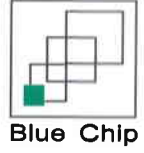




TEX INDUSTRIES LTD.



Corporate Office : 15,16 & 17, Maker Chambers-III, 1st Floor, Jamnalal Bajaj Road, Nariman Point, Mumbai 400 021  
Tel.: 91 22 4353 0400 • E-mail : bluechiptex@gmail.com • Website : bluechiptexindustrieslimited.com  
CIN : L17100DN1985PLC005561

**Date: 2<sup>nd</sup> September, 2020**

To,  
Dept. of Corporate Services (CRD)  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 506981**

Dear Sir / Madam,

**Sub: Notice of 35<sup>th</sup> Annual General Meeting of the Company**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (as amended) read with Schedule III of the SEBI Listing Regulations, and in furtherance to our letter dated 19<sup>th</sup> August, 2020 intimating about the 35<sup>th</sup> Annual General Meeting of the Company ("AGM"), we are submitting the Notice of the 35<sup>th</sup> AGM of the Company scheduled to be held on Tuesday, 29<sup>th</sup> September, 2020 at 12.00 noon (IST) through Video Conference ("VC") or Other Audio Visual Means ("OAVM").

The aforesaid AGM Notice is also being uploaded on the website of the Company [www.bluechiptexindustrieslimited.com](http://www.bluechiptexindustrieslimited.com).

Kindly take the above on your record and disseminate the same for the information of investors.

Thanking you,

Yours faithfully,

**For Blue Chip Tex Industries Limited**

*Bhumit .M. Dharod*

**Bhumit .M. Dharod**  
**Company Secretary**  
**Membership No. A51555**



Encl: as above

## NOTICE

**NOTICE is hereby given that the 35<sup>th</sup> Annual General Meeting (AGM) of the Members of Blue Chip Tex Industries Limited will be held on Tuesday, 29<sup>th</sup> September, 2020 at 12 noon IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:**

### **Ordinary Business:**

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

- 2) To declare final dividend of ₹ 1.80 /- per equity share for the financial year ended 31<sup>st</sup> March, 2020 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** a dividend at the rate of ₹ 1.80 /- (One Rupee and Eighty Paise only) per equity share of ₹ 10/- (Ten rupees) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31<sup>st</sup> March, 2020.”

- 3) To appoint a Director in place of Mr. Rahul .A. Khemani (DIN: 03290468), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Rahul .A. Khemani (DIN: 03290468), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company.”

### **Special Business:**

- 4) Ratification of remuneration of Cost Auditors for the financial year 2020-21 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) , the remuneration payable during the year 2020-21 to M/s NKJ & Associates, Practising Cost Accountants, Navi Mumbai, (Firm Registration No.101893) who have been appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21, amounting to ₹ 40,000/- exclusive of Goods and Service Tax and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the Audit be and is hereby ratified and confirmed;

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to do all such acts, deeds, things such as intimation to the relevant authorities and other matters which are necessary, incidental, ancillary to give effect to aforesaid resolution.”

## Blue Chip Tex Industries Limited

- 5) To appoint Mr. Rohit .P. Bajaj (DIN: 08646838) as an Independent Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and 161 of the Companies Act, 2013 (the Act) read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Rohit .P. Bajaj (DIN: 08646838), who was appointed as an Additional Director (Category: Non-Executive Independent Director) of the Company, with effect from 6<sup>th</sup> January, 2020, by the Board and who holds office up to the date of this Annual General Meeting, has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and whose candidature for the office of Director has been recommended by the Nomination and Remuneration Committee and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Non - Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 3 (three) years, commencing from 6<sup>th</sup> January, 2020 up to 5<sup>th</sup> January, 2023 (both days inclusive);

**RESOLVED FURTHER THAT** the Board of Directors or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/or ancillary thereto to give effect to the aforesaid resolution.”

- 6) To appoint Mr. Shatrughun .N. Jiwnani (DIN: 07247441) as an Independent Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and 161 of the Companies Act, 2013 (the Act) read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Shatrughun .N. Jiwnani (DIN: 07247441), who was appointed as an Additional Director (Category: Non-Executive Independent Director) of the Company, with effect from 6<sup>th</sup> January, 2020, by the Board and who holds office up to the date of this Annual General Meeting, has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and whose candidature for the office of Director has been recommended by the Nomination and Remuneration Committee and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Non - Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 4 (four) years, commencing from 6<sup>th</sup> January, 2020 up to 5<sup>th</sup> January, 2024 (both days inclusive);

**RESOLVED FURTHER THAT** the Board of Directors or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, incidental and/or ancillary thereto to give effect to the aforesaid resolution.”

- 7) To re-designate and appoint Mr. Shahin .N. Khemani (DIN: 03296813) as the Managing Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee of the Company, consent of the Members of the Company be and is hereby accorded to re-designate and appoint

Mr. Shahin .N. Khemani (DIN: 03296813) as Managing Director of the Company for a period of 5 (five) years with effect from 1<sup>st</sup> September, 2020 to 31<sup>st</sup> August, 2025 (both days inclusive) not liable to retire by rotation on the following key terms and conditions including remuneration:

- Term: 1<sup>st</sup> September, 2020 to 31<sup>st</sup> August, 2025 (both days inclusive)
- Salary: ₹ 30,00,000/- p.a. (Rupees Thirty Lakhs per annum) up to a maximum of ₹ 36,00,000/- p.a. (Rupees Thirty Six Lakhs per annum). The annual increment which will be effective 1<sup>st</sup> April, each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee ('NRC'). The recommendation of NRC will be based on Company performance and individual performance.
- Other payments: Reimbursement of out of pocket expenses incurred in the course of business of the Company.

