Arvind R. Shah as a Whole-time Director.

FURTHER RESOLVED THAT in case of absence or inadequacy of profit, aforesaid remuneration shall be treated as minimum remuneration.

By Order of Board of Directors of
Fairdeal Filaments Limited

Place: Surat
Date: 13.08.2015

Jitesh R. Varkal
Company Secretary

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is enclosed herewith. Corporate members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.

2. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts relating to Special Businesses to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from September 19, 2015 to September 30, 2015 (both days inclusive) for the purpose of payment of dividend to those members whose names stand on the Register of Members as on September 19, 2015. The dividend in respect of equity shares held in electronic form will be payable to the beneficial owners of the equity shares as at the end of business hours on September 18, 2015 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
4. The dividend on equity shares as recommended by Board of Directors for the year ended on 31.03.2015 will be payable on or after September 30, 2015 in accordance with the resolution to be passed by members of the Company.
5. Members are requested immediately to notify any change in their address:
 - To their Depository Participants (DPs) in respect of shares held electronically and
 - To Company at its Registered Office or MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of Company, in respect of shares held physically, by sending duly filled and signed "INTIMATION FORM FOR CHANGE/CORRECTION IN ADDRESS OF COMMUNICATION", along with all evidential documents as mentioned in the said form. The above said form is available at the end of this Annual Report as well as on the website of the Company.
6. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are requested to submit their PAN details to their Depository Participant (DP) and members holding shares in physical form are requested to submit their PAN details to the Company / MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of Company.
7. Pursuant to the provisions of section 205A and 205C of the Companies Act, 1956 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the company shall be transferred to the Investor

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com

Education and Protection Fund (the Fund) set up by the Central Government and thereafter no claims shall lie against the company or the Fund and no payments shall be made in respect of any such claim.

Details pertaining to the unclaimed and unpaid dividends transferred by Company to the Fund, pursuant to Section 205C of the Companies Act, 1956, during last 3 financial years are tabulated as below:

Financial Year	Date of Declaration of dividend	Amount Transferred to the Fund (₹.)	Date of Transfer to IEPF
31.03.2005	24.09.2005	161943	01.12.2012
31.03.2006	23.09.2006	144146	23.11.2013
31.03.2007	29.09.2007	183676	17.11.2014

8. Members/Proxy Holders should bring Attendance Slips duly filled in for attending the meeting. Members are requested to bring their copy of Annual Report at the Meeting.
9. Members seeking any information concerning the accounts and operations are requested to send their queries to the company at least 10 days before the date of the meeting, so that information required can be made available at the meeting.
10. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.
11. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
12. Voting through Electronic Means

The Company is pleased to provide e –Voting facility as an alternative mode of voting which will enable the members to cast their votes electronically in compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014. Necessary arrangements have been made by the Company with CDSL to facilitate e-Voting. The instructions and manner for availing e-Voting facility are as under:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27th September, 2015 (9 AM) and ends on 29th September, 2015 (5 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the serial number print in address slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Date of Birth as registered with the DP/RTA in dd/mm/yyyy format Or Enter the Dividend Bank Details as recorded with your DP/RTA. Please note - In respect of Physical shareholding and whose DOB and Dividend bank details are not registered with DP/RTA should enter No. of shares held by you as on the cut-off date i.e. "23 rd September, 2015"

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Fairdeal Filaments Ltd on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
13. Electronic copy of the Notice of the 25th annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25th annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
14. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting the duly filled in “E-mail Registration Form”, available on the website of the Company, to the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

The Notice of annual general meeting and the copies of audited financial statements, directors’ report, auditors’ report etc. will also be displayed on the website (www.shahlon.com) of the Company.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

Annexure to Notice

Statement of material facts concerning items of Special Business
(Annexed to notice pursuant to Section 102 of the Companies Act, 2013)

Item No.5

The Board of Directors of the Company ("Board"), in its meeting held on March 31, 2015, appointed Ms. Sonia P. Khanna, as an Additional Director (Independent) of the Company pursuant to the provisions Section 161 of the Companies Act, 2013 ("Act") and all other applicable provisions, if any.

