

## **Annexure to Item No. 4 to AGM Notice**

### **General information:**

- (1) Nature of industry: Real Estate & Construction
- (2) Date or expected date of commencement of commercial production: 16-02-1989.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators:

(Rs. In Lakh)			
Particulars	2018-2019	2019-2020	2020-2021
Total Income	49029	28836	29059
Profit Before Tax	296	(3855)	(15774)
Profit After Tax	(709)	(5947)	(15599)
Dividend on Equity	Nil	Nil	Nil

- (5) Foreign investments or collaborations, if any: There were no foreign investments or collaborations during the year.

### **II. Information about the appointee:**

- (1) Background details: Mr. Vyomesh M. Shah is Commerce Graduate and Chartered Accountant having over 31 years of experience and expertise in the field of real estate development, project planning, finance, business strategy and management.
- (2) Past remuneration: Rs.9,00,600/- p.a. (Due to Covid-19 and severe liquidity crunch being faced by the Company the Managing Director has voluntarily accepted reduction in salary for the financial year 2020-2021).
- (3) Recognition or awards: The Company has received various awards and recognition during his tenure as the Managing Director of the Company.
- (4) Job profile and his suitability: Mr. Vyomesh M. Shah has over 31 years of experience and expertise in the field of real estate development, project planning, finance, business strategy and management. He is a Commerce Graduate and Chartered Accountant.
- (5) Remuneration proposed: As resolution set out in Item No. 4 of the Notice of AGM, the remuneration of Mr. Vyomesh M. Shah have the approval of Board and Nomination and Remuneration Committee.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): The proposed remuneration to Mr. Vyomesh M. Shah is reasonably in line with the remuneration in the industry of similar size companies in the same segment of business for similarly placed position and person.

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

Except Mr. Hemant M. Shah, Executive Chairman of the Company and his relatives, none of the other Directors/ Key Managerial Personnel/ their relatives hold any pecuniary relationship with the Company.

### **III. Other information:**

(1) Reasons of loss or inadequate profits:

Due to economic slowdown, high volatility in material price and worldwide outbreak of novel coronavirus (COVID-19) pandemic consequently nationwide lockdown and second surge of the deadliest pandemic in the country, shortage of man power, during the pandemic, the sector was badly hit due to reverse migration of construction workers which affected the construction activity severely, leading to delayed timelines of project completion, delayed working capital cycle, increased competition coupled with adverse market conditions are also resulted into lower profitability for the Company. Thus, the Company incurred a loss for the Financial Year 2020-21.

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

All these steps are taken by the Company for improving the performance and reducing the debt burden.

a) To reduce operational and other costs so as to reduce the burden on working capital requirements.

b) Exploring better resources to borrow monies at cheaper rate of interest to avoid burden of additional finance cost of the Company.

c) The Company has taken several cost cutting measures to sustain the operations and to optimize the use of its financial resources.

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

The Company has taken all out measures to reduce costs as well as improve operational efficiency/ productivity and the Company undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms

### **IV. Disclosures**

The remuneration package proposed to be given to Mr. Vyomesh M. Shah is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the Managerial Personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.

Mr. Vyomesh M. Shah is holding 75,65,000 Equity Shares of the Company of Face Value of Rs.10/- each.

The brief profile of Mr. Vyomesh M. Shah (DIN: 00009596), in terms of the Regulation 36(3) of the SEBI Listing Regulations, 2015 and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, have been provided to this Notice.

Except Mr. Hemant M. Shah and his relatives none of the Directors, Key Managerial Person or their relatives is concerned or interested in this resolution. The Board recommends the passing of said Special Resolution as set out in item no. 4 for your approval.