**RESOLVED FURTHER THAT** the aforesaid remuneration is subject to the condition that:

- a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of 5% (five percent) of the net profits of the Company as applicable to each of the Managing / Whole time Directors of the Company and / or 10% (ten percent) of the net profits of the Company for all Managing / Whole-time Directors in accordance with the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force or
- b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government in case of no profits/inadequate profits;

**RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, as mentioned above be paid as minimum remuneration to Mr. Shahin N. Khemani as the Managing Director of the Company;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to relocate, re-allocate, re-designate, vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the limits and conditions mentioned in this resolution;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, deeds, applications, returns, letters and such other writings as may be considered necessary, proper, desirable or expedient."

- 8) To appoint Mr. Siddharth .A. Khemani (DIN:08842398) as Non-Executive, Non Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the

## Blue Chip Tex Industries Limited

time being in force), Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Siddharth .A. Khemani (DIN: 08842398), be and is hereby appointed as a Non-Executive, Non Independent Director of the Company with effect from 1<sup>st</sup> October, 2020 liable to retire by rotation on the following key terms and conditions:

- Appointment effective from: 1<sup>st</sup> October, 2020
- Sitting Fees: ₹ 5,000/- per Board Meeting
- Other payments: Reimbursement of out of pocket expenses incurred in the course of business of the Company.

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to relocate, re-allocate, re-designate, vary, alter, increase, enhance or widen the terms and conditions of appointment and the sitting fees payable to the appointee, from time to time, as they may in their discretion deem fit within the limits and conditions mentioned in this resolution;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, deeds, applications, returns, letters and such other writings as may be considered necessary, proper, desirable or expedient."

- 9) To increase the overall managerial remuneration and in this regard to consider and if though fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of sections 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee of the Company, consent of the Members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year from 11 % (Eleven Percent) to 20 % (Twenty Percent) of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns, and such other writings as may be considered necessary, proper, desirable or expedient."

- 10) To create charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and all other applicable rules, laws and acts, if any, and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities, if any, while granting such

approvals, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after called “the Board” which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage and/or create charge on all or any one or more of the movable/ immovable properties or such other assets of the Company, where so ever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of the lenders to secure any fund based and/or non-fund based facilities not exceeding ₹ 100 crore (Rupees One Hundred Crore Only) together with interest thereon at the respective agreed rate(s), compound interest, additional interest, and all other monies payable by the Company to such lenders under the respective loan/other agreement(s) entered/to be entered into between the Company and the lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders the requisite agreement, documents, deeds and writings for borrowing and/or for creating together aforesaid mortgage(s) and/or charge(s) and to do all such other acts, deeds and things as may be necessary to give effect to the above resolution.”

- 11) Keeping registers, returns, etc. at a place other than Registered Office and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 94 of the Companies Act, 2013 (“the Act”) and all other applicable provisions of the Act read with the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the members of the Company be and is hereby accorded to keep : (a) the Register of Members and other registers / records to be maintained under Section 88 of the Act and such other records and documents incidental / ancillary thereto at the office of the Company’s Registrar and Share Transfer Agent i.e. M/s. Bigshare Services Private Limited at 1<sup>st</sup> floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri-East, Mumbai – 400059; and (b) the copies of Annual Returns filed under Section 92 of the Act and such other records and documents incidental / ancillary thereto and such other records / documents, as may be permissible under the Act or any other applicable law from time to time, at the Corporate Office of the Company at Office no. 15/16/17, 1<sup>st</sup> floor, Maker Chamber III, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021;

**RESOLVED FURTHER THAT** any Director of the Company or Company Secretary be and are hereby severally authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

By order of the Board of Directors

**Bhumit .M. Dharod**

Company Secretary

Membership No. ACS 51555

Place: Mumbai  
Date: 19<sup>th</sup> August, 2020

**Registered Office:**

Plot no. 63-B, Danudyog Sahakari Sangh Limited,  
Village Piparia, Silvassa,  
Dadra & Nagar Haveli- 396 230

# Blue Chip Tex Industries Limited

## Notes:

- 1) In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs (“MCA”) vide its General Circular no. 20/ 2020 dated 5<sup>th</sup> May, 2020 has allowed the companies to conduct their Annual General Meeting (“AGM”), during the calendar year 2020, through Video Conferencing (“VC”) or any Other Audio Visual Means (“OAVM”) in a manner provided in General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020 and General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 issued by MCA.

Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 35<sup>th</sup> AGM through VC/OAVM, without the physical presence of the Members at a common venue and it shall be deemed that the same is held at the registered office of the company. The Company has availed the facility of Central Depository Services (India) Limited (“CDSL”) for convening the 35<sup>th</sup> AGM through VC/OAVM, a detailed process in which the members can attend the AGM through VC/OAVM has been enumerated in Note number 27 of this Notice.

