



DEEPAK SPINNERS LIMITED

CIN NO. L17111HP1982PLC016465

Regd. Office: 121 Industrial Area, Baddi, Tehsil Nalagarh

District Solan, Himachal Pradesh-173205

Telephone nos. 0172 2790973, 2790974, Fax – 0172 2790977

Website: www.dsl-india.com Email: share@dsl-india.com

Annual Report
and Accounts for
the year 2016-17
are being posted
separately by post
as per Companies
Act, 2013

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the Members of Deepak Spinners Limited will be held on Thursday, the 31st day of August, 2017 at 2.00 p.m. at the Registered Office at 121, Industrial Area, Baddi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh to transact with or without modifications, as may be permissible, the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2017 including audited Balance Sheet as at 31st March, 2017 and the Statements of Profit and Loss and Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Pradip Kumar Daga (holding DIN 00040692), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**:-
“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the 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), M/s. Jitendra K. Agrawal & Associates, Chartered Accountants (ICAI Registration No. 318086E) be and is hereby appointed as the Statutory Auditors of the Company in place of M/s. Singhi & Co., Chartered Accountants (ICAI Registration No. 302049E), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting till the 40th Annual General Meeting at such remuneration as may be

mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS

4. To consider and if thought fit to pass the following Resolution as an Ordinary Resolution :-
“RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, M/s. Shakti K. & Associates, Cost Accountants being the Cost Auditors appointed by the Board of Directors of the Company to conduct the cost audit for the financial year ending 31st March 2018, be paid the remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand Only) excluding service tax and out of pocket expenses.”
5. To consider and if thought, fit to pass the following resolution as a **Special Resolution**:
“RESOLVED THAT pursuant to provisions of Section 94 of the Companies Act, 2013 and the Rules made there under, the consent of the members be and is hereby accorded to the Board of Directors of the Company for keeping the Registers required to be maintained under Section 88 of the Companies Act, 2013, at the office of Registrar and Transfer Agent, M/s. Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 or at such places, where the Registrar and Transfer Agent may shift its office from time to time, instead of the Registered Office of the Company.”
6. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**:-
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment

and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Binod Kumar Agrawal (DIN 00515967), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st April, 2017, in terms of Section 161(1) of the Act and Article 107 of the Articles of Association of the Company, and who has given a declaration that he meets with the criteria of independence and as per Section 149(6) of the Act, qualifies for being appointed as an Independent Director and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years with effect from 1st April 2017 up to 31st March 2022.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable clauses of Articles of Association and Nomination & Remuneration Policy of the

Company, and subject to other approvals, if any, the consent of the Company, be and is hereby accorded to the re-appointment of Shri Pradip Kumar Daga (holding DIN 00040692) as Managing Director of the Company for a period of three years with effect from 16th April 2018, and approval of the Company be and is hereby accorded to the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (the ‘Board’ which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of the said appointment in such manner, so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to between the Board of Directors and Shri Pradip Kumar Daga provided that such variation or increase, as may be, is within the overall limits as prescribed under Section 197 and/or Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to take all steps as may be necessary, proper and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith and incidental thereto.”

By Order of the Board

Place: New Delhi
 Date : 22.05.2017

PUNEETA ARORA
Company Secretary

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 28th August, 2017 to 31st August, 2017 (both days inclusive) for annual closing.

