



REGD. OFFICE : Near Indiabulls Mega Mall, Akota Road, Vadodara - 390 020. Gujarat, India.
Tel. : (0265) 2960060/61/62/63/64, **Mobile :** 99740 05975
Website : www.dineshmills.com, **CIN :** L17110GJ1935PLC000494

POSTAL BALLOT NOTICE

Dear Member(s),

Notice is hereby given pursuant to Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, ("**the Act**") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**"), General Circular issued by Ministry of Corporate Affairs vide Circular No. 20/2020 dated 05/05/2020, and other circulars issued from time to time including latest circular no. 09/2024 dated 19/09/2024, ("**MCA Circulars**"), Regulation 44 and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Regulations**"), Secretarial Standard on General meetings ("**SS-2**") including any Statutory modification(s) or re-enactment(s) thereof for the time being in force, that the Resolutions set out herein after are proposed to be passed as Special Resolutions by the members of Shri Dinesh Mills Limited ("**the Company**") by means of postal ballot, only by way of remote e-voting process.

The Explanatory Statement, pursuant to Section 102 of the Act, setting out the material facts relating to the Resolutions mentioned in this Notice is annexed hereto for your consideration.

The Board of Directors has appointed CS Heena Patel, Practicing Company Secretary (Membership No. A-40323), Vadodara as the Scrutinizer to scrutinize E-voting process in a fair and transparent manner.

The Company has engaged the services of National Securities Depository Ltd ("**NSDL**") as the agency to provide e-voting facility.

In accordance with the provisions of the above referred MCA circulars, members can vote only through remote e-voting process. Accordingly, the Company is pleased to provide e-voting facility to all its members to cast their vote electronically. Members are requested to read the instructions in the Notes to this Postal Ballot Notice so as to cast their vote electronically not later than 5.00 (IST) on Saturday, 14th December, 2024 (last date to cast vote electronically) to be eligible for being considered.

The Scrutinizer will submit her Report to Mr. Bharat Patel, Chairman of the Company and in his absence to Mr. Nimish Patel, Managing Director or Mr. Aditya Patel, Executive Director of the Company, upon completion of scrutiny of the votes cast through e-voting. The results along with the Scrutinizer's Report will be announced on or before Monday, 16th December, 2024 and will be displayed on the (i) Notice Board of the Company at its Registered office, (ii) Company's website www.dineshmills.com (iii) NSDL's website www.evoting.nsdl.com and (iv) Stock Exchange's website i.e. BSE Ltd. www.bseindia.com

SPECIAL BUSINESS:

ITEM NO.1: Approval for re-appointment of Shri Nimishbhai Patel, as Managing Director of the Company for further period of five years with effect from 14th January, 2025 to 13th January, 2030

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

"RESOLVED THAT pursuant to provisions of Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and other applicable provisions, if any of the

Companies Act, 2013, Shri Nimishbhai Patel (DIN: 00039549) who is also rendering honorary services as Chairman & Managing Director of the subsidiary company viz. Dinesh Remedies Ltd. be and is hereby re-appointed as Managing Director (MD) of the Company for further period of five years with effect from 14th January, 2025 to 13th January, 2030 upon the following existing terms as to Remuneration for the period not exceeding three years i.e. with effect from 14th January, 2025 to 13th January, 2028 as set out hereunder in accordance with Schedule V to The Companies Act, 2013 or any amendment thereto subject to the re-consideration of the remuneration by the Nomination, Remuneration & Compensation Committee, the Board of Directors and Shareholders of the Company.

