

Aro granite industries Ltd.

(CIN: L748990DL1988PLC031510)

Regd. Office: 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi - 110025

Phone: 011-41686169, Fax: 011- 26941984

Website: www.arotile.com, E-mail:investorgrievance@arotile.com

Notice

NOTICE is hereby given that the 26th Annual General Meeting of the members of ARO GRANITE INDUSTRIES LIMITED will be held at Lakshmiapat Singhania Auditorium, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 on Saturday, the 6th September 2014 at 10.30 A.M. 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 31st March 2014 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Kasturi Lal Arora (DIN: 00150668), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Smt. Sujata Arora (DIN: 00112866), who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint a Director in place of Shri Pradeep Kumar Jain (DIN:00060054), who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit to pass, with or without modifications, the following as **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 139 of the Companies Act 2013 and Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Alok Mittal & Associates, Chartered Accountants, New Delhi (Registration No 005717N) be and are hereby appointed as Auditors of the Company for a term of three consecutive years from the conclusion of the 26th Annual General Meeting(AGM) till the conclusion of the 29th Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after this AGM) on a remuneration to be fixed by the of Board of Directors of the Company on the recommendation of the Audit Committee of Directors in consultation with the said Auditors."

AS SPECIAL BUSINESS

7. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**
"RESOLVED that pursuant to the provisions of section 196,197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act 2013 (the 'Act') (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 , approval of the Company be and is hereby accorded to the revision and amendment of the terms and conditions of the existing agreement between the Company and Mr. Sunil K. Arora, Managing Director of the Company w.e.f. 01.04.2014 for the remaining period of his tenure i.e upto 31.03.2016 as set out in the statement annexed to the notice convening this meeting.
8. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:**
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dinesh Chandra Kothari (DIN 00195609), Director of the Company whose period of office is liable to determination by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of his appointment at this Annual General Meeting upto the conclusion of 31st Annual General Meeting of the Company in the year 2019."
9. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:**
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Rahul Gupta (DIN 00024732), Director of the Company whose period of office is liable to determination by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of his appointment at this Annual General Meeting upto the conclusion of 31st Annual General Meeting of the Company in the year 2019."
10. **To consider and if thought fit ,to pass, with or without modification(s), the following resolution as Special Resolution:**
RESOLVED that in supersession of the resolution passed by the Company with respect to the borrowing powers of the Board of Directors at the Annual General Meeting held on 28th July 2012, consent of the Company be and is hereby accorded and it shall always be deemed to have been so accorded pursuant to section 180(1)(c) and all other applicable provisions, if any, of the Company Act 2013 or any statutory modification or re-enactment thereof to the Board of Directors of the Company (hereinafter referred to us "to Board", which term shall be deemed to include any committee thereof) for borrowing moneys (apart from temporary of loans from time to time obtained from the Company 's Bankers in the ordinary course of business)in excess of the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific

purpose), as the Board may, from time to time, deem necessary and/or expedient for the purpose of the Company, provided that the sum or sums so borrowed and remaining outstanding at any one time on account of principal shall not exceed in the aggregate Rs.300 Crores (Rupees Three Hundred Crores only)

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

RESOLVED that in supersession of the resolution passed by the Company with respect to mortgaging and/or charging by the Board of Directors at the Annual General Meeting held on 28th July 2012, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act 2013 or any statutory modification or re-enactment thereof, to the Board of Directors of the Company including a committee thereof (hereinafter referred to "the Board") to mortgage and/ or charge (by way of first, second or other subservient charge as may be agreed to between the company and lenders and/ or Debenture Trustees), all the immovable and movable properties, present and future, wheresoever situated and the whole or substantially the whole of any one or more of the undertakings of the Company, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, Trustees for Debentures, to secure their respective Rupee and Foreign Currency Loans or other financial assistance lent, granted and advanced or agreed to be lent, granted and advanced to the Company or the Debentures, Bonds or other Financial Instruments issued and allotted or as may be issued by the Company and subscribed to or agreed to be subscribed to by such Institutions/Banks/Funds, or any other persons, of such amount or amounts not exceeding Rs.300 Crores (Rupees Three Hundred Crores only) in the aggregate on account of principal, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the Trustees, costs, charges and other monies payable by the Company to respective Financial Institutions, Banks and other lending Institutions and Debentureholders and/or Trustees under the Loan/ Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said Term Loans, Debentures or other Financial Instruments or assistance.