- 2) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting i.e. on Tuesday, 29<sup>th</sup> September, 2020 from 11:45 a.m. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (the “Act”).
- 3) The aforesaid MCA General Circular dated 5<sup>th</sup> May, 2020 read with MCA General Circular dated 13<sup>th</sup> April, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, the Company will only be sending soft copy of the Annual Report 2019-20 and Notice convening 35<sup>th</sup> AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/ Depository as on the cut-off date Friday, 28<sup>th</sup> August, 2020.
- 4) For Members who have not registered their e-mail address and those members who have become the members of the Company after Friday, 28<sup>th</sup> August, 2020, being the cut-off date for sending soft copy of the Notice of 35<sup>th</sup> AGM and Annual Report, may refer to the Notice of 35<sup>th</sup> AGM and Annual Report which is available on the Company’s website, on the websites of CDSL and BSE.
- 5) Members may also note that the Notice convening the 35<sup>th</sup> AGM and the Annual Report for the financial year 2019-20, in Portable Document Format (PDF), will also be available on the Company’s website [www.bluechiptexindustrieslimited.com](http://www.bluechiptexindustrieslimited.com), website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) and on website of stock exchange viz. [www.bseindia.com](http://www.bseindia.com). The relevant documents, if any, referred to in the Notice of 35<sup>th</sup> AGM and the Annual Report will also be available for inspection electronically on request by a member of the Company up to the date of the 35<sup>th</sup> AGM of the Company.
- 6) Generally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 7) Pursuant to the provisions of Sections 112 and 113 of the Act, members such as the President of India/ the Governor of a State/Body Corporate can authorize their representatives to attend the 35<sup>th</sup> AGM through VC/OAVM and cast their votes through e-voting. Provided a scan copy (PDF) of the Board

Resolution or governing body Resolution/Authorization etc., authorizing such representative to attend the AGM of the Company through VC/OAVM on its behalf and to vote through remote e-voting shall be sent to the Scrutinizer through the registered email address of the member(s) at pramodshah361@gmail.com with a copy marked to the Company at bluechiptex@gmail.com.

- 8) A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
- 9) The relevant details, pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
- 10) The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 22<sup>nd</sup> September, 2020 to Tuesday, 29<sup>th</sup> September, 2020 (both days inclusive). The dividend of ₹ 1.80/- (Rupee One and Eighty Paise only) per share on the Equity Shares of the Company of ₹ 10/- (Rupees Ten) each, if declared by the Members at the AGM, will be paid subject to deduction of income tax at source (“TDS”) on or after Monday, 5<sup>th</sup> October, 2020 as under:
  - a. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Monday, 21<sup>st</sup> September, 2020.
  - b. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Monday, 21<sup>st</sup> September, 2020.
- 11) Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of Final Dividend, if declared by the Shareholders. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
  - a. For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961 at rate in force (at present 7.5%) on the amount of Dividend declared and paid by the Company during Financial Year 2020-21, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered, TDS would be deducted at rate in force (at present 20%) as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2020-21 does not exceed ₹ 5,000/-. Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2020-21.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b. For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and a declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.
- c. For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.



## Blue Chip Tax Industries Limited

- d. For Other Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
  - Self-declaration in Form 10F;
  - Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax authorities;
  - Self-declaration, certifying the following points:
    - i. Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2020-21;
    - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
    - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
    - iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
    - v. Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2020-21.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Shareholders may make an online submission of Form 15G / 15H and Form 10F, along with the requisite supporting documents as mentioned above, as applicable, on the website of Bigshare (at [www.bigshareonline.com](http://www.bigshareonline.com)). The Shareholders may also download these forms from Bigshare's website and send physical copies of the duly filled forms/documents to Bigshare's Office at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059, Maharashtra. The aforesaid declarations and documents need to be submitted by the Shareholders on or before Monday, 21<sup>st</sup> September, 2020 by 11.59 p.m. (IST) to Bigshare. It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

The Company shall arrange to e-mail the soft copy of TDS certificate to a Shareholder on its registered email ID in due course, post payment of the said Dividend.

- 12) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated 20<sup>th</sup> April,

2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.

- 13) Members holding shares in electronic form may note that as per the circular issued by NSDL and CDSL, the Company is obliged to print on the dividend warrants, bank details of beneficiary owners/ Members as furnished by these Depositories while making payment of dividend. The Company or its RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Members are requested to advise such changes only to their DPs.
- 14) SEBI and the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment.

**Members are advised to register/update their address, e-mail address and bank mandates** (i.e. bank account number, name of the bank and the branch, 9 digit MICR Bank/Branch code, IFSC code and account type) to their DPs in case of shares held in electronic form and to the Company and/or its RTA in case of shares held in physical form for receiving dividend in their bank accounts and all communications, including Annual Report, Notices, Circulars etc. from the Company in the future.

For updating the email ids of the members, the Company had availed the facility of its RTA for sending messages through sms service to those members whose mobile number were available with us, requesting them to update their email id(s) with the Company/Registrar and Share Transfer Agent/ Depository Participant.

