

## POSTAL BALLOT NOTICE

To The Members,

NOTICE is hereby given pursuant to the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (“the Rules”), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Secretarial Standard – 2 issued by the Institute of Company Secretaries of India also read with General Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No.22/2020 dated June 15, 2020, No.33/2020 dated September 28, 2020 and No.39/2020 dated December, 31, 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as the “MCA Circulars”) and any other applicable laws and regulations, the Company hereby seeks the approval of the Members for transacting the Special business as considered in the Special Resolutions appended herewith proposed to be passed through Postal Ballot by remote e-voting process.

In compliance with the aforesaid MCA Circulars and pursuant to other applicable laws and regulations, the Company is sending this Postal Ballot Notice in electronic form only to those Members whose e-mail addresses are registered with the Company/ Depositories, to enable them to cast their votes electronically only. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. The instructions for remote e-voting are appended to this Postal Ballot Notice.

The Explanatory Statement pursuant to Section 102 and 110 of the Act, pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed to this Postal Ballot Notice.

The Board of Directors of the Company has appointed Shri Mahesh Kumar Gupta (Membership No. FCS 2870) of M/s Mahesh Gupta & Company, Practicing Company Secretaries as the Scrutinizer for conducting the Postal Ballot Process through the remote e-voting process in a fair and transparent manner.

In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. Accordingly, the Company is pleased to offer a remote e-voting facility to all its members to cast their votes electronically. Members are requested to read the instructions in the Notes to this Postal Ballot notice to cast their vote electronically through the e-voting process which commences from Saturday, 20<sup>th</sup> March, 2021 at 9.00 a.m. (IST) and ends on Sunday, 18<sup>th</sup> April, 2021 at 5:00 p.m. (IST).

After completion of scrutiny of the votes, the Scrutinizer will submit his Report to the Chairman of the Company or any person authorised by him. The results of Postal Ballot (through the remote e-Voting process) along with the Scrutinizer’s Report will be announced by the Chairman or such person as authorised, on or before Tuesday, 20<sup>th</sup> April, 2021 at 5.00 p.m. The same will be displayed on the website of the Company: [www.rswm.in](http://www.rswm.in) and on the website of NSDL: [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be communicated to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), where the Company’s Equity Shares are listed and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The Resolutions, if approved, will be taken as having been passed effectively on the last date of remote e-voting i.e. Sunday, 18<sup>th</sup> April, 2021.

### SPECIAL BUSINESS

**Item No. 1 - To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions, if any, 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 V of the Companies Act, 2013 and also pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from to time and subject to such approval(s) as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Shri Riju Jhunjunwala, (DIN:00061060) as Managing Director of the Company for a period of five years w.e.f. 1<sup>st</sup> May, 2021.

RESOLVED FURTHER THAT the remuneration payable to Shri Riju Jhunjunwala (DIN: 00061060) be and is hereby fixed for a period of two years as set out in the Explanatory Statement.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby also authorised to:

- Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board upon recommendation of Nomination and Remuneration Committee and acceptable to Shri Riju Jhunjunwala, subject to Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.
- Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this Resolution.”

**Item No. 2 - To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 197, 198 and any other applicable provisions, if any, 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 V of the Companies Act, 2013 and subject to such approval(s) as may be necessary, approval of the members be and is hereby accorded for payment of revised remuneration w.e.f. 1<sup>st</sup> January, 2021 to Shri Brij Mohan Sharma (DIN:08195895), Joint Managing Director of the Company for his remaining tenure upto 6<sup>th</sup> August, 2022 as set out in the Explanatory Statement.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby also authorised to:

- Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board upon recommendation of Nomination and Remuneration Committee and acceptable to Shri Brij Mohan Sharma, subject to Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.
- Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this Resolution.”

**Item No.3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, 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 of the Companies Act, 2013, as amended from time to time and all other applicable laws including applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time, Shri Deepak Jain (DIN:00004972), who was appointed as an Independent Director of the Company for first term of 5 consecutive years at the 55<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2016 and whose term is due to expire on 10<sup>th</sup> May, 2021 and who is eligible for re-appointment for second term and in respect of whom the Company has received notice in writing from a member of the Company under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby reappointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 11<sup>th</sup> May, 2021 upto 10<sup>th</sup> May, 2026".