Remuneration Period: 14th January, 2025 to 13th January, 2028:

1. **Basic Salary:** Rs. 8,00,000/- per month with increment of Rs.1,00,000/- in Basic Salary w.e.f. 1st April every year starting from 1st April, 2025.
2. **Commission:** Commission not exceeding 1% of the Net Profit of the Company as per calculation pursuant to Section 198 of the Companies Act, 2013 subject to approval of the Board of Directors of the Company.
3. **Allowances & Perquisites:**
 - i) The MD shall also be entitled to allowances & perquisites viz. House Rent Allowance @ 60% of the Salary, Furnishing Allowance @ 20% of the salary, Education Allowance @ 10% of the salary, reimbursement of Medical-cum-Leave travel expenses, club fees, insurance premium, electricity bills, gas bills etc. subject to the overall ceiling of his Annual salary.
 - ii) Use of Company's Car(s) with driver and telephone at his residence shall not be included in the computation of the above ceiling of allowances & perquisites, use of car(s) for private purpose and personal long distance calls on telephone shall be billed by the Company to the MD.
 - iii) Company's contribution to provident fund and superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure of the MD shall not be included in the computation of the aforesaid limits of the remuneration.

RESOLVED FURTHER THAT the draft Agreement to be entered into with Shri Nimishbhai Patel, containing various terms & conditions of his re-appointment and remuneration be and is hereby approved and the same be executed under the Common Seal of the Company pursuant to the provisions of Articles of Association of the Company.”

ITEM NO.2: Approval for disposal of entire investment i.e. Equity Shares and Preference Shares in Dinesh Remedies Limited (i.e. material unlisted subsidiary company)

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

“RESOLVED THAT, pursuant to Section 108, 110, and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, (**“the Act”**) and Regulation 24(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the provisions of the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be required and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as **“Board”**, which term shall include a **“Committee”** thereof), consent, authority and approval of the Company be and is hereby granted to the Board to sale / transfer of the entire investment in 1,30,98,095 Equity shares of Rs.10/- each (55.52%) and 20,96,876, 4% Optionally Convertible Cumulative Preference Shares of Rs.10/- each (84.23%) of Dinesh Remedies Limited, a material subsidiary company to Mr. Dixit Rashmikantbhai Patel and/or his Relatives & Affiliates (**“the prospective Buyer”**) subject to compliance of the terms & conditions of the BINDING OFFER dated 28th October, 2024 received from the prospective Buyer with power to agree to and accept modifications, if any, as may be required by the prospective Buyer in execution of Definitive

Agreement(s) or otherwise, as the Board / Committee may deem fit and appropriate in the interest of the Company.

RESOLVED FURTHER THAT, for the purpose of giving effect to the above Resolution, the Board of Directors or a Committee thereof, be and is hereby authorized to do all the acts and deeds necessary and expedient including to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the sale / transfer/disposal of entire equity shares and preference shares to the prospective Buyer and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in this connection.”

Regd. Office:

Near Indiabulls Mega Mall,
Akota Road,
Vadodara – 390 020
Dated: 30th October, 2024

By Order of the Board

For SHRI DINESH MILLS LIMITED,

Sd/-

J. B. SOJITRA

COMPANY SECRETARY

M. No. A6351

NOTES:

1. The explanatory statement pursuant to Section 102 of the Act setting out the material facts relating to the resolutions mentioned in this Notice is annexed hereto and forms part of this Notice.
2. In compliance with the above referred MCA Circulars, this Postal Ballot Notice is being sent only by electronic mode to those members whose names appear in the Register of Members / List of Beneficial Owners as on Friday, 8th November, 2024 ("Cut-Off Date") received from the Depositories and whose e-mail address is registered with the Company / Depositories. Members are required to communicate their assent or dissent through E-voting system only. Members whose names appear on the Register of Members / List of Beneficial Owners as on the Cut-Off Date will only be considered eligible for the purpose of e-voting. A person who becomes a member after the Cut-Off Date should treat this Notice for information purpose only.