- 15) In case of remittance of dividend in future in electronic form, an intimation of the dividend payment would be sent to the members. In case of members who are not covered by NECS facility, the dividend amount will be remitted by means of dividend warrants/demand drafts which will be posted to their registered addresses, upon normalization of postal services and other activities.
- 16) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents ("RTA"), Bigshare Services Private Limited for assistance in this regard.
- 17) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.bluechiptexindustrieslimited.com](http://www.bluechiptexindustrieslimited.com). Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA in case the shares are held in physical form.
- 18) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 19) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 20) Members desiring any information on the annual financial statements or any other query related to the Annual Report are requested to write to the Company on or before Monday, 28<sup>th</sup> September, 2020 through email on [bluechiptex@gmail.com](mailto:bluechiptex@gmail.com). The same will be replied by the Company suitably.

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- 21) Prevention of Frauds: Members are advised to exercise due diligence and notify their Depository Participant (“DP”) of any change in address, stay abroad or demise of any shareholder as soon as possible. Do not leave your Demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified to prevent frauds/ misuse, if any.
- 22) Confidentiality of Security Details: Do not disclose Folio Nos. / DP ID/ Client ID to unknown persons. Do not hand over signed blank transfer deeds, delivery instruction slips to any unknown persons.
- 23) **IEPF INFORMATION:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company’s website at <https://www.bluechiptexindustrieslimited.com/IEPF.html>.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during financial year ended 31<sup>st</sup> March, 2020:

<b>Date of Declaration of Dividend</b>	<b>Dividend for the Financial Year</b>	<b>Amount of unclaimed dividend transferred (In ₹)</b>	<b>No. of shares transferred</b>	<b>Date of Transfer of shares</b>
17.09.2012	2011-2012	1,43,038	6308	14.11.2019

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

The details of unpaid and unclaimed dividends lying with the Company as on 31<sup>st</sup> March, 2019 are uploaded on the website of the Company and can be accessed through the link [www.bluechiptexindustrieslimited.com/IEPF.html](http://www.bluechiptexindustrieslimited.com/IEPF.html).

Due dates for transfer to IEPF, of the unclaimed/unpaid dividends for the financial year 2012-13 and thereafter, are as under:

<b>Sr. No</b>	<b>Date of Declaration</b>	<b>Dividend for the year</b>	<b>Due date</b>
1	21.08.2013	2012-2013	20.09.2020

Sr. No	Date of Declaration	Dividend for the year	Due date
2	09.09.2014	2013-2014	08.10.2021
3	23.07.2015	2014-2015	22.08.2022
4	16.07.2016	2015-2016	15.08.2023
5	29.08.2017	2016-2017	28.09.2024
6	11.09.2018	2017-2018	11.10.2025
7	21.09.2019	2018-2019	20.10.2026

It may be noted that the claimant of the Dividend shall be entitle to claim the amount of Dividend from Unpaid Equity Dividend Account in accordance with the procedure and submission of such documents as may be prescribed. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send all the unclaimed dividend warrants to RTA or to the corporate office of the Company at Office no. 15/16/17, 1<sup>st</sup> floor, Maker Chambers III, Jammalal Bajaj Road, Nariman Point, Mumbai – 400 021 for revalidation and encashed them before the due date for transfer to the Central Government.

- 24) Since the ensuing AGM will be convened through VC/OAVM, members can opt for one mode of voting i.e. either by remote e-voting or through e-voting at the time of AGM. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their vote on resolutions through remote e-voting or are otherwise not barred from doing so, shall be allowed to vote through e-voting system in the meeting.
- 25) However, in case Members cast their vote both by remote e-voting and e-voting at the time of AGM, then voting done through remote e-voting shall prevail and voting done by e-voting at the time of AGM will be treated as invalid. **The voting right of all shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, 22<sup>nd</sup> September, 2020.**
- 26) **PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**
- a. For Physical members- please provide necessary details like Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email at the Company's email id i.e. bluechiptex@gmail.com / RTA's email id i.e. investor@bigshareonline.com.
  - b. For members holding shares in Demat mode - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email at the Company's email id i.e. bluechiptex@gmail.com / RTA's email id i.e. investor@bigshareonline.com.
  - c. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned members.
- 27) **INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholders/members login where the EVSN of the Company will be displayed.

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- b. Members are encouraged to join the Meeting through Laptops/IPads for better experience.
- c. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
- d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at bluechiptex@gmail.com on or before Monday, 28<sup>th</sup> September, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

### 28) VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members, facility to exercise their right to vote on resolutions proposed to be considered at the 35<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-Voting Services. The facility of casting votes by the members using an electronic voting system on a day other than the day of AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The Company has appointed Mr. Pramod S. Shah, partner of M/s Pramod S. Shah & Associates, Practicing Company Secretary (Membership no. F-334/CP No. 3804) as the Scrutinizer for conducting the remote e-voting and the e-voting process at the time of AGM in a fair and transparent manner.