RESOLVED FURTHER that the Board of Directors of the Company including a committee thereof, be and is hereby authorized to finalise the terms & conditions with the Financial Institutions, Banks and other lending Institutions or Debenture Trustees and the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto.

12. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED that pursuant to Sections 197 of the Companies Act 2013, approval of the Members of the Company be and is hereby accorded and it shall always be deemed to have been accorded to the payment of commission not exceeding 1% of the annual net profit of the Company, computed in the manner referred to in Section 198 of the Companies Act 2013 read with other applicable provisions of the Companies Act 2013 on monthly/quarterly/half-yearly/ annual basis as may be decided by the Board of Directors of the Company for a period of five financial years commencing 01.04.2014 to the Directors other than the Managing Director(s) and Wholtime Director(s) of the Company who may in their absolute discretion accept a lower amount in any year or years".

RESOLVED FURTHER that Shri Sunil K. Arora Managing Director, Shri Kasturi Lal Arora, Director and Shri Sabyaschi Panigrahi, Company Secretary of the Company be and are hereby authorized severally to sign, file all forms, documents, paper etc. with the Registrar of companies/Ministry of Corporate Affairs and to do all such acts, deeds and things to give effect to the above resolution."

For & on behalf of the Board

Place: Hosur

(Sunil K Arora)

Date: 19th April, 2014

Managing Director

NOTES:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013, is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY 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 TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
3. The Share Transfer Books and Register of Members of the Company shall remain closed from 02.09.2014 to 06.09.2014 (Both days inclusive).
4. The Dividend @ 10% (Re. 1/- per Equity Share of Rs. 10/- each) as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to those Members whose names appears on the Company's Register of Members on 06.09.2014 or to their mandates. In respect of the shares held in dematerialised form, dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for the purpose.
5. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.
6. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). E-voting is optional.

The instructions for members for voting electronically are as under:-

- (i) Log on to the e-voting website www.evotingindia.com during 31st August 2014 (9.30 a.m.) to 2nd September 2014 (5.30 p.m.).
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "Aro granite industries limited" from the drop down menu and click on "SUBMIT"
- (iv) Shareholders maintaining their holding in Demat form should enter their user ID (For CDSL 16 digit beneficiary ID, For NSDL 8 character DPID followed by 8 digit Client ID. Members holding shares in Physical Form should enter Folio Number registered with the Company then enter the Characters 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 earlier for any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> • Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's after the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA12340000 in the PAN field. • Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/ NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234.
Date of Birth or Dividend Bank Details	<ul style="list-style-type: none"> • Please enter the Date of Birth or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on 1st August 2014 in the Dividend Bank details field

- (vii) After entering these details appropriately, click on "**SUBMIT**" tab.
- (viii) Members holding shares in physical form will then reach directly 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 Aro granite industries ltd. 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then enter the User ID and the Captcha code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
 - (xvi) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - (xvii) The e-voting period commences on 31st August 2014 (9.30 a.m.) and ends on 2nd September 2014 (5.30 p.m.). During this period shareholder of the Company, holding shares either in physical form or in dematerialize form, as on the cut off date: 1st August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (xviii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date of 1st August 2014.
 - (xix) Ms. Latike Jetley Practising Company Secretary (Membership No. 3074.) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (xx) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witness not in the employment of the Company and make a Scrutinizer Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - (xxi) The Results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.arotile.com and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company.
7. Brief resume of Shri Kastruri Lal Arora, Smt. Sujata Arora and Shri Pradeep Kumar Jain whose appointment as Directors liable to retire by rotation (proposed at Item No. 3, 4 & 5) is given hereunder:

Shri Kasturl Lal Arora is commerce graduate of 1953 batch from University of Delhi having more than 50 years of in construction material business, marketing activities and vast knowledge & experience in granite industry. He does not hold any other directorship. He holds 382375 (2.5) Equity Shares in the Company.

Smt. Sujata Arora, wife of Shri Sunil K Arora Promoter & Managing Director of the Company is s B.Sc (Home Science) Graduate from the Institute of Home Economics, New Delhi. She has vast knowledge & experience of customer relationship which will help the Company in creating long term relationship with overseas customers and also creating customer data base. She does not hold any other Directorship. She holds 589572 Equity Shares (3.91%) in the Company.