In terms of the provisions of Section 161 of the Act, Ms. Sonia P. Khanna holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Act, from one of member, along with a deposit of Rs. 1,00,000/- proposing her candidature for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The Company has received from Ms. Sonia P. Khanna:

- i). Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
- ii). intimation in Form DIR-8 in terms of Rule 14 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and
- iii). a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Ms. Sonia P. Khanna as an Independent Director of the Company for 5 (Five) years effective from the date of appointment by the Board, i.e. from March 31, 2015 to March 30, 2020, pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder. She is not liable to be retire by rotation.

In the opinion of the Board of Directors, Ms. Sonia P. Khanna, fulfils the conditions specified in the Act and the Rules made thereunder and she is independent of the Management.

Brief Profile of Ms. Sonia P. Khanna is as follows:

Ms. Sonia P. Khanna, aged about 50 years, is a B.Com. and Fellow member of the Institute of Chartered Accountants of India, has vast experience as practicing Chartered Accountants and expertise in the field of Accounts, Finance and Taxation. She has also completed DISA from The Institute of Chartered Accountants of India.

Accordingly, the Board recommends the resolutions at set out Sr. No. 5 of this Notice for the approval of the Members as an ordinary resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Ms. Sonia P. Khanna, herself is in any way concerned or interested, financially or otherwise, in the resolution set out at Sr. No. 5 of this Notice.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

Item No.6

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice as cost auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

On recommendation of the Audit Committee at its meeting held on 29th May, 2015, the Board has considered and approved appointment of M/s Kannaujiya & Co., Cost Accountants having Firm Registration No. 102990, for the conduct of the Cost Audit of the Company's Textiles products for financial year commencing on 1st April, 2015 and ending on 31st March, 2016 at a remuneration of Rs.25,000 plus service tax as applicable and reimbursement of out-of-pocket expenses.

The Board recommends the resolution set out at Sr. No. 6 of the Notice for the approval and ratification by the members in terms of Section 148 of the Companies Act, 2013, as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out at Sr. No. 6 of this Notice.

Item No.7

The proposal for issuance of Bonus Shares is made to provide liquidity to the equity shares by increasing the available number of equity shares in the market and also to reward the members by allotting bonus shares.

Hence, your Directors propose to issue 1 (One) Bonus equity shares of Rs. 10/- each for every 10 (Ten) fully paid-up equity shares of Rs. 10/- each held. Such Fully Paid-up Bonus Shares shall be distributed to the Members of the Company, whose names shall appear on its Register of Members or in the respective beneficiary account with their respective Depository Participants, on the Record Date to be determined by the Board of Directors of your Company for the purpose of issue of Bonus Shares, in the proportion of one new equity share for every Ten existing equity shares held by them respectively on the Record Date.

The Bonus Shares to be allotted from the Free Reserves / Securities Premium Account or any other permitted reserves/ surplus of the Company by capitalization of a sum not exceeding Rs.55,00,000/- (Rupees Fifty Five Lacs Only). By issuance of 5,50,000 fully paid equity shares by way of Bonus shares, the paid-up equity share capital of the company will increased from Rs.5,50,00,000/- (Rupees Five Crores Fifty Lacs only) to Rs. 6,05,00,000/- (Rupees Six Crores Five Lacs only).

The Bonus Shares so allotted shall rank pari passu in all respects including dividend with the existing equity shares of the Company.

The proposal for issuance of Bonus Shares is beneficial to the members of the company as well as to the company.

In terms of Clause No.191 of the Articles of Association of the Company, any capitalization of Reserves will require the approval of shareholders to be obtained. Accordingly, the Board

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com



recommends the said resolution as set out at Sr. No.7 of this notice for approval of the shareholders by way of Special resolution.

The Directors, the Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in the resolution set out at Sr. No. 7 of this Notice only to the extent of entitlement of bonus shares on the shares already held by them, if any, in the Company.