Members may note that this Notice will also be available on the Company's website at www.dineshmills.com website of stock exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited. ("NSDL") at www.evoting.nsdl.com

3. In compliance with the MCA Circulars, the Company has made necessary arrangements for the members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form; and (ii) if the shares are held in physical form, members are requested to submit their service requests in the form(s) prescribed under SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021. The form(s) are available on the website of the Company at <https://www.dineshmills.com> and on the website of Company's Registrar & Share Transfer Agent, MCS Share Transfer Agent Ltd. ("MCS") at <http://mcsregistrars.com>
4. Voting rights of the members shall be in proportion to the equity shares held in the paid-up equity share capital of the Company as on the Cut-Off Date.
5. The Special Resolutions, if approved, shall be deemed to have been passed on the last date of e-voting i.e. Saturday, 14th December, 2024.
6. The details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in terms of para 1.2.5 of Secretarial Standard-2 (SS-2) in respect of Shri Nimishbhai Patel, Managing Director seeking re-appointment are provided in the Explanatory Statement and Annexure-A to this Notice. All documents referred to in this Postal Ballot Notice will be available for inspection until the last date of e-voting. Members seeking to inspect such documents can send an email to sojitra@dineshmills.com

7. E-voting facility:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 in relation to e-voting facility provided by Listed Companies, the Company is pleased to provide its members the e-voting facility to enable them to cast their votes electronically on the proposed Special Resolutions. The e-voting facility is provided by NSDL.

The e-voting period begins on Friday, 15th November, 2024 (9:00 a.m. IST) and ends on Saturday, 14th December, 2024 (5:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on the Resolutions is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

(B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN 132056" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mrs. Heena Patel heenapatelcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Mrs. Pallavi Mhatre at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the Resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, 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 to sojitra@dineshmills.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), 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) to sojitra@dineshmills.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO THE NOTICE ANNEXURE – A

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT (ITEM No. 1)

The details as required pursuant to the Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings are as under:

Name of Director & Director Identification Number(DIN)	Shri Nimishbhai Patel DIN: 00039549
Age	58 Years
Date of first appointment on the Board	14 th January, 1995

Qualification	B.B.A., M.B.A. (Finance), (U.S.A)
Expertise	Valuable contribution in the overall management of the Company.
Profile	As given in the Explanatory Statement
Directorship in other Companies as on the date of this Notice:	(1) Dinesh Remedies Ltd. (2) Fernway Technologies Ltd. (3) Stellent Chemicals Industries Ltd. (4) McGean India Chemicals Pvt. Ltd. (5) Parosha Chemicals Pvt. Ltd.
Name of Listed Companies from which the Director has resigned in past three years	None
Membership / Chairmanship of Committees in other Companies as on the date of this Notice:	Member of the Audit Committee of Dinesh Remedies Ltd.
No. of Board Meetings: (a) Held during F.Y. 2023-2024 & Upto the date of this Notice (b) Attended	(a) 7 (Seven) (b) 7 (Seven)
Inter-se relationship with other Directors / KMP	He is related to Shri Bharatbhai Patel, Chairman & Managing Director and Shri Nishank Patel, Executive Director of the Company.
Terms & Conditions of appointment	Re-appointment as Managing Director of the Company liable to retire by rotation as given in the draft Agreement of his re-appointment.
Details of Remuneration last drawn upto the date of this Notice	As given in the proposed Special Resolution at Item No.1 and Explanatory Statement attached to this Notice.
Details of Remuneration sought to be paid	As given in the proposed Special Resolution at Item No.1 and Explanatory Statement attached to this Notice.
No. of Shares held: (a) For Own (b) For other persons on beneficial basis	(a) 7,68,852 equity shares of Rs.10/- each (b) NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

ITEM NO.1:

Shri Nimishbhai Patel after completing his M.B.A. (Finance), (U.S.A)., has been rendering his valuable services to the Company since 1990. He has very rich experience of more than 34 years in the textile, chemical industry and more than sixteen years in Pharma industry. He has also been rendering honorary services as Chairman & Managing Director of the Subsidiary Company viz. Dinesh Remedies Ltd. and has made significant contributions to the progress of these Companies. He was also elevated as Managing Director of the Company w. e. f. 1st April, 2010.