4. The Company has connectivity with both NSDL and CDSL under **ISIN No INE272C01013**.
5. The Company has appointed M/s. Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001, as its Registrar and Transfer Agents (RTA) for both physical and demat segment of equity shares. Members are requested to send all their correspondence at the above address of RTA. For any communication, the shareholders may also send requests to email ids: mdpldc@yahoo.com and share@dsl-india.com.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to M/s. Maheshwari Datamatics Private Limited, for their doing the needful.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. In terms of circulars issued by The Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of Permanent Account Number Card (PAN Card) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrars and Transfer Agents.
9. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
10. Details as required under Regulation 36(3) of Listing Regulations in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
11. In accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Singhi & Co., Chartered Accountants, Statutory Auditors of the Company shall retire at the conclusion of the Annual General Meeting of the Company. Pursuant to the provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has, on recommendation of the Audit Committee, recommended the appointment of M/s. Jitendra K. Agrawal & Associates, Chartered Accountants (ICAI Registration No. 318086E) as the Statutory Auditors at the Annual General Meeting for a period of five years, that is, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fortieth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.
Consent and certificate under section 139 of the Companies Act, 2013 have been obtained from M/s. Jitendra K. Agrawal & Associates, Chartered Accountants to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued there under. M/s. Jitendra K. Agrawal & Associates are independent of the previous auditors M/s. Singhi & Co. Chartered Accountants.
As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Jitendra K. Agrawal & Associates, Chartered Accountants have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).
12. Electronic copy of the 35th Annual Report for the year 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member

has requested for a physical copy of the same. For members, who have not registered their email addresses, physical copies of the Annual Report for 2017 is being sent to them by the permitted mode.

13. Electronic copy of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their e-mail IDs, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by the permitted mode.
14. In future also, electronic copy of the Notice of the General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, Annual Reports, and other shareholders communication will be sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same.
15. Those members, holding shares in physical mode, and who have not registered their e-mail IDs are requested to do so by providing their e-mail IDs.
16. Members may also note that the Notice of the Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2016-17 will also be available on the Company's website, www.dsl-india.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection without any fee during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost.
17. Documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
18. Shri Ajay Arora, Practising Company Secretary (Membership No. FCS 2191 and Certificate of Practice No. 993) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
19. **VOTING THROUGH ELECTRONIC MEANS**
 - a) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is providing its members, the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - d) The remote e-voting period commences on 28th August, 2017 (9:00 am) and ends 30th August, 2017 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th August,

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR 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"> 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 (iii).

2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

e) **The process and manner for remote e-voting are as under:**

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user, follow the steps given below:

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the Company's Name.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- f) A copy of this notice has been placed on the website of the Company and the website of CDSL.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

On the recommendation of Audit Committee, the Board, at its meeting held on 22.05.2017 has considered and approved appointment of M/s. Shakti K. & Associates, Cost Accountants for the conduct of Cost Audit of the Company for the financial year

2017-18 at remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand Only) excluding service tax and out of pocket expenses.

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item no. 4 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year 2017-18.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item no. 4.

ITEM NO. 5

Section 94 of the Companies Act, 2013 provides that for keeping the registers required to be maintained under Section 88 thereof, including register of members together with Index of members, etc. at a place other than the registered office of the Company, approval of members by way of Special Resolution is required. Since the register of members together with index of members, etc. will be kept with M/s. Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agent of the Company at their office situated at 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 for the sake of convenience and better compliance, approval of the members is sought by way of special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. The Board of Directors commends the resolution as set out at Item No. 5 for approval of the members as Special Resolution.

ITEM NO. 6

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Shri Binod Kumar Agrawal as an Additional Director under Section 161(1) of the Companies Act, 2013 and Article 107 of the Articles of Association of the Company as an Independent Non-executive Director of the Company for five consecutive years under Section 149 of the Companies Act, 2013 with effect from 1st April, 2017. His appointment is subject to the approval of the shareholders. The Company has received a notice from a member along with requisite amount proposing Shri Binod Kumar Agrawal as a candidate for the office of Director of the Company.

Shri Agrawal is a practicing Chartered Accountant based in Kolkata. He does not hold by himself or for any other person on beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Binod Kumar Agrawal, being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a term of five consecutive years with effect from 1st April 2017 up to 31st March, 2022.

The Company has also received a declaration from Shri Agrawal that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Board of Directors of your Company is of the opinion that Shri Agrawal fulfils the conditions specified in the Companies Act, 2013 and rules made there under and Regulation 16(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), for his appointment as an Independent Non-Executive Director of the Company.