Item No.8

The members of the Company had in terms of Special Resolution passed at their Extra-ordinary General Meeting held on 14th March, 2015, approved the issue of 18,39,960 Equity shares of Rs.10/- each on Preferential Allotment basis to the promoters and non-promoters at Rs. 24/- each AND the Company made an application to Bombay Stock Exchange (BSE) for seeking its in-principle approval for listing of the Equity Shares to be issued on preferential basis.

BSE has given its in-principle approval vide its letter dated March 30, 2015 for afore-mentioned issue of equity shares. In terms of the said letter, BSE has advised the Company to disclose the identity of ultimate beneficiary of non-promoter allottee i.e. Mr. Shyamsundar Kabra – HUF to shareholders.

Further, the Company had undertaken to disclose the identity of ultimate beneficiary of Shyamsundar Kabra – HUF in the ensuing General Meeting to the shareholders of the Company. Accordingly, the Board of Directors of the Company recommends the Resolution set out at Sr. No. 8 of notice for approval of shareholders by way of a Special Resolution.

A copy of document referred in the resolution and this statement will be available for inspection by the members of the company at registered office of the company between 11.00 A.M. to 1.00 P.M. on any working day of the company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out at Sr. No. 8 of this Notice.

Item No.9

Mr. Dhirajlal Raichand Shah was re-appointed as a Managing Director of the company for a period of 3 years with effect from 1st October'2013 by Board of Directors at their meeting held on 07.08.2013. The members at their Annual General Meeting held on 30th September, 2013 approved his appointment. The term of his office will expire on 30.09.2016.

Taking into consideration his present salary, the industry scenario, performance and growth of the company under his management and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 13, 2015 has proposed to increase his remuneration from Rs. 2,50,000/- p.m. to Rs. 3,50,000/- p.m. w.e.f. 1st October, 2015 for his residual term expiring on 30.09.2016 subject to the approval of the Members.

Pursuant to Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and rules made thereunder, approval of members is required by way of Special Resolution for increase in remuneration of Mr. Dhirajlal R. Shah, Managing Director of the Company.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com

The Board accordingly recommends the resolution set out at Sr. No. 9 of this Notice for the approval of the Members as a special resolution.

Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013:

I. General Information:

1.	Nature of Industry:	The Company is engaged in manufacturing and trading of synthetic textile yarn and fabrics, both for domestic and international markets.		
2.	Date or expected date of Commencement of commercial production	The company is already engaged in the business since its incorporation i.e. May'1990		
3.	In case of new companies, expected date of commencement of activities	Not Applicable		
4.	Financial performance based on given indicators	Particulars	(Rs. In Lacs)	
			FY 2014-15	FY 2013-14
		Paid up Capital	550.00	366.00
		Reserves & Surplus	1218.89	812.96
		Income from operations	18709.05	16681.44
		EBIDTA	929.02	832.47
		Profit before Tax	311.70	176.33
		Profit after Tax	211.83	109.39
5.	Foreign investments, if any	Particulars	FY 2014-15	FY 2013-14
			(No. of shares)	(No. of shares)
		Foreign Institutional Investors	-	-
		Non Resident Indians	534691	528900
		Foreign Nationals	-	-

II. Information about the appointee:

(1) Background details

Mr. Dhirajlal R. Shah is a commerce graduate aged about 60 years is having rich experience of more than 30 years in textile business. He is a Promoter-Director since inception of the company. He is associated with various business associations and has successfully represented various issues of the textile industry before government and other authorities from time to time.

(2) Past remuneration

The company has paid to him remuneration of Rs. 2,50,000/- p.m. for financial year 2014-15.

(3) Recognition or awards

He has been awarded "Outstanding Business person" for the year 2013-14 by Southern Gujarat Chamber of Commerce and Industry, Surat

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

(4) Job Profile and his suitability

The Managing Director shall be responsible for the management of the whole of the affairs of the company and to do all acts and things, which in the ordinary course of business, he considers necessary or proper in the interest of the company. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed remuneration is in the interest of the company.