**By Order of the Board of Directors  
For RSWM LIMITED**

**Surender Gupta**

**Place : Noida (U.P.)  
Date : 8<sup>th</sup> March, 2021**

**AVP – Legal & Company Secretary  
M. No.FCS-2615**

**NOTES:**

- The relevant Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 ("the Act") and Rule 22 of the Companies (Management and Administration) Rule, 2014 ("Rules") setting out the material facts and reasons for the proposed Resolutions is annexed herewith. A copy of this Postal Ballot Notice is also available on the website of the Company [www.rswm.in](http://www.rswm.in) and at the relevant sections of the website of the Stock Exchanges on which the shares of the Company are listed i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com))
- In compliance with the MCA Circulars, the Postal Ballot Notice is being sent through electronic mode (e-mail) only to those members whose names appear in the Register of Members of the Company/List of Beneficial Owners as received from the Depositories (NSDL & CDSL) as on Friday, 12<sup>th</sup> March, 2021 ("Cut-Off Date") and who have registered their email address with the Company's Share Transfer Agent i.e M/s MCS Share Transfer Agent Limited or Depository through the respective Depository Participants. Any member who has not received the Postal Ballot Notice may write email to the Company at [rswm.investor@injbhilwara.com](mailto:rswm.investor@injbhilwara.com) or download from the website of the Company i.e. [www.rswm.in](http://www.rswm.in) or from the website of the Stock Exchanges on which the shares of the Company are listed i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com))  
  
The voting rights shall also be reckoned on the paid up value of shares registered in the names of the Members as on the Cut-Off Date i.e. 12<sup>th</sup> March, 2021. Only those Members whose names are recorded in the Register of Members of the Company or in the Register/List of beneficial owners maintained by the Depositories as on the Cut-Off Date will be entitled to cast their votes.
- In compliance with the provisions of Section 108, 110 and other applicable provisions of the Act, and the rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as also the MCA Circulars, the Company is offering only remote e-voting facility to all the Members of the Company and the business will be transacted only through the remote e-voting system. The Company has engaged the services of NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically. The instructions for availing remote e-voting facility by Members are provided separately herein below.
- Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Shareholders.
- Members who do not have registered their E-mail ID are required to register their email addresses, in respect of electronic holding

with their concerned Depository Participants and in respect of physical holding, with the Company's Share Transfer Agent i.e. M/s. MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase -1, New Delhi – 110020 Telephone No.011-41406149-52, Fax No.011-41709881, E-mail: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com) by following due procedure, which is as under:

In case, Physical Holding	Send a duly signed request letter to the RTA of the Company i.e. M/s. MCS Share Transfer Agent Limited (Unit: RSWM Limited) F-65, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase -1, New Delhi – 110020, Phone No.011-41406149 or scanned copy on e-mail at <a href="mailto:helpdeskdelhi@mcsregistrars.com">helpdeskdelhi@mcsregistrars.com</a> and provide the following details/documents for registering email address: a) Folio No. b) Name of Shareholder c) Email ID d) Copy of PAN card (self-attested) e) Copy of Aadhaar (self-attested) f) Copy of Share Certificate (front and back)  Following additional details/documents need to be provided in case of updating bank account details: a) Name and Branch of the Bank in which you wish to receive the dividend b) The Bank Account type c) Bank Account Number d) MICR Code Number and e) IFSC Code f) Copy of the cancelled cheque bearing the name of the first shareholder.
In case, Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

- Members desiring to exercise their vote by using e-voting facility are requested to carefully read and follow the instructions as mentioned at point No.8 in the Notes. References to Postal Ballot(s) in this notice include votes received through remote e-voting only. A Member cannot exercise his vote by proxy on Postal Ballot.
- The relevant documents referred to in the Postal Ballot Notice are open for inspection to the Members of the Company at the Registered Office and Corporate Office of the Company during the normal business hours of the Company during the e-voting period except the Sundays and Holidays.
- The procedure with respect to remote e-voting is provided below:  
  
The e-voting period commences on Saturday, 20<sup>th</sup> March, 2021 (9:00 hours IST) and ends on Sunday, 18<sup>th</sup> April, 2021 (17:00 hours IST). During this period the Members of the Company, holding shares either in physical form or in demat form, as on the Cut-Off Date i.e. 12<sup>th</sup> March, 2021, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time.  
  