### A. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- a. The voting period begins on Saturday, 26<sup>th</sup> September, 2020 at 9:00 a.m. and ends on Monday, 28<sup>th</sup> September, 2020 at 5:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22<sup>nd</sup> September, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- b. Members who have already voted prior to the meeting date would not be entitled to vote on the day of AGM through e-voting.
- c. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- d. The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- e. Click on "Shareholders/Members" module.
- f. Now enter your User ID
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- iii. members holding shares in Physical Form should enter Folio Number registered with the Company.
- g. Next enter the Image Verification as displayed and Click on Login.
- h. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- i. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat members as well as physical members)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is provided in the email body in 'PAN/ Sequence Number' field.</li> <li>• Members whose email id and PAN are not registered with the Company can avail the 'Sequence Number' by raising a request to the Company's RTA viz. Bigshare Services Private Limited at <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>. Members are requested to mention their details like Folio Number/ DP ID/Client ID and name of the Company, in their request.</li> </ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (f).</li> </ul>

- j. After entering these details appropriately, click on "SUBMIT" tab.
- k. 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 account 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.**
- l. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- m. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- n. 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.
- o. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions details.
- p. 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.

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- q. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- r. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- s. If a demat account holder has forgotten the changed 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.
- t. Members can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

### **B. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- c. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
- d. Members who have voted through remote e-voting will be eligible to attend the AGM, however, they will not be eligible to vote at the AGM.

### **C. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:**

- a. Non-Individual members (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. 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.
- d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. 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.
- f. Alternatively Non-Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address i.e. [pramodshah361@gmail.com](mailto:pramodshah361@gmail.com) and to the Company at the email address i.e. [bluechiptex@gmail.com](mailto:bluechiptex@gmail.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding remote e-voting or e-voting at the time of AGM, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Alternatively, Members can contact Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, by writing to him at A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mills Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400 013 or call on 022-23058542/43.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The results declared along with the scrutinizer's report shall be placed on the website of the Company i.e. [www.bluechiptexindustrieslimited.com](http://www.bluechiptexindustrieslimited.com) and website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited, where the equity shares of the Company are listed.

- 29) The requirement to place the matter relating to ratification of appointment of Statutory Auditors by Members at every Annual General Meeting is done away with as per Point no. 40 of Companies (Amendment) Act, 2017 vide notification dated 7<sup>th</sup> May, 2018 issued by Ministry of Corporate Affairs. Accordingly, no resolution was proposed for ratification of appointment of M/s. D K P & Associates, Chartered Accountants, who are the Statutory Auditors of the Company and were appointed at the 32<sup>nd</sup> Annual General Meeting held on 29<sup>th</sup> August, 2017. Further, they have confirmed that they are eligible in terms of Section 141 of Act to continue as Statutory Auditors of the Company. The details of remuneration paid to Auditors is provided in the Annual Accounts for the year ended 31<sup>st</sup> March, 2020.
- 30) Since the 35<sup>th</sup> AGM will be held through VC/OAVM, the Route Map to the venue of AGM as per the requirements of Secretarial Standards – 2 is not annexed to this Notice.



# Blue Chip Tex Industries Limited

## EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

### Item No. 4 (Ratification of remuneration of Cost Auditors for the financial year 2020-21)

The Company is required under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment and remuneration of M/s NKJ & Associates, Practising Cost Accountant, Navi Mumbai, (Firm Registration No.101893) as the Cost Auditor of the Company for the Financial Year 2020-21.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending 31<sup>st</sup> March, 2021.

The Board recommends the said resolution proposed vide Item No. 4 to be passed as Ordinary Resolution by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 4 of the Notice.

### Item No. 5 (To appoint Mr. Rohit .P. Bajaj (DIN: 08646838) as an Independent Director)

On the recommendation of the Nomination and Remuneration Committee and pursuant to Section 149 & 161(1) of the Companies Act, 2013 and Article 140 of the Articles of Association of the Company, the Board of Directors, appointed Mr. Rohit .P. Bajaj (DIN: 08646838) as an Additional Director (Category: Non-Executive Independent Director) of the Company with effect from 6<sup>th</sup> January, 2020 for a term of 3 (three) consecutive years to hold office from 6<sup>th</sup> January, 2020 till 5<sup>th</sup> January, 2023. His appointment is subject to the approval of the members. The Company has received a notice from a member proposing Mr. Rohit P. Bajaj as a candidate for the office of Director of the Company.

Mr. Rohit .P. Bajaj aged 29 (Twenty Nine) years holds Bachelor's degree in Commerce from Mumbai University and Master's degree in Business Administration from New York University Stern School of Business. He is currently working as an Investment Analyst in Acuitas Capital Advisors. He has over 4 (four) years of experience in Finance.

The other details of Mr. Rohit .P. Bajaj in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice. Mr. Rohit P. Bajaj is not related to any Director of the Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Rohit .P. Bajaj fulfils the conditions specified in the Act for his appointment as an Non-Executive Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Mr. Rohit .P. Bajaj's vast knowledge and experience in Finance will be of great value to the Company.