(5) Remuneration Proposed

The Board of Directors of the company on the basis of recommendation of the Nomination and Remuneration Committee has proposed to increase his remuneration from Rs. 2,50,000/- p.m. to Rs. 3,50,000/- p.m. for his remaining term (i.e., from October 01, 2015 to September 30, 2016) subject to the approval of the Members.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Directors are of the view that the remuneration proposed is commensurate with his experience and ability.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel if any.

The company has no pecuniary relationship or transaction with Mr. Dhirajlal R. Shah other than payment of his remuneration. He is a brother of Mr. Jayantilal R. Shah and Mr. Arvind R. Shah, Directors of the company.

III. Other information

(1) Reasons for loss or inadequate profits

The company is in the competitive and fragmented segment of textile industry. Higher portion of trading sales in total turnover pulls down the profitability margin for the company due to limited value addition. Further profitability also remains susceptible to inherent commodity price fluctuation risk associated in business.

(2) Steps taken or proposed to be taken for improvement

The company proposes to improve its productivity and profitability through higher capacity utilization and better utilization of available resources. The company is also adding manufacturing capacity through modernization of technologies.

(3) Expected increase in productivity and profits in measurable terms

The Company has projected increase in its turnover from Rs. 18709.05 Lacs for the financial year 2014-15 to Rs. 20424.30 Lacs for financial year 2015-16. Proposed increase in turnover for financial year 2015-16 would be 9.17% as compared to actual turnover for financial year 2014-15.

Your Directors expect to achieve net profit after tax of Rs. 252.99 Lacs for financial year 2015-16 as compared to net profit of Rs. 211.83 Lacs for financial year 2014-15.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,

Ring Road, Surat – 395 002, Gujarat, INDIA.

Tel.: +91-261-3090200, +91-261-2635541-42.

Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771

E-mail : info@fairdealfilaments.com

Website: www.fairdealfilaments.com

The draft agreement between the company and Mr. Dhirajlal R. Shah is available for inspection by the members of the company at registered office of the company between 11.00 A.M. to 1.00 P.M. on any working day of the company.

None of the Directors or Key Managerial Personnel of the Company except Mr. Dhirajlal R. Shah or their relatives including Mr. Jayantilal R. Shah and Mr. Arvind R. Shah, Directors of the Company, is in any way concerned or interested, financially or otherwise, in the resolution set out at Sr. No. 9 of this Notice.

Mr. Dhirajlal R. Shah holds 2,63,791 equity shares constituting 4.80% of the total paid up share capital of the company.

Item No.10

Mr. Arvind Raichand Shah was re-appointed as a Whole-time Director of the company for a period of 3 years with effect from 1st October'2013 by Board of Directors at their meeting held on 07.08.2013. The members at their Annual General Meeting held on 30th September, 2013 approved his appointment. The term of his office will expire on 30.09.2016.

Taking into consideration his present salary, the industry scenario, performance and growth of the company under his management and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 13, 2015 has proposed to increase his remuneration from Rs. 2,50,000/- p.m. to Rs. 3,50,000/- p.m. w.e.f. 1st October, 2015 for his residual term expiring on 30.09.2016 subject to the approval of the Members.

Pursuant to Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and rules made thereunder approval of members is required by way of Special Resolution for increase in remuneration of Mr. Arvind R. Shah, Whole-time Director of the Company.

The Board accordingly recommends the resolution set out at Sr. No. 10 of this Notice for the approval of the Members as a special resolution.

Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013:

I. General Information:

1.	Nature of Industry:	The Company is engaged in manufacturing and trading of synthetic textile yarn and fabrics, both for domestic and international markets.		
2.	Date or expected date of Commencement of commercial production	The company is already engaged in the business since its incorporation i.e. May'1990		
3.	In case of new companies, expected date of commencement of activities	Not Applicable		
4.	Financial performance based on given indicators	Particulars	(Rs. In Lacs)	
			FY 2014-15	FY 2013-14
		Paid up Capital	550.00	366.00
		Reserves & Surplus	1218.89	812.96