As you may be aware that, Shri Nimishbhai Patel was reappointed as Managing Director (MD) of the Company for a period of five years from 14th January, 2020 to 13th January, 2025. The Company is paying the Remuneration to him as per the details given hereunder. The Nomination, Remuneration & Compensation Committee and Board of Directors of Company at their respective meetings held on 30th October, 2024 reappointed Shri Nimishbhai Patel on the existing terms of remuneration as given in the Special Resolution at Item No.1 of this Notice subject to approval of shareholders of the Company.

- Basic Salary:** Rs. 8,00,000/- per month with increment of Rs.1,00,000/- in Basic Salary w.e.f. 1st April every year.
- Commission:** Commission not exceeding 1% of the Net Profit of the Company as per calculation pursuant to Section 198 of the Companies Act, 2013 subject to approval of the Board of Directors of the Company.

3. Allowances & Perquisites:

- i) The MD shall also be entitled to allowances & perquisites viz. House Rent Allowance @ 60% of the Salary, Furnishing Allowance @ 20% of the salary, Education Allowance @ 10% of the salary, reimbursement of Medical-cum-Leave travel expenses, club fees, insurance premium, electricity bills, gas bills etc. subject to the overall ceiling of his Annual salary.
- ii) Use of Company's Car(s) with driver and telephone at his residence shall not be included in the computation of the above ceiling of allowances & perquisites, use of car(s) for private purpose and personal long distance calls on telephone shall be billed by the Company to the MD.
- iii) Company's contribution to provident fund and superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure of the MD shall not be included in the computation of the aforesaid limits of the remuneration.

The details pursuant to Part II, Section II(A)(iv) of the Schedule V of the Companies Act, 2013 are as under:

I. General Information:

- (1) Nature of industry: Textile
- (2) Date of commencement of commercial production: 17-02-1936
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus: Not applicable
- (4) Financial performance based on given indicators:

(Rs. In Lakhs)				
Sr. No.	Particulars	2023 – 2024	2022 – 2023	2021 – 2022
1	Revenue from Operations	6688	5971	5511
2	Depreciation	281	345	341
3	Interest	16	15	12
4	Net Profit before Tax & Exceptional Items	2066	1015	3043
5	Provision for Taxation	1361	517	392
6	Add: Exceptional Items	4085	1796	0
7	Net Profit after Tax & Exceptional Items	4790	2294	2651
8	Dividend (%)	300	100	75
9	Net Worth	19699	15534	13680
10	Book Value per Share of Rs.10/- each	352	277	244
11	E.P.S. (Rs.)	85.53	40.97	47.33

- (5) Foreign investments or collaborators, if any: None

II. Information about the appointee:

- (1) Background details: As given hereinabove.
- (2) Past remuneration: Rs.8,00,000/- basic salary p.m. plus Perquisites & Allowances subject to ceiling of his Annual Basic Salary as per the details given in the Explanatory Statement.
- (3) Recognition or awards: As given hereinabove.
- (4) Job profile and his suitability: General administration and management of the overall business and affairs of the Company subject to the direction, supervision and control of the Board of Directors of the Company. The justification for his suitability is given hereinabove.
- (5) Remuneration proposed: As per the details given in the Special Resolution set out at Item No.1 of this Notice.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The Company manufactures Felt (i.e. Technical Textiles) and looking to his contribution, the remuneration proposed in the Special Resolution set out at Item No.1 of this Notice is justifiable and the same be paid even as minimum remuneration in case the Company has no profits or has inadequate profits as per the relevant provisions of the Companies Act, 2013.
- (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: He is related to Shri Bharatbhai Patel, Chairman & Managing Director and Shri Nishank Patel, Executive Director of the Company.

III. Other Information:

- (1) Reason of loss or inadequate profits: The Textile Industry is Labour & Capital intensive and the industry has to face various internal & external challenges and the Company is not an exception to these challenges and as a result thereof, the profit is inadequate.
- (2) Steps taken or proposed to be taken for improvement: The management would strive to mitigate various risks viz. interest rate, commodity price, foreign exchange, business operations and Regulatory compliances etc. through regular monitoring and taking corrective actions as and when required from time to time.
- (3) Expected increase in productivity and profits in measurable terms: Due to the reasons mentioned in Para III (1) and (2) hereinabove, the management would strive to increase the sales turnover and the profitability of the Company.