Mr. Rohit .P. Bajaj has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also received:-

- (i) the consent in writing to act as Director;
- (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013;

- (iii) a declaration that he has complied with sub rule 1 of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014
- (iii) a disclosure as per the provisions of Regulation 7 (1) (b) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

A letter of appointment setting out the terms & conditions of appointment was issued to Mr. Rohit .P. Bajaj when he was appointed as Additional Director (In category of 'Non-Executive Independent Director') of the Company on 6<sup>th</sup> January, 2020. If he gets appointed in the ensuing Annual General Meeting as Non-Executive Independent Director, Company will issue addendum to the letter of appointment setting out the additional information of his appointment. A copy of letter of appointment and a copy of the draft addendum to the letter of appointment of Mr. Rohit .P. Bajaj as Non-Executive Independent Director would be available for inspection without any fee by the members.

The Board recommends the said resolution proposed vide Item No. 5 to be passed as Ordinary Resolution by the members.

Except, Mr. Rohit .P. Bajaj, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of the Notice.

### **Item No. 6 (To appoint Mr. Shatrughun .N. Jiwnani (DIN: 07247441) as an Independent Director)**

On the recommendation of the Nomination and Remuneration Committee and pursuant to Section 149 & 161(1) of the Companies Act, 2013 and Article 140 of the Articles of Association of the Company, the Board of Directors, appointed Mr. Shatrughun .N. Jiwnani (DIN: 07247441) as an Additional Director (Category: Non-Executive Independent Director) of the Company with effect from 6<sup>th</sup> January, 2020 for a term of 4 (four) consecutive years to hold office from 6<sup>th</sup> January, 2020 till 5<sup>th</sup> January, 2024. His appointment is subject to the approval of the members. The Company has received a notice from a member proposing Mr. Shatrughun .N. Jiwnani as a candidate for the office of Director of the Company.

Mr. Shatrughun .N. Jiwnani aged 71 years holds Bachelor's degree in Arts from Mumbai University. He has 15 (Fifteen) years of experience in Textile Industry and 15 (Fifteen) years of experience as Public Relations & Media Officer.

The other details of Mr. Shatrughun .N. Jiwnani in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice. Mr. Shatrughun .N. Jiwnani is not related to any Director of the Company.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Shatrughun .N. Jiwnani fulfils the conditions specified in the Act for his appointment as an Non-Executive Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Mr. Shatrughun .N. Jiwnani's vast knowledge and varied experience will be of great value to the Company.

Mr. Shatrughun .N. Jiwnani has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also received:-

- (i) the consent in writing to act as Director;
- (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013;
- (iii) a declaration that he has complied with sub rule 1 of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014
- (iii) a disclosure as per the provisions of Regulation 7 (1) (b) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

## Blue Chip Tex Industries Limited

A letter of appointment setting out the terms & conditions of appointment was issued to Mr. Shatrughun .N. Jiwani when he was appointed as Additional Director (In category of 'Non-Executive Independent Director') of the Company on 6<sup>th</sup> January, 2020. If he gets appointed in the ensuing Annual General Meeting as Non-Executive Independent Director, Company will issue addendum to the letter of appointment setting out the additional information of his appointment. A copy of letter of appointment and a copy of the draft addendum to the letter of appointment of Mr. Shatrughun .N. Jiwani as Non-Executive Independent Director would be available for inspection without any fee by the members.

The Board recommends the said resolution proposed vide Item No. 6 to be passed as Ordinary Resolution by the members.

Except, Mr. Shatrughun .N. Jiwani, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of the Notice.

### **Item No. 7 (To re-designate and appoint Mr. Shahin .N. Khemani (DIN: 03296813) as the Managing Director of the Company)**

The Board has, based on the recommendation of the Nomination and Remuneration Committee and considering the increased activities, responsibilities and contribution of Mr. Shahin .N. Khemani in development and growth of the Company appointed Mr. Shahin .N. Khemani as the Managing Director of the Company for period of 5 (five) years w.e.f. 1<sup>st</sup> September, 2020 to 31<sup>st</sup> August, 2025, subject to the members approval at this Annual General Meeting on the key terms and conditions as set out in the Resolution and as enumerated in the Letter of Appointment dated 19<sup>th</sup> August, 2020 entered into between the Company and Mr. Shahin .N. Khemani.

Mr. Shahin .N. Khemani aged 35 years has done his Bachelor of Management Studies from Mumbai University and holds Master's Degree in Technology Entrepreneurship from University of London, U.K.

Mr. Shahin .N. Khemani was appointed as Director of the Company by the members at the 26<sup>th</sup> Annual General Meeting of the Company held on 11<sup>th</sup> August, 2011. He has been associated with the Company as Director for over a decade and has over 11 years of experience in Textile Industry. He is well-versed in understanding Textile Industry and is equally excellent in ensuring growth by improving productivity, cost control and consistently improving quality. He had been actively involved in business strategy, business development and research and development functions in the Company. With his support the Company has consistently delivered value to its customers and all stakeholders.

Mr. Shahin .N. Khemani is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Managing Director of the Company. Mr. Shahin .N. Khemani satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his appointment.

Mr. Shahin .N. Khemani is also one of the Promoter of the Company and holds 28600 equity shares (1.45% of total no. of shares) of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Letter of Appointment dated 19<sup>th</sup> August, 2020 entered into between the Company and Mr. Shahin .N. Khemani is available for inspection.

The Board recommends the said resolution proposed vide Item No. 7 to be passed as Special Resolution by the members.