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

		Income from operations	18709.05	16681.44
		EBIDTA	929.02	832.47
		Profit before Tax	311.70	176.33
		Profit after Tax	211.83	109.39
5.	Foreign investments, if any	Particulars	FY 2014-15 (No. of shares)	FY 2013-14 (No. of shares)
		Foreign Institutional Investors	-	-
		Non Resident Indians	534691	528900
		Foreign Nationals	-	-

II. Information about the appointee:

(1) Background details

Mr. Arvind R. Shah is a science graduate aged about 56 years having rich experience of more than 30 years in textile business. He is a Promoter-Director since inception of the company. He is heading marketing department and has efficiently developed large number of local as well as export customer base.

(2) Past remuneration

The company has paid to him remuneration of Rs. 2,50,000/- p.m. for financial year 2014-15.

(3) Recognition or awards- NIL

(4) Job Profile and his suitability

Shri Arvind R. Shah as a whole-time director looks after marketing department and has efficiently developed large number of local as well as export customer base. An active member in the marketing at globe, he has been leading discussions across the globe regarding potential business opportunities.

Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement, the proposed remuneration is in the interest of the company.

(5) Remuneration Proposed

The Board of Directors of the company on the basis of recommendation of the Nomination and Remuneration Committee has proposed to increase his remuneration from Rs. 2,50,000/- p.m. to Rs. 3,50,000/- p.m. for his remaining term (i.e., from October 01, 2015 to September 30, 2016) subject to the approval of the Members.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Compared to the remuneration with respect to industry, size of the company and profile of the position and person, the Directors are of the view that the remuneration proposed is commensurate with his experience and ability.

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com

(7) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel if any.

The company has no pecuniary relationship or transaction with Mr. Arvind R. Shah other than payment of his remuneration. He is a brother of Mr. Jayantilal R. Shah and Mr. Dhirajlal R. Shah, Directors of the company.

III. Other information

(1) Reasons for loss or inadequate profits

The company is in the competitive and fragmented segment of textile industry. Higher portion of trading sales in total turnover pulls down the profitability margin for the company due to limited value addition. Further profitability also remains susceptible to inherent commodity price fluctuation risk associated in business.

(2) Steps taken or proposed to be taken for improvement

The company proposes to improve its productivity and profitability through higher capacity utilization and better utilization of available resources. The company is also adding manufacturing capacity through modernization of technologies.

(3) Expected increase in productivity and profits in measurable terms

The Company has projected increase in its turnover from Rs. 18709.05 Lacs for the financial year 2014-15 to Rs. 20424.30 Lacs for financial year 2015-16. Proposed increase in turnover for financial year 2015-16 would be 9.17% as compared to actual turnover for financial year 2014-15.

Your Directors expect to achieve net profit after tax of Rs. 252.99 Lacs for financial year 2015-16 as compared to net profit of Rs. 211.83 Lacs for financial year 2014-15.

The draft agreement between the company and Mr. Arvind R. Shah is available for inspection by the members of the company at registered office of the company between 11.00 A.M. to 1.00 P.M. on any working day of the company.

None of the Directors or Key Managerial Personnel of the Company except Mr. Arvind R. Shah or their relatives including Mr. Jayantilal R. Shah and Mr. Dhirajlal R. Shah, Directors of the Company, is in any way concerned or interested, financially or otherwise, in the resolution set out at Sr. No. 10 of this Notice.

Mr. Arvind R. Shah holds 2,63,632 equity shares constituting 4.79% of the total paid up share capital of the company.

By Order of Board of Directors of
Fairdeal Filaments Limited

Place: Surat
Date: 13.08.2015

Jitesh R. Varkal
Company Secretary

Regd. Office :

3rd Floor, Dawer Chambers, Nr. Sub-Jail,
Ring Road, Surat – 395 002, Gujarat, INDIA.
Tel.: +91-261-3090200, +91-261-2635541-42.
Fax : +91-261-2635550.

CIN : L17110GJ1990PLC013771
E-mail : info@fairdealfilaments.com
Website: www.fairdealfilaments.com