Shri Pradeep Kumar Jain, aged 54 years, is a commerce graduate from Hansraj College, University of Delhi. His experience and knowledge is in the field of Specialised Imported Building Materials and Industrial Product used in Infrastructure Projects, Real Estate Project and Government Projects. He does hold any other Directorship. He holds 154687 Equity Shares(1%) in the Company.

STATEMENT U/S 102(1) OF THE COMPANIES ACT 2013

Item no 7

The remuneration payable to Shri Sunil K. Arora, Managing Director of the Company was approved by the Shareholder at the Annual General Meeting held on 29.07.2011. At a meeting held on 19.04.2014 the Board of Directors of the Company, after considering the increasing responsibilities and work load being shouldered by him due to increase in the working of the Company and on the recommendation of the Nomination and Remuneration Committee, decided to increase the overall remuneration being paid to Shri Sunil K Arora, Managing Director for the remaining period of the existing tenure which expires on 31.03,2016. Accordingly the terms and conditions of the agreement were revised with effect from 01.04.2014 and the revised agreement as approved by the Board is as follows.

I. REMUNERATION

- a) **Salary:** Basic Salary Rs. 6,00,000/- per month (in grade of 6,00,000 - 50,000 - 8,00,000.)
- b) **Commission on net profits:** Based on the net profits of the Company in a particular year, subject to overall ceilings laid down in Sections 197 and 198 of the Companies Act,2013.
- c) **Perquisites:** Following perquisites will be allowed in addition to the salary.

For this purpose unless the context otherwise requires, perquisites are classified in three categories i.e. Part A, B and C. Perquisites referred to under Part B and Part C shall not be considered or included for computation of ceiling on perquisites.

PART-A

1. Residential accommodation or House Rent Allowance @ 50% of the Salary. Expenses pertaining to gas, electricity, water and other utilities will be borne/reimbursed by the Company. Company shall provide such furniture and furnishings as may be required
2. Medical/Hospitalisation Expenses Re-imburement: Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family.
3. Leave Travel Concession: Reimbursement of all the expenses i.e. travel fare, lodging, boarding, conveyance and other expenses incurred for self and family members during the leave travel holidays periods whenever undertaken whether in India or abroad.

4. Club Membership Fee: Subscription or reimbursement of membership fee for clubs in India or abroad including admission and life membership fees.
5. Personal Medical / Accident Insurance: Personal Medical/ Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 20,000/- p.a.
6. Any other benefits, facilities, allowances and expenses as may be allowed under Company rules / schemes and available to other employees.

NOTES :

- i) For the purpose of perquisites stated hereinabove, "family" means spouse, dependent children and dependent parents of the appointee.
- ii) Perquisites shall be evaluated as per the Income Tax Rules wherever applicable and in the absence of any such rule perquisites shall be evaluated at actual cost.

PART - B

1. Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity payable shall not exceed half a month's salary for each completed year of service.
3. Entitled for leave with full pay or encashment thereof as per the rules of the Company.

PART - C

The Company shall provide a car and a telephone at his residence. Provision of a car for Company's business and the telephone at his residence shall not be considered as perquisites.

The appointee, subject to the applicable provisions of The Company Act, 1956 shall be also eligible for Housing Loan or other facilities as applicable in accordance with the rules of the company.

II. MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the appointee the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under section II of part II of schedule V of the Companies Act 2013 as may be for the time being in force.

No sitting fees will be paid for attending the meetings of the Board of Directors of the Company or committees thereof. Apart from the aforesaid remuneration Mr. Sunil K. Arora, Managing Director will be entitled to the reimbursement of expenses incurred in connection with the business of the company.

Shri Sunil K Arora may be deemed to be concerned or interested in the resolution. Further Shri Kasturi Lal Arora and Smt. Sujata Arora since related to Shri Sunil K Arora may be deemed to be concerned or interested in the resolution.

None of the other Directors of the Company is in any way concerned or interested in the said resolution.

Item No 8

Shri Dinesh Chandra Kothari is the independent director of the Company and have held the position as such more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended the Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company. The Board of Directors of the Company has recommended appointment of Shri Dinesh Chandra Kothari as an Independent Director for a term of 5 consecutive years from this AGM in terms of Section 149 of the Companies Act, 2013 (the Act), as mentioned in the Resolution.