The details of the process and manner for remote e-voting are explained as mentioned below:  
**Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>**  
**Step 2: Cast your vote electronically on NSDL e-voting system.**  
**Details on Step 1 is mentioned below:**  
How to Log-in to NSDL e-voting website?  
1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.  
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
- Your User ID details are given below:

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

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

## Details on Step 2 is given below:

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

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

## General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mkg1999@gmail.com](mailto:mkg1999@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free No.: 1800-1020-990 or 1800-222-44-30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)  
In case of any further queries or grievances, Shri Surender Gupta, Company Secretary may be contacted at the following contact details: Shri Surender Gupta, Company Secretary, RSWM Limited, Bhilwara Towers, A-12, Sector -1, Noida - 201301 (U.P), Tel: (0120) 4390300, Email: [rswm.investor@lnjbhilwara.com](mailto:rswm.investor@lnjbhilwara.com)

## Important update regarding measures taken by SEBI to increase the efficiency of the e-voting provided by the Company in respect of all Shareholders' Resolutions;

SEBI vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, in order to increase the efficiency of the e-voting process, had decided to enable e-voting to all the demat account holders by way of a single login credential through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs) thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

The SEBI Circular inter-alia intimating implementation schedule of process for e-voting is available on the following link: [https://www.sebi.gov.in/legal/circulars/dec-2020/e-voting-facility-provided-by-listed-entities\\_48390.html](https://www.sebi.gov.in/legal/circulars/dec-2020/e-voting-facility-provided-by-listed-entities_48390.html)

Therefore, to support the above initiative undertaken by SEBI for the benefit of shareholders having demat accounts for increasing the efficiency of e-voting process on all the shareholders' Resolutions, Members are requested to intimate/update changes, if any, pertaining to their email address & mobile numbers with the respective Depository Participants.

Shareholders holding shares in physical form and who want to avail the above initiatives of SEBI undertaken for enhancing ease and convenience of participating in e-voting facility provided by the Company on the shareholders' Resolutions are requested to convert

their physical holdings into Demat form. Holding of shares in Demat also eliminate all risks associated with physical shares and for ease of portfolio management.

Members can contact the Company or RTA for any assistance in this regard.

## **EXPLANATORY STATEMENT UNDER SECTION 102 AND 110 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 1**

As the Members are aware that Shri Riju Jhunjunwala (DIN:00061060) was reappointed as the Managing Director of the Company in the 55<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2016 and his last remuneration was approved by the Members at the 57<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> September, 2018. He was subsequently appointed as the Chairman by the Board of Directors of the Company with effect from 15<sup>th</sup> June, 2020. Further, Shri Riju Jhunjunwala is also Managing Director of M/s. Bhilwara Energy Limited.

The term of appointment of Shri Riju Jhunjunwala, Managing Director is now due to expire on 30<sup>th</sup> April, 2021. The Board of Directors at their meeting held on 11<sup>th</sup> February, 2021 after considering the feedback/reviews of the Directors and upon recommendation of Nomination and Remuneration Committee, which undertook his performance evaluation, reappointed Shri Riju Jhunjunwala, as Managing Director of the Company for a period of five years w.e.f. the 1<sup>st</sup> May, 2021 in accordance with the provisions of the Companies Act, 2013 read with Schedule V thereto and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended time to time on the following terms and conditions for the first two years of his reappointment.

Salary	: ₹ 8,34,000 per month.
Commission	: Not more than 2% of the net profits of the Company as computed in the manner laid down in applicable provisions of the Companies Act, 2013.
Perquisites	: In addition to salary and commission Shri Riju Jhunjunwala shall be entitled to the following perquisites.

