KAVI COMMERCIAL COMPANY LIMITED

NOTICE

Notice is hereby given that the 34th Annual General Meeting of the members of **Kavi Commercial Company Limited** will be held on Saturday, **29th September 2018** at 2:00 p.m. at the Registered Office of the Company situated at Viraj Impex House, 47 P. D'Mello Road, Mumbai - 400009 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 March 31, 2018 and the Reports of the Board of Directors and Auditors' thereon.

2. To re-appoint a Director in place of Mrs. Vidya P. Didwania, who retires by rotation at this Annual General Meeting and being eligible offered herself for re-appointment.

3. *To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution;*

   "**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Board of Directors, appointment of Jignesh Shah., Chartered Accountants (Membership No. 117121), as the Statutory Auditors of the Company, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2022 on a remuneration to be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

4. ***To consider and if though fit to pass, with or without modification(s), the following resolution as an ordinary resolution;***

   "**RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the members of the Company be and is hereby accorded to increase the authorized share capital of the Company from Rs. 17,500,000/- (Rupees One Crore Seventy-Five Lakhs only) comprising 1,750,000 (Seventeen Lakhs Fifty thousand) equity shares of face value of Rs. 10/- each to Rs. 35,000,000/- (Rupees Three Crore Fifty Lakhs only) comprising 3,500,000 (Thirty-Five Lakhs) equity shares of face value of Rs. 10/- each.

   RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause.

   V. "The Authorized Share Capital of the Company is Rs. 35,000,000/- (Rupees Three Crore Fifty Lakhs only) divided into 3,500,000 (Thirty-Five Lakhs) equity shares of face value of Rs. 10/- each."

RESOLVED FURTHER THAT the Board of Directors of the Company and any committee thereof be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/ or officer(s) of the Corporation, to give effect to the aforesaid resolution."

5. *To consider and if though fit to pass, with or without modification(s), the following resolution as an ordinary resolution;*

"**RESOLVED THAT,** in accordance with Section 63 and other applicable provisions of the Companies Act, 2013, read with Rule14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors (hereinafter referred to as 'The Board', which expression shall be deemed to include a committee of directors / KMP duly authorized in this behalf) of the Company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) and applicable Regulatory Authorities, and such permissions, sanctions and approvals as may be required in this regard, approval of the Members of the Company be and is hereby accorded to the Board for capitalization of a sum not exceeding Rs. 15,435,000/- (Rupees One Crore Fifty-Four lakhs Thirty Five Thousands only) from the Securities Premium Account, Free Reserves or any other permitted reserves/ surplus as per the audited accounts of the Company as on March 31, 2018 for the purpose of issue of Bonus Equity Shares of Rs. 10/- (Rupees Ten only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company in consideration of their said holding and whose names appear in the Register of Members maintained by the Company's Registrars and Transfer Agents / List of Beneficial Owners, as received from the Central Depository Services (India) Limited (CDSL), as on Record Date that may be fixed in this regard by the Board/Key Managerial Personnel of the Company, in the proportion of 21 (Twenty one) equity share for every 20 (Twenty) existing equity share held by the Members.

RESOLVED FURTHER THAT the new equity shares of Rs. 10/- each to be allotted as Bonus Shares shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with and carry the same rights as the existing equity shares and shall be entitled to participate in full, in any dividends and any other corporate action(s) declared after the new equity shares are allotted.

RESOLVED FURTHER THAT no allotment letters shall be issued to the allottees of the new equity shares and that the Shares Certificates in respect of the new equity shares shall be completed and thereafter be dispatched to the allottees, except in respect of those allottees who hold shares in dematerialized form, wherein the bonus shares shall be credited to the respective beneficiary account of the members with their respective depository participant, within the period prescribed in this behalf from time to time.

RESOLVED FURTHER THAT the allotment of the new equity shares as Bonus Shares to the extent they relate to Non-resident Indians (NRI's), Foreign Portfolio Investors (FPI's), Persons of India Origin (PIO), Overseas Corporate Bodies (OCB) and other foreign investors of the Company shall be subject to the approval, if any, of the RBI under the Foreign

Exchange Management Act, 1999 or any other regulatory authority, as may be deemed necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchange(s) where the shares of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to do all such act(s), deed(s), matter(s) and thing(s), including settling any question(s), doubt(s) or difficulty(ies) that may arise with regard to or in relation to the issue and allotment of Bonus Shares and to accept on behalf of the Company, any condition(s), modification(s), alteration(s), change(s), variation(s) in this regard as prescribed by the authority(ies) and which the Board in its discretion thinks fit and proper."

By order of the Board of Directors
For Kavi Commercial Company Limited

Prakash R Didwania
Managing Director
DIN: 00225978

Registered Office:
Viraj Impex House,
47, P.D'Mello Road
Mumbai – 400 009

Place: Mumbai
Dated: September 03, 2018

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The instrument appointing the Proxy, duty completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll.