Mr. Dinesh Chandra Kothari (63), is a Chartered Accountant by profession. After starting career with ICICI and working there for two years spent 12 years of service with Bukhatir Group (in Sharjah,UAE) as Executive Director. In 1986, he started Interstar Financial Services Ltd., in New Delhi, India to provide a wide range of consulting and advisory services to Indian Corporate Houses on financial matters including restructuring, funds raising, corporate governance and mergers and acquisitions . He is the founder and Pro-Vice Chairman of the following Delhi Public Schools: DPS Jodhpur (India), DPS Sharjah (UAE), DPS Dubai and DPS Academy (UAE). He is also promoter of Victory Heights Primary School, a British Curricullam school also in Dubai. On the occasion of 64th Republic Day Mr. Kothari has been conferred "Pride of India" award by Indian Business & Professional Council for Contribution in the field of Education and very recently conferred The prestigious Mother Teresa Award by Mother Teresa International Awards Committee for Excellence in the field of Education.

Shri Dinesh Chandra Kothari has given requisite declaration that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement and has given his consent to act as an Independent Director of the Company. Shri Kothari is also not disqualified from being appointed as Director in terms of Section 164 of the Act. In the opinion of the Board, Shri Dinesh Chandra Kothari fulfils the conditions specified in the Act in respect of his appointment as an Independent Director of the Company and is independent of the management.

Except Shri Dinesh Chandra Kothari, being the appointee, none of the Directors, Key Managerial Personnel of the Company, and/ or their relatives may be deemed to be concerned or interested in the proposed resolution. This Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No 9

Shri Rahul Gupta is the independent director of the Company and have held the position as such more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended the Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company. The Board of Directors of the Company has recommended appointment of Shri Rahul Gupta as an Independent Director for a term of 5 consecutive years from this AGM in terms of Section 149 of the Companies Act, 2013 (the Act), as mentioned in the Resolution.

Mr. Rahul Gupta is a seasoned professional with twenty five years of rich global executive management, operations and investing experience. Mr. Gupta provides strategic direction and guidance in business analysis, operational excellence, financial planning and capital raising.

In 2012, he started his own company Evista Homes & Resorts Pvt Ltd which is setting up a high end resort at Kasauli, between Chandigarh and Simla. He also is the Founder & CEO of Right Global Infosolutions Pvt Ltd, an IT services firm based in Chandigarh and Bangalore.

He was Managing Partner, Sonoma Management Partners (2008-12), CEO of two global technology businesses, IDES and KMG Infotech and CFO at QAI Consulting (2001-2008).

Mr. Gupta holds Bachelor of Technology degree in Mechanical Engineering from Punjab Engineering College, India and MBA in finance from Kurukshetra University, India.

Shri Rahul Gupta has given requisite declaration that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement and has given his consent to act as an Independent Director of the Company. Shri Gupta is also not disqualified from being appointed as Director in terms of Section 164 of the Act. In the opinion of the Board, Shri Rahul Gupta fulfils the conditions specified in the Act in respect of his appointment as an Independent Director of the Company and is independent of the management.

Except Shri Rahul Gupta, being the appointee, none of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution. This Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 10

The Company at its Annual General Meeting held on 28th July 2012 had authorised the Board of Directors of the Company, by an Ordinary Resolution passed under Section 293(1)(d) of the Companies Act 1956, to borrow moneys in excess of the paid-up capital of the Company and its free reserves upto an amount not exceeding Rs. 200 Crore, at any point of time.

The operations of the Company have increased significantly. To meet the increasing requirements of funds, it was considered necessary to increase the said borrowing limits to Rs. 300 Crore.

Pursuant to Section 180(1)(c) of the Companies Act 2013, the Board can exercise borrowing powers, in excess of the paid-up capital and free reserves of the Company, with the approval of Members of the Company by way of Special Resolution.

The Resolution is accordingly recommended for approval of the Shareholders. None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No. 11

The Company at its Annual General Meeting held on 28th July 2012 had authorised the Board of Directors of the Company, by an Ordinary Resolution passed under Section 293(1)(a) of the Companies Act, 1956, to create mortgage and/or charge on the immovable and movable properties of the Company in favour of the lenders to secure their financial assistance not exceeding Rs. 200 Crores, in the aggregate on account of principal, together with interest thereon.

The operations of the Company have increased significantly. To meet the increasing requirements of funds, the Company will have to resort to further borrowings from Financial and other lending institutions. As security for such borrowings, the immovable and movable properties of the Company will have to be mortgaged/charged in favour of Financial and other lending institutions. It was therefore considered necessary to take approval of the shareholders upto a borrowing limit of Rs.300 Crores.