#### Category 'A'

- i) Housing:
  - a) The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely 60% of the salary, over and above 10% payable by him, or
  - b) In case the accommodation is owned by the Company 10% of the salary shall be deducted by the Company, or
  - c) In case no accommodation is provided by the Company, house rent allowance subject to a ceiling laid down in (a) above shall be paid.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and will be subject to a ceiling of 10% of the salary.

- ii) Medical Reimbursement:

Expenditure incurred for the Managing Director and his family, subject to a ceiling of one month's salary in a year or two months salary over a period of two years.
- iii) Leave Travel Concession:

For self and family once in a year in accordance with the rules specified by the Company.
- iv) Club fees:

Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.
- v) Medical Insurance and Personal Accident Insurance:

As per the Policy of the Company.

For the purpose of this category "family" means the spouse, the dependent children and dependent parents.
- vi) Leave and other benefits etc. as applicable to other Employees of the Company.

#### Category 'B'

- i) Provident Fund:

Company's contribution to Provident Fund shall be as per the scheme of the Company.
- ii) Superannuation/Annuity Funds:

Company's contribution to Superannuation/Annuity fund shall be in accordance with the scheme of the Company.
- iii) Gratuity:

Payable as per the rules of the Company.

#### Category C

- i) Car:

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.
- ii) Telephone:

Telephone at residence. Personal long distance calls shall be billed by the Company.

#### **MINIMUM REMUNERATION**

Notwithstanding anything to the contrary hereinabove contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or has inadequate profits, the Company may pay to the Managing Director the above remuneration for a period of two years from the date of reappointment by way of salary, perquisites and allowances notwithstanding that it may exceed the sum specified in Para 1(A) of Section II of Part II of the Schedule V to the Companies Act, 2013 or any amendments thereto.

Shri Riju Jhunjunwala is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Managing Director. He is also not debarred from holding the office of Director, pursuant to any order of SEBI or any other authority.

The relevant details pertaining to Shri Riju Jhunjunwala are provided in Annexure-I in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

The reappointment of Shri Riju Jhunjunwala as Managing Director of the Company and payment of remuneration to him requires the approval by the members of the Company by Special Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The approval of the Members is also sought by Special Resolution in terms of Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for paying the proposed remuneration to Shri Riju Jhunjunwala, in case it exceeds ₹ 5.00 Crore per annum or 2.5% of net profits of the Company, whichever is higher.

Your Directors feel that the remuneration proposed to be paid to Shri Riju Jhunjunwala subject to Shareholders' approval commensurate with the remuneration package paid to similar managerial position in other companies. Information pursuant Para 1(A) of Section II of Part II of Schedule V of the Companies Act, 2013 is detailed in Annexure-II.

Your Directors recommend the Special Resolution under item No. 1 of the Notice for approval by the members.

Except Shri Riju Jhunjunwala himself and Shri Ravi Jhunjunwala, Director being relative of Shri Riju Jhunjunwala and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the proposed Resolution.

#### **Item No.2**

As the Members are aware that Shri Brij Mohan Sharma (DIN:08195895) was reappointed as Joint Managing Director of the Company w.e.f 7<sup>th</sup> August, 2020 for a period of two years at the previous Annual General Meeting of the Company held on 24<sup>th</sup> September, 2020. The Board of Directors in their meeting held on 11<sup>th</sup> February, 2021 upon recommendation of Nomination and Remuneration Committee approved the revision in his remuneration with effect from 1<sup>st</sup> January, 2021 for his remaining tenure upto 6<sup>th</sup> August, 2022 in view of his increased responsibilities and his handling of the situation particularly during and after the pandemic. The revised terms and conditions of remuneration payable to Shri Brij Mohan Sharma are set out as under:

- Salary : ₹ 8,34,000 per month.  
Commission : Not more than 1% of the net profits of the Company as computed in the manner laid down in applicable provisions of the Companies Act, 2013.  
Perquisites : In addition to salary and commission Shri Brij Mohan Sharma shall be entitled to the following perquisites.