Except, Mr. Shahin .N. Khemani, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 7 of the Notice.

### **Item No. 8 (To appoint Mr. Siddharth .A. Khemani (DIN: 08842398) as Non-Executive, Non Independent Director of the Company)**

Mr. Siddharth .A. Khemani aged 29 (Twenty Nine) years has done his graduation from Mumbai University and has over 4 (four) years of experience in Textiles.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 19<sup>th</sup> August, 2020 recommended the appointment of Mr. Siddharth .A. Khemani as Non-Executive, Non Independent Director of the Company w.e.f. 1<sup>st</sup> October, 2020 liable to retire by rotation on the key terms and conditions set out in the Resolution and as enumerated in the Draft Letter of Appointment to be entered into between the Company and Mr. Siddharth .A. Khemani, if he is appointed at the Annual General Meeting.

Mr. Siddharth .A. Khemani is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director of the Company.

Mr. Siddharth .A. Khemani is also one of the Promoter of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board recommends the said resolution proposed vide Item No. 8 to be passed as Ordinary Resolution by the members.

Except, Mr. Rahul .A. Khemani who is the brother of Mr. Siddharth .A. Khemani, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 8 of the Notice.

### **Item No. 9 (To increase the overall managerial remuneration)**

As per section 197 of the Companies Act, 2013 as amended from time to time, the total managerial remuneration payable by the Company to its directors, including managing director and whole time director and its manager in respect of any financial year may exceed 11% (Eleven Percent) of the net profits of the Company calculated as per section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Special Resolution.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 19<sup>th</sup> August, 2020 recommended to increase the overall limit of managerial remuneration payable by the Company to its directors, including managing director and whole time director and its manager in respect of any financial year from 11% to 20% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013.

The Board recommends the said resolution proposed vide Item No. 9 to be passed as Special Resolution by the members.

Except, Mr. Rahul .A. Khemani and Mr. Shahin .N. Khemani, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 9 of the Notice.

### **Item No. 10 (To create charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013)**

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, a company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Members is obtained by way of a Special Resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets,

## Blue Chip Tex Industries Limited

properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under Section 180(1)(c) of the Companies Act, 2013), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/disposal thereof, creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

The Board recommends the said resolution proposed vide Item No. 10 to be passed as Special Resolution by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 10 of the Notice.

### **Item No. 11 (Keeping registers, returns, etc. at a place other than Registered Office)**

As required under the provisions of Section 94 of the Companies Act, 2013, certain documents such as the Register of Members, Index of Members, copies of annual returns under section 92 of the Companies Act, 2013 and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought to keep the registers as required under section 88 of the Act at the office of the Company's Registrar and Share Transfer Agent i.e. M/s. Bigshare Services Private Limited at 1<sup>st</sup> floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri-East, Mumbai – 400059 and annual returns filed under section 92 and such other documents as may be permissible under the Act or any other applicable law from time to time at the Corporate Office of the Company at Office no. 15/16/17, 1<sup>st</sup> floor, Maker Chamber III, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021.

The Board recommends the said resolution proposed vide Item No. 11 to be passed as Special Resolution by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 11 of the Notice.

By order of the Board of Directors

**Bhumit .M. Dharod**

Company Secretary

Membership No. ACS 51555

Place: Mumbai

Date: 19<sup>th</sup> August, 2020

### **Registered Office:**

Plot no. 63-B, Danudyog Sahakari Sangh Limited,  
Village Piparia, Silvassa,  
Dadra & Nagar Haveli- 396 230

### ANNEXURE TO ITEM NO. 3 AND ITEM NOS. 5 TO 8 OF THE NOTICE

Details of the Directors seeking appointment/re-appointment in the forthcoming AGM  
[Pursuant to 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings]

#### ITEM NO. 3:

Name of the Director	:	Mr. Rahul .A. Khemani (DIN: 03290468)
Date of Birth	:	30/01/1985
Nationality	:	Indian
Date of Appointment on the Board	:	01/11/2010
Qualifications	:	B.Com from Mumbai University and Masters in Technology entrepreneurship from University of London, U.K.
Expertise in specific functional area	:	Over 11 (Eleven) years of experience in Textile Industry.
Number of Equity shares held in the Company	:	25,300 (1.28% of total no. of shares)
List of the directorships held in other listed Companies	:	NIL
List of the directorships held in Companies other than listed companies	:	Beekaylon Synthetics Private Limited
Number of Board Meetings attended during the year 2019-20	:	3 (Three) out of 4 (Four)
Chairman/Member in the Committees of the board of the Company	:	Member of Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee w.e.f. 1 <sup>st</sup> September, 2020
Chairman/Member in the Committees of the board of other listed companies in which he is director	:	NIL
Chairman/Member in the Committees of the board of Companies other than listed companies in which he is director	:	Member of Corporate Social Responsibility Committee of Beekaylon Synthetics Private Limited.
Relationship between Directors inter-se	:	Mr. Rahul .A. Khemani is the son of Mr. Ashok .K. Khemani the Managing Director (Will hold office as Managing Director till 31 <sup>st</sup> August, 2020) of the Company.
Remuneration details	:	₹ 30,00,000/- (Rupees Thirty Lakhs per annum)