Copy of the draft letter for appointment of Shri Binod Kumar Agrawal as an Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Agrawal as an Independent Director. Shri Agrawal will bring with him immense experience to the Company in the areas of finance, accounts, taxation and corporate laws. Accordingly, the Board commends the resolution in relation to appointment of Shri Agrawal as an Independent Non-Executive Director, for the approval by the shareholders of the Company as an ordinary resolution.

Except Shri Binod Kumar Agrawal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

ITEM NO. 7

The existing tenure of Shri Pradip Kumar Daga, designated as "Managing Director" will be expiring on 15th April, 2018. The Board of Directors of the Company at their meeting held on 22nd May, 2017, in terms of the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, approval of the Audit committee and subject to the approval of the members, has recommended re-appointment of Shri Pradip Kumar Daga as a Whole-time Director designated as "Managing Director" for a period of three years commencing from 16th April, 2018. The Company has not committed any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year and confirmation to this effect has been obtained from all creditors of the Company.

Shri Pradip Kumar Daga, aged 81 years is an eminent Industrialist having vast Industrial experience in diverse fields like Tea, Textile, Spinning and Engineering etc. It is to be noted that Shri Pradip Kumar Daga also holds the responsible position of Chairman and Managing Director of Deepak Industries Limited and he is not drawing any remuneration from Deepak Industries Limited. He is also a Director in Century Textiles & Industries Limited, Deepak Gears Limited and Longview Tea Company Limited.

Shri Pradip Kumar Daga has a shareholding of 539201 equity shares of Rs 10/- in the Company.

The Board feels that continuation of Shri Pradip Kumar Daga as Managing Director of the Company will lead to better growth and development. It is therefore, proposed to re-appoint him as Managing Director for a period of three years with effect from 16th April, 2018. The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Shri Daga as the Managing Director.

The Principle terms and conditions of his appointment are as follows:-

1. Tenure of Appointment

The re-appointment of Shri Pradip Kumar Daga is for a period of three years with effect from 16th April 2018 till 15th April, 2021.

2. Remuneration

Shri Pradip Kumar Daga shall be paid remunerations as per the terms and conditions given below.

Consolidated Salary: Rs. 5,72,000/-per month with annual increment of 10% of the last consolidated salary beginning from 1st April each year.

Shri Pradip Kumar Daga will not be entitled to any sitting fee for attending Meetings of the Board of Directors or any Committee thereof.

Other Benefits:

- I. Perquisites/ Allowances to be considered in the computation of ceilings of remuneration specified in Schedule V to the Companies Act, 2013 in force
 - 1) Leave Travel Concession for the Managing Director and his family in India and abroad once in a year in accordance with the rules of the Company.
 - 2) Reimbursement of Club fees subject to maximum of two clubs.
 - 3) Medical Reimbursement:
 - a) Reimbursement of medical expenses incurred by the Managing Director for the medical treatment for self and dependent family members.
 - b) The Company shall bear his and his dependent family members' total hospitalization expenses in India and abroad.
 - 4) Personal Accident Insurance for self and dependent family members subject to maximum premium of Rs. 20,000/- per year or as may be decided by the Board.
- II. Perquisites/ Allowances which shall not be considered in computation of ceilings of remuneration specified in relevant schedule to the Companies Act in force-
 - i) Contribution to Provident Fund, superannuation fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - iii) Encashment of leave at the end of the tenure,
- III. Provision of car with driver and telephone at residence for use for Company's business will not be considered perquisites.
- IV. Reimbursement of entertainment, travelling and related expenses and electronic communication facilities by all available modes incurred for the business of the Company as well as traveling expenses of spouse accompanying Managing Director on any official overseas or domestic travels.
- V. Retirement benefits including monthly cash payments as may be decided by the Board at the time of retirement which would include housing and upkeep thereof, personal secretary, car with driver, etc.
- VI. Remuneration to Shri Pradip Kumar Daga may be revised and altered in any manner as Board may deem fit during his tenure and no further consent of the shareholders be taken if the new remuneration after such revision and alteration does not exceed the limits as stipulated in Schedule V to Companies Act 2013.
- VII. Overall Remuneration : The aggregate of Salary, allowances and perquisites in any one financial year shall not exceed the limits prescribed under sections 197, 198 read with schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as may be for the time being in force.