Category 'A'

- i) Housing:
- The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely 60% of the salary, over and above 10% payable by him, or
  - In case the accommodation is owned by the Company 10% of the salary shall be deducted by the Company, or
  - In case no accommodation is provided by the Company, house rent allowance subject to a ceiling laid down in (a) above shall be paid.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and will be subject to a ceiling of 10% of the salary.

- ii) Medical Reimbursement:  
Expenditure incurred for the Joint Managing Director and his family, subject to a ceiling of one month's salary in a year or two months salary over a period of two years.
- iii) Leave Travel Concession:  
For self and family once in a year in accordance with the rules specified by the Company.
- iv) Club fees:  
Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.
- v) Medical Insurance and Personal Accident Insurance:  
As per the Policy of the Company.  
For the purpose of this category "family" means the spouse, the dependent children and dependent parents.
- vi) Leave and other benefits etc. as applicable to other Employees of the Company.

Category 'B'

- i) Provident Fund:  
Company's contribution to Provident Fund shall be as per the scheme of the Company.
- ii) Superannuation/Annuity Funds:  
Company's contribution to Superannuation/Annuity fund shall be in accordance with the scheme of the Company.
- iii) Gratuity:  
Payable as per the rules of the Company.

Category C

- i) Car:  
Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.
- ii) Telephone:  
Telephone at residence. Personal long distance calls shall be billed by the Company.

**MINIMUM REMUNERATION**

Notwithstanding anything to the contrary hereinabove contained, where in any financial year during the currency of the tenure of the Joint Managing Director, the Company has no profits or has inadequate profits, the Company may pay to the Joint Managing Director the above remuneration for remaining tenure of his appointment by way of salary, perquisites and allowances notwithstanding that it may exceed the sum specified in Para 1(A) of Section II of Part II of the Schedule V to the Companies Act, 2013 or any amendments thereto.

The payment of remuneration to Shri Brij Mohan Sharma as Joint Managing Director of the Company requires the approval by the Members of the Company by Special Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act.

The relevant details pertaining to Shri Brij Mohan Sharma are provided in Annexure-I in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

Your Directors feel that the remuneration proposed to be paid to Shri Brij Mohan Sharma subject to Shareholders' approval commensurate with the remuneration package paid to similar managerial position in other companies. Information pursuant Para 1(A) of Section II of Part II of Schedule V of the Companies Act, 2013 is detailed in Annexure-II.

Your Directors recommend the Special Resolution set out at Item No. 2 of the Notice for approval by the members.

Except Shri Brij Mohan Sharma and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, in the proposed Resolution.

**ITEM NO. 3**

As the members are aware that Shri Deepak Jain (DIN:00004972) was appointed as an Independent Director at the 55<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2016 for the first term of 5 years.

Shri Deepak Jain is Business Graduate from Illinois Institute of Technology, USA with specialisation in Operations Management & International Business. He brings with him over two decades of rich experience in Industry and at present is the Chairman & Managing Director of Lumax Industries Limited, a part of D. K. Jain Group. He is also Managing Director of Lumax Mannoh Allied Technologies Limited. The Company is benefitting immensely from his rich experience and International exposure.

The Board considered the feedback/views of the Nomination and Remuneration Committee on the performance evaluation of Shri Deepak Jain. The Board, thereafter, evaluated the performance of Shri Deepak Jain on the basis of his professional ethics, integrity and values, practical wisdom, the skills, knowledge and expertise relevant to the Company's business and found his performance satisfactory. The Board of Directors of the Company at its meeting held on 11<sup>th</sup> February, 2021 taking into account the above and recommendation of Nomination and Remuneration Committee proposed to re-appoint him for the 2<sup>nd</sup> (second) term of 5 years commencing from 11<sup>th</sup> May, 2021 upto 10<sup>th</sup> May, 2026.

Shri Deepak Jain has given his consent to act as an Independent Director of the Company for the second term. The Company has also received declaration from Shri Deepak Jain that he meets with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 149 of the Companies Act, 2013, the re-appointment of Shri Deepak Jain as an Independent Director of the Company requires the approval of the Members by Special Resolution.