The draft Agreement to be executed between the Company and Shri Nimishbhai Patel is available for inspection by members of the Company at the Registered Office between 11.00 A.M. to 1.00 P.M. on any working days of the Company on or before 14th December, 2024.

The Board recommends the Special Resolution set out at Item No. 1 of this Notice for the approval by the shareholders of the Company.

Except Shri Nimishbhai Patel, Shri Bharatbhai Patel and Shri Nishank Patel, no other Directors and Key Managerial Personnel or their Relatives are in any way, concerned or interested financially or otherwise in the Special Resolution set out at Item No. 1 of this Notice.

ITEM NO.2:

Dinesh Remedies Limited was incorporated on 9th February, 2005 to manufacture Empty Hard Gelatin Capsule Shells at its factory situated at Village Mahuvad, Taluka Padra, District Vadodara.

The Company is presently holding 1,30,98,095 equity shares of Rs.10/- each (55.52%) and 20,96,876, 4% Optionally Convertible Cumulative Preference shares of Rs.10/- each (84.23%) of Dinesh Remedies Limited, the material unlisted subsidiary of the Company.

Shri Rashmikanthbhai Patel jointly with Mrs. Chandrikaben Rashmikanthbhai Patel and Mr. Dixit Rashmikanthbhai Patel are also existing shareholders holding 31,39,715 equity shares of Rs.10/- each (13.31%) and 3,92,464, 4% Optionally Convertible Cumulative Preference shares of Rs.10/- each (15.77%) of Dinesh Remedies Limited, the material unlisted subsidiary of the Company.

As you may be aware that, your Company had carried out Impairment testing exercise pursuant to IndAS 36 due to material losses incurred by Dinesh Remedies Limited which has resulted into diminution in value of investment in Dinesh Remedies Ltd. to the tune of Rs.679.61 Lakhs in the Books of Accounts of our Company as at 31st March, 2024.

As Dinesh Remedies Limited is incurring huge losses, the Board of Directors and Audit Committee of the Company at their respective meetings held on 30th October, 2024 has decided to sale / transfer / disposal of its entire shareholding (i.e. equity & preference shares) in favour of the existing shareholder, Mr. Dixit Rashmikanthbhai Patel and/or his Relatives & Affiliates (i.e. **“prospective Buyer”**) as per Binding Offer dated 28th October, 2024 subject to compliance of the conditions precedent prior to the closing based on the Enterprise Valuation of Rs. 2411/- Lakhs of Dinesh Remedies Limited as recommended by the Audit Committee subject to approval of shareholders of the Company. The above referred 20,96,876, 4% Optionally Convertible Cumulative Preference shares of Rs.10/- each will be transferred “at Par” whereas 1,30,98,095 equity shares of Rs.10/- each will be transferred as per the price per share that would be arrived at pursuant to the above referred Binding Offer on the closing date.

Members approval is being sought pursuant to Section 108, 110, and other applicable provisions, if any of the Companies Act, 2013 and the provisions of the Regulation 24(5) and other regulations, applicable if any of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The above referred Binding Offer and Valuation Report are available for inspection by members of the Company at the Registered Office between 11.00 A.M. to 1.00 P.M. on any working days of the Company on or before 14th December, 2024.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise, in the Special Resolution set out at Item No. 2 of this Notice.

The proposed transaction is with unrelated party. The Board recommends the Special Resolution as set out at Item No. 2 of this Notice for the approval by the shareholders of the Company.

Regd. Office:

Near Indiabulls Mega Mall,
Akota Road,
Vadodara – 390 020
Dated: 30th October, 2024

By Order of the Board

For SHRI DINESH MILLS LIMITED,

Sd/-

J. B. SOJITRA

COMPANY SECRETARY

M. No. A6351