#### ITEM NO. 5:

Name of the Director	:	Mr. Rohit .P. Bajaj (08646838)
Date of Birth	:	30/09/1990
Nationality	:	Indian
Date of Appointment on the Board	:	06/01/2020
Qualifications	:	Bachelor's degree in Commerce from Mumbai University and Master's degree in Business Administration from New York University.
Expertise in specific functional area	:	Over 4 (Four) years of experience in Finance.
Number of shares held in the Company	:	NIL

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List of the directorships held in other listed Companies	:	NIL
List of the directorships held in Companies other than listed companies	:	NIL
Number of Board Meetings attended during the year 2019-20	:	1 (One) out of 4 (Four)
Chairman/Member in the Committees of the board of the Company	:	Member of Audit Committee and Nomination and Remuneration Committee.
Chairman/Member in the Committees of the board of other listed companies in which he is director	:	NIL
Chairman/Member in the Committees of the boards of Companies other than listed companies in which he is director	:	NIL
Relationship between Directors inter-se	:	None
Remuneration details	:	Sitting Fees of ₹ 5,000/- per Board Meeting

### ITEM NO. 6:

Name of the Director	:	Mr. Shatrughun .N. Jiwnani (DIN: 07247441)
Date of Birth	:	17/04/1949
Nationality	:	Indian
Date of Appointment on the Board	:	06/01/2020
Qualifications	:	Bachelor's degree in Arts from Mumbai University
Expertise in specific functional area	:	15 years of experience in Textile and 15 years of experience as Public Relations & Media Officer
Number of shares held in the Company	:	NIL
List of the directorships held in other listed Companies	:	NIL
List of the directorships held in Companies other than listed companies	:	Terra Firma International Private Limited
Number of Board Meetings attended during the year 2019-20	:	1 (One) out of 4 (Four)
Chairman/Member in the Committees of the board of the Company	:	Chairman and Member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.
Chairman/Member in the Committees of the board of other listed companies in which he is director	:	NIL
Chairman/Member in the Committees of the board of Companies other than listed companies in which he is director	:	NIL
Relationship between Directors inter-se	:	None
Remuneration details	:	Sitting Fees of ₹ 5,000/- per Board Meeting

**ITEM NO. 7:**

Name of the Director	:	Mr. Shahin .N. Khemani (DIN: 03296813)
Date of Birth	:	03/03/1985
Nationality	:	Indian
Date of Appointment on the Board	:	01/11/2010
Qualifications	:	Bachelor of Management Studies from Mumbai University and Master's in Technology Entrepreneurship from University of London, U.K
Expertise in specific functional area	:	Over 11 (Eleven) years of experience in Textile Industry.
Number of shares held in the Company	:	28600 (1.45% of total no. of shares)
List of the directorships held in other listed Companies	:	NIL
List of the directorships held in Companies other than listed companies	:	Beekaylon Synthetics Private Limited Indotex Export House Private Limited
Number of Board Meetings attended during the year 2019-20	:	4 (Four) out of 4 (Four)
Chairman/Member in the Committees of the board of the Company	:	Member of Corporate Social Responsibility Committee and Stakeholders Relationship Committee.
Chairman/Member in the Committees of the board of other listed companies in which he is director	:	NIL
Chairman/Member in the Committees of the board of Companies other than listed companies in which he is director	:	Member of Corporate Social Responsibility Committee of Beekaylon Synthetics Private Limited.
Relationship between Directors inter-se	:	None
Remuneration details	:	₹ 30,00,000/- (Rupees Thirty Lakhs per annum)

**ITEM NO. 8:**

Name of the Director	:	Mr. Siddharth .A. Khemani (DIN: 08842398)
Date of Birth	:	27/12/1990
Nationality	:	Indian
Date of Appointment on the Board	:	Not applicable
Qualifications	:	B.Com from Mumbai University
Expertise in specific functional area	:	Over 4 (Four) years of experience in Textile Industry.
Number of shares held in the Company	:	NIL
List of the directorships held in other listed Companies	:	NIL
List of the directorships held in Companies other than listed companies	:	NIL
Number of Board Meetings attended during the year 2019-20	:	NIL
Chairman/Member in the Committees of the board of the Company	:	NIL



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Chairman/Member in the Committees of the board of other listed companies in which he is director	:	NIL
Chairman/Member in the Committees of the board of Companies other than listed companies in which he is director	:	NIL
Relationship between Directors inter-se	:	Mr. Siddharth .A. Khemani is the brother of Mr. Rahul .A. Khemani the CFO & Executive Director of the Company and son of Mr. Ashok .K. Khemani the Managing Director (Will hold office as Managing Director till 31 <sup>st</sup> August, 2020) of the Company.
Remuneration details	:	Sitting Fees of ₹ 5,000/- per Board Meeting

By order of the Board of Directors

Place: Mumbai  
Date: 19<sup>th</sup> August, 2020

**Bhumit .M. Dharod**  
Company Secretary  
Membership No. ACS 51555

**Registered Office:**  
Plot no. 63-B, Danudyog Sahakari Sangh Limited,  
Village Piparia, Silvassa,  
Dadra & Nagar Haveli- 396 230