3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the

Company, a certified true copy of the relevant Board of Directors resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

4. Electronic copy of the Notice of the 34th Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 34th Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent in the permitted mode.

5. Notice of the 34th Annual General Meeting and the Annual Report for the financial year 2017-18 will also be made available on the Company's website i.e. www.kavicommercial.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication free of cost in physical form, upon making a request for the same by post. For any communication, the shareholders may also send requests to the Company's investor email id: virajimpex@virajimpex.com.

6. The Voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.

7. Members / Proxies are requested to bring attendance-slip along with their copy of Annual Report to the Meeting.

8. All documents referred to in the notice are being open for inspection at the registered office of companies during the working hours of working days.

9. The Register of Members and Share Transfer Books of the Company shall remain closed from September 25, 2018 to September 29, 2018 (both days inclusive).

10. R. M. Mimani & Associates LLP, Company Secretaries have been appointed as the Scrutinizer to scrutinize the ballot voting process in a fair and transparent manner.

11. Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, there will not be voting by show of hands on any of the agenda items at the Meeting and poll will be conducted in lieu thereof.

12. Members who do desire may send duly completed Ballot form attached with the notice so as to reach to R.M. Mimani & Associates LLP, Company Secretaries, being the Scrutinizer appointed by the Board of Directors of the Company at the Registered Office of the Company not later than September 28, 2018 (6.00 p.m.). Ballot form received after this date will be treated as invalid.

13. The results along with the scrutinizer's report shall be placed on the website of the Company.

14. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business listed in item no. 4 and item no. 5 of the Notice are annexed hereto and forms part of this Notice.

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 sets out all material facts relating to the business mentioned in item nos. 4 and 5 of the accompanying Notice of the Annual General Meeting.

Item No. 4

At present the authorized share capital of the Company is Rs. 17,500,000/- (Rupees One Crore Seventy-Five Lakhs only) divided into 1,750,000 (Seventeen Lakhs Fifty thousand) equity shares of face value of Rs. 10/- each. In order to enable the company to raise additional long-term finance by issue of equity shares and for the purpose of issue of bonus equity shares, it was recommended by the Board of Directors at its meeting held on September 03, 2018 to increase the present Authorized Share Capital of the Company from Rs. 17,500,000/- (Rupees One Crore Seventy-Five Lakhs only) comprising 1,750,000 (Seventeen Lakhs Fifty thousand) equity shares of face value of Rs. 10/- each to Rs. 35,000,000/- (Rupees Three Crore Fifty Lakhs only) comprising 3,500,000 (Thirty-Five Lakhs) equity shares of face value of Rs. 10/- each.

Increase in the Authorized Share Capital requires approval of the Members of the Company. Accordingly, the resolution at Item No. 4 of the Notice seeks approval of the Members and consequential changes in Clause V of the Memorandum of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is/are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

Item No. 5

The Board of Directors of the Company have recommended for approval of the shareholder to issue of bonus shares to the holders of equity shares of the Company in the ratio of 21 (Twenty One) bonus equity share of Rs.10/- each for every 20 (Twenty) fully paid up equity shares of Rs.10/- each held, by increasing the issued, subscribed and paid-up share capital of the Company to a sum not exceeding Rs. 15,435,000/- (rupees One Crore Fifty-Four Lakhs Thirty Five Thousand Only) by capitalizing a sum not exceeding Rs. 15,435,000/- from the Securities Premium Account, Free Reserves or any other permitted reserves/ surplus and the same is proposed to be applied in issuing not exceeding 1,543,500 fully paid-up equity shares of Rs. 10/- each.

The fully paid-up Bonus equity shares shall be distributed to the shareholders of your company, whose names shall appear on the register of members of the company as on the Record Date to be determined by the Board/Key Managerial Personnel of the Company in this behalf.

The Bonus equity shares so allotted shall rank pari-passu in all respects with the existing fully paid-up equity shares of the Company.

Further, the proposed issue of Bonus Shares will be made in accordance with the provisions of Section 63 of the Companies Act, 2013, guidelines issued by SEBI and subject to such approvals, if required, from the regulatory authority (ies). It is necessary to obtain the approval of the Members for issue of bonus shares by capitalization of reserves. Therefore, the Board recommends the Resolution as set out in Notice for approval of the Members as an Ordinary Resolution.

None of the Directors / Key Managerial Personnel or their respective relatives in any way concerned or interested in the Resolution except as Members of the Company.

The Board recommends the ordinary resolution set forth in Item No. 5 for the approval of the Members.

By order of the Board of Directors
For Kavi Commercial Company Limited

Prakash R Didwania
Managing Director
DIN: 00225978

<u>Registered Office</u>:
Viraj Impex House,
47, P.D'Mello Road
Mumbai – 400 009

Place: Mumbai
Dated: September 03, 2018