3. Other Terms of Appointment

- i) Shri Pradip Kumar Daga shall, subject to the superintendence, control and direction of the Board, perform and discharge such duties and responsibilities as may be entrusted to him by the Board of Directors.
- ii) The appointment may be terminated by either party by giving three months notice in writing to the other party.
- iii) The period of office of Shri Pradip Kumar Daga shall be liable to determination by retirement of Directors by rotation. If

Shri Daga is re-appointed as a Director, immediately on retirement by rotation he shall continue to hold office of Whole-time Director designated as "Managing Director" and such re-appointment as Director shall not be deemed to constitute break in his appointment as a Whole-time Director designated as "Managing Director".

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Special Resolution set out at item no. 7 of the accompanying Notice for the approval of the Members. The re-appointment of Shri Daga is appropriate and in the best interest of the Company.

The Register maintained in pursuance of Section 189 of the Companies Act, 2013 (erstwhile section 301 of the Companies Act, 1956) referred below, would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, up to and including the date of the Annual General Meeting.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

The above may be treated as a written memorandum setting out the terms of payment of remuneration to Shri Pradip Kumar Daga under Section 190 of the Companies Act, 2013.

The above may also be treated as Disclosure required under Section 196 (4) of the Act, 2013, and Secretarial Standard-2.

The Directors commend the Resolution as set out at Item no. 7 for the approval of the members of the Company as a Special Resolution.

Except Shri Pradip Kumar Daga and Shri Yashwant Kumar Daga, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

Further information on Item no. 7

I. General Information

Nature of Industry	:	Manufacture and Sale of Synthetic Yarn
Date or expected date of commencement of Commercial Production	:	13.08.1982
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable
Financial performance based on given indicators (for the year 2016-17)	:	Sales & other income : Rs. 41,403 Lac
	:	Profit/(Loss) after Tax : Rs. 618.56 Lac
	:	Rate of Dividend : NIL
	:	Earning per Share : Rs 8.60
Foreign investments or collaborators, if any	:	As on date, the Company has no foreign Collaborations.

II. Information about the Shri Pradip Kumar Daga

Background details	Shri Pradip Kumar Daga was appointed as Managing Director of the Company with effect from 16.04.2010. Under his dynamic leadership, the Company has significantly expanded its business activities from Rs 26,236 lacs of Sale and other Income in 2010-11 to Rs 41,403 Lacs in 2016-17. Shri Daga is an eminent Industrialist having vast and rich business experience in diverse fields like tea, textile, spinning and engineering, etc.
Past remuneration	During 2015-16 Shri Daga did not draw any remuneration. During 2016-17, he drew total Rs. 46.95 Lacs including perquisites as remuneration.
Recognition or awards	–
Job profile and his suitability	Besides, being an able leader, he is responsible for managing all the operations of the Company including manufacturing, finance, marketing, quality control, implementation of processes across the organization, etc. He possesses a sound knowledge of the textile industry.
Remuneration proposed	As mentioned in the Resolution.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibility shouldered by him and high levels of remuneration prevailing in the textile industry for such position, the remuneration proposed is considered reasonable.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Except the remuneration and perquisites stated above, Mr. Daga holds 539201 equity shares of Rs. 10/- each in the Company and besides his relation with Shri Yashwant Kumar Daga, Director of the Company, he has no other direct or indirect pecuniary relationship with the Company.

III. Other Information

Adverse market conditions in the aftermath of demonetisation, resulted in fall in profits of the Company. However, the market is on the recovery path. During the past year, your company completed expansion of its dyeing

capacities. This will enable it to increase its market share of higher value added yarn yielding better margins. The capital expenditure planned by the Company during the current year shall result in substantial savings in cost of production, which will also add to productivity and profit margin of the Company.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING FIXED ON 31ST AUGUST, 2017 AS REQUIRED UNDER REGUALTION 36(3) OF THE LISTING REGULATIONS:

Name of Director	Shri Pradip Kumar Daga	Shri Binod Kumar Agrawal
Date of Birth	24-04-1937	25-04-1952
Date of Appointment	25-03-1982	01-04-2017
Qualification	B.Com (Hon's)	B.Com., FCA, FCS
No. of Shares held by him in the Company	539201 equity shares of Rs. 10/-	Nil
Experience in Specific Functional Area	Industrialist with rich and varied business experience.	Practicing Chartered Accountant
List of other Directorships held	<ol style="list-style-type: none"> 1. Century Textiles & Industries Ltd 2. Deepak Gears Ltd 3. Longview Tea Company Limited 4. Deepak Industries Ltd. 	<ol style="list-style-type: none"> 1. Manjushree Trading & Finance Co. Pvt. Ltd. 2. Virtue Online Services Pvt. Ltd.
Chairman/Member of the Committees of Board of Directors of the Company#	Nil	<ol style="list-style-type: none"> 1. Audit Committee 2. Stakeholders relaitonship committee
Chairman/Member of the Committees of Board of Directors of other Companies in which he is a Director#	<ol style="list-style-type: none"> 1. Century Textiles & Industries Ltd. (Member – Audit Committee, Stakeholders Relationship Committee) 2. Longview Tea Company Limited (Member – Audit Committee) 	Nil
Relationship between Directors interse (as per Companies Act, 2013)	Related to Shri Yashwant Kumar Daga as father.	Nil

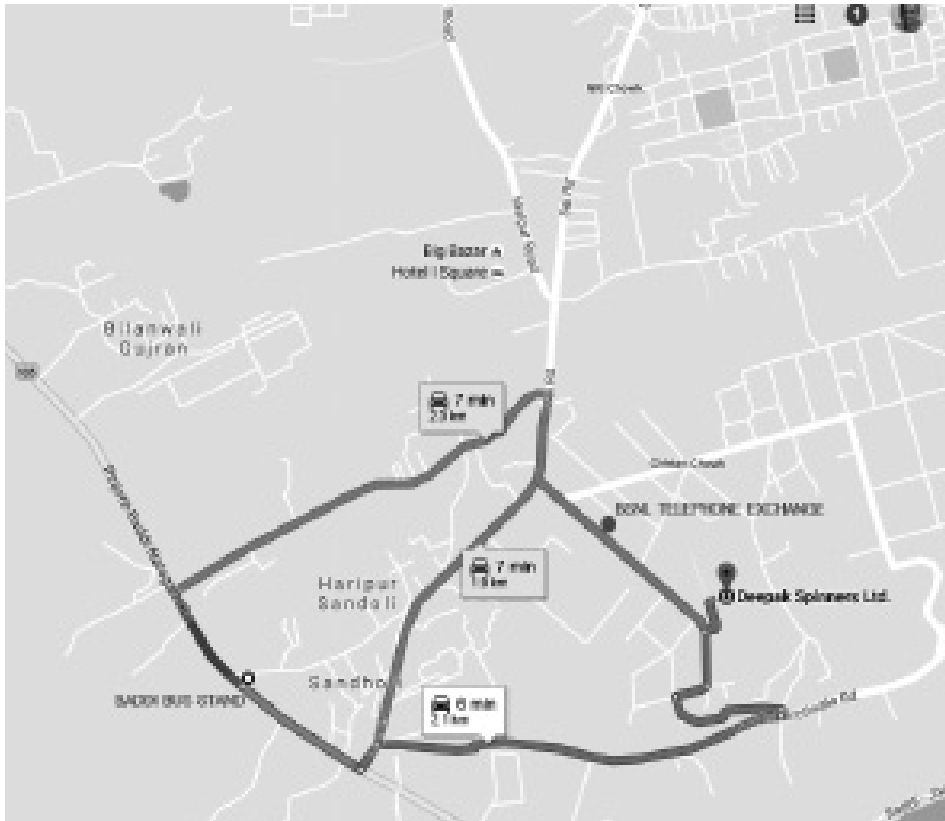
Committee positions only in Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

By Order of the Board

Place: New Delhi
Date : 22.05.2017

PUNEETA ARORA
Company Secretary

**35th AGM Route Map
for Deepak Spinners Limited at
121, Industrial Area, Baddi. Tehsil: Nalagarh, Distt. Solan (H.P.)
(Near BSNL Telephone Exchange, Baddi)**



DEEPAK SPINNERS LIMITED

CIN : L17111HP1982PLC016465

Regd. Office : 121 Industrial Area, Baddi, Tehsil Nalagarh, Dt. Solan, Himachal Pradesh-173205

Telephone nos. : 0172 2790973, 2790974, Fax : 0172 2790977

Website : www.dsl-india.com Email : share@dsl-india.com**ATTENDANCE SLIP**

Only Shareholders or the Proxies will be allowed to attend the meeting.

D.P.ID*		L.F.No.	
Client ID*		No. of Shares held	

I/ We hereby record my/our presence at the 35th Annual General meeting of the Company being held on Thursday, 31st day of August, 2017 at 2.00 p.m. at the Registered Office of the Company at 121, Industrial Area, Baddi. Tehsil: Nalagarh, Distt. Solan (H.P.)

Signature of Shareholder(s) 1. 2..... 3.....

Signature of the Proxy holder

*Applicable for investors holding shares in electronic form.

Note: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

**DEEPAK SPINNERS LIMITED**

CIN : L17111HP1982PLC016465

Regd. Office : 121 Industrial Area, Baddi, Tehsil Nalagarh, Dt. Solan, Himachal Pradesh-173205

Telephone nos. : 0172 2790973, 2790974, Fax : 0172 2790977

Website : www.dsl-india.com Email : share@dsl-india.com**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L17111HP1982PLC016465

Name of the Company : DEEPAK SPINNERS LIMITED

Registered office : 121 Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh-173205

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

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

- (1) Name..... Address.....
E-mail IDSignature or failing him.
- (2) Name..... Address.....
E-mail IDSignature or failing him.
- (3) Name..... Address.....
E-mail IDSignature

As my/our proxy to attend and vote (on a poll)for me/ our behalf at the 35th Annual General Meeting of the Company, to be held on Thursday, the 31st day of August, 2017 at 2.00 p.m. at 121 Industrial Area, Baddi, Tehsil

Nalagarh, District Solan, Himachal Pradesh-173205 and at any adjournment thereof in respect of such resolutions as are indicated overleaf :

Resolution No.	RESOLUTIONS	OPTIONAL*	
		(FOR)	(AGAINST)
	ORDINARY BUSINESS		
1.	Ordinary Resolution to consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2.	Ordinary Resolution for re-appointment of Shri Pradip Kumar Daga who retires by rotation.		
3.	Ordinary Resolution for appointment of Auditors and fixing their remuneration		
	SPECIAL BUSINESS		
4.	Ordinary Resolution under Section 148 of the Companies Act, 2013 for ratification of the remuneration of the Cost Auditors		
5.	Special Resolution to keep Registers under Section 88 of the Companies Act, 2013 at a place other than its Registered Office.		
6.	Ordinary Resolution under Section 149 of the Companies Act, 2013 for appointment of Shri Binod Kumar Agrawal as Independent Director		
7.	Special Resolution under Sections 196, 197, 203 of the Companies Act, 2013 for the re-appointment of Shri Pradip Kumar Daga as Managing Director.		

Signed this day of 2017

Signature of Shareholder :

Signature of Proxy holder(s) :

Note:

- (1) **This form of proxy in order to be effective should be completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.**
- (2) For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35th Annual General Meeting.
- *(3) It is optional to put a 'x' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix Revenue Stamp