Pursuant to Section 180(1)(a) of the Companies Act 2013, the Board can exercise power to create mortgage and/or charge on the immovable and movable properties of the Company, with the approval of Members of the Company by way of Special Resolution.

The Resolution is accordingly recommended for approval of the Shareholders. None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No 12

Under Section 197 of the Companies Act 2013 Directors other than Managing Director / Wholtime Director of the Company are entitled to receive as remuneration a commission not exceeding 1% of the annual net profits computed in the manner referred to in Section 197 of the Companies Act 2013. The proposed resolution which reserves the authority of the Directors to receive remuneration on monthly/quarterly/half-yearly annual basis, by way of commission for a period of five financial years, is recommended for the shareholders by means of a Special Resolution.

Each of the Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of the entitlement of their share of remuneration.

For & on behalf of the Board

Place: Hosur
Date: 19th April, 2014

(Sunil K Arora)
Managing Director

Aro granite industries Ltd.

(CIN: L748990DL1988PLC031510)

Regd. Office: 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi - 110025

Phone: 011-41686169, Fax: 011- 26941984

Website: www.arotile.com, E-mail : investorgrievance@arotile.com

ADMISSION SLIP

Folio No. / DP ID / Client ID #	
No. of Equity Shares held	

I hereby record my presence at the 26th Annual General Meeting of the Company being held at LakshmiPat Singhania Auditorium, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 on Saturday, the 6th September 2014 at 10.30 A.M.

Name of the Shareholder (in block letters)
Name of Proxy /Authorised Representative attending* (in block letters)

*Strike out whichever is not applicable

#Applicable for shareholders holding shares in dematerialised form.

Signature of the attending Shareholder/Proxy/Authorised Representative*

Note: Please produce this Admission Slip duly filled and signed at the entrance of the meeting hall. Shareholders intending to appoint a proxy may use the Proxy Form given below.

Aro granite industries Ltd.

(CIN: L748990DL1988PLC031510)

Regd. Office: 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi - 110025

Phone: 011-41686169, Fax: 011- 26941984

Website: www.arotile.com, E-mail : investorgrievance@arotile.com

PROXY FORM

Name of the member(s):	
Registered Address:	
E-Mail ID:	
Folio No./DPID/Client ID:	

I /Webeing the member(s) of Aro granite industries limited, holding shares hereby appoint :

- (1) Name: _____ Address: _____
E Mail ID: _____ Signature: _____ or falling him;
- (2) Name: _____ Address: _____
E Mail ID: _____ Signature: _____ or falling him;
- (3) Name: _____ Address: _____
E Mail ID: _____ Signature: _____ or falling him;

as my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 26th Annual General Meeting of the Company to be held on Saturday, the 6th September 2014 at 10.30 A.M. at LakshmiPat Singhania Auditorium, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 and at any adjournment thereof in respect of the resolutions as are indicated overleaf:

Resolution Number	Resolution
ORDINARY BUSINESS	
1	Adoption of audited Financial Statements for the year ended 31st March 2014.
2	Declaration of Dividend for the year ended 31st March 2014.
3	Appointment of Shri Kasturi Lal Arora, Director who retires by rotation and being eligible Offers himself for re-appointment.
4	Appointment of Smt. Sujata Arora, Director who retires by rotation and being eligible Offers herself for re-appointment.
5	Appointment of Shri Pradeep Kumar Jain, Director who retires by rotation and being eligible Offers himself for re-appointment.
6	Appointment of M/s Alok Mittal & Associates, Chartered Accountants, as Statutory Auditors from the conclusion of 26th AGM until the conclusion of 31st AGM.
SPECIAL BUSINESS	
7	Revision of the terms & conditions of Appointment of Managing Director.
8	Re-appointment of Shri Dinesh Chandra Kothari as an Independent Director for five years from the date of 26th Annual General Meeting
9	Re-appointment of Shri Rahul GUpta as an Independent Director for five years from the date of 26th Annual General Meeting
10	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money up to Rs. 300 Crores
11	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of charge/mortgage on the properties of the Company to secure the borrowing up to Rs. 300 Crores
12	Payment of commission to the non-executive directors of the Company

Signed this _____ Day of _____ 2014

Signature of Shareholder

Signature of Proxy holder(s)

Affix
revenue
stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 1001, 10th Floor, DLF Tower 'A', Jasola, New Delhi - 110025, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.