Shri Deepak Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. He is also not debarred from holding the office of Director, pursuant to any order of SEBI or any other authority.

The relevant details pertaining to Shri Deepak Jain are provided in Annexure-I in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

Copy of draft letter of appointment of Shri Deepak Jain setting out the terms and conditions of appointment is available for inspection by the members at the Registered Office and Corporate Office of the Company. The said document will also be available on the website of the Company for inspection by the Members from the date of circulation of the Notice till the closure of the voting period.

Your Directors recommend the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Except Shri Deepak Jain and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, in the proposed Resolution. This statement/message also be regarded as an appropriate disclosure under SEBI Listing Regulations.

**By Order of the Board of Directors  
For RSWM LIMITED**

**Place : Noida (U.P.)  
Date : 8<sup>th</sup> March, 2021**

**Surender Gupta  
AVP – Legal & Company Secretary  
M. No.FCS-2615**

## ANNEXURE I TO NOTICE

(In pursuance to Secretarial Standard on General Meeting (SS-2) and Regulation 26 (4) and 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT/REMUNERATION THROUGH POSTAL BALLOT

Name of Director	Shri Riju Jhunjunwala	Shri Brij Mohan Sharma	Shri Deepak Jain
<b>DIN</b>	00061060	08195895	00004972
<b>Category</b>	Promoter - Executive	Non Promoter - Executive	Independent - Non Executive
<b>Date of Birth</b>	13 <sup>th</sup> January, 1979	8th November, 1957	6 <sup>th</sup> April, 1975
<b>Age</b>	42 Years	63 Years	45 Years
<b>Date of Appointment on the Board</b>	1 <sup>st</sup> May, 2013	7th August, 2018	11th May, 2016
<b>Qualification</b>	Graduate in Business Management Studies	B.Com (Hons), C.A	Business Graduate of Illinois Institute of Technology, USA with specialisation in Operations Management & International Business
<b>Experience &amp; Expertise in specific functional areas</b>	Industrialist with diversified business experience in Textile, Power, Infotechnology and Graphite Electrodes	Rich Experience in Finance and Management	Possesses rich experience in Auto Industry
<b>List of Other Public Companies in which Directorships held#</b>	1. Bhilwara Energy Limited 2. Bhilwara Infotechnology Limited 3. Bhilwara Technical Textiles Ltd. 4. Chango Yangthang Hydro Power Ltd. 5. HEG Limited 6. NJC Hydro Power Limited	NIL	1. Lumax Industries Limited 2. Lumax Mannoh Allied Technologies Limited 3. Lumax Auto Technologies Ltd. 4. SL Lumax Ltd.
<b>Chairman/Member of the Committees of Directors of other Companies:</b>			
<b>a) Audit Committee</b>	NIL	NIL	1. Lumax Industries Limited - Member
<b>b) Stakeholders' Relationship Committee</b>	1. Bhilwara Technical Textiles Ltd. - Member 2. HEG Limited - Chairman	NIL NIL	1. Lumax Industries Limited - Member 2. Lumax Auto Technologies Ltd. - Chairman
<b>Relationship with Other Directors, Managers &amp; Key Managerial Personnel (KMP)</b>	Son of Shri Ravi Jhunjunwala, Director	No relationship with other Directors, Managers, KMP	No relationship with other Directors, Managers, KMP
<b>No. of Equity Shares held in the Company</b>	1,75,000	Nil	Nil
<b>No. of meeting of Board attended during the year</b>	4	5	5
<b>Terms and Condition of Appointment/Re-appointment/ Remuneration</b>	As mentioned in Explanatory Statement under Item No.1	As mentioned in Explanatory Statement under item No. 2	As mentioned in draft letter of appointment, which is available on the website of the Company www.rswm.in upto the last date of e-voting i.e 18th April, 2021.
<b>Remuneration last drawn</b>	₹ 209.15 Lakhs (For the financial year 2019-20)	₹ 176.18 Lakhs (For the financial year 2019-20)	See Note No. 1 below
<b>Remuneration sought to be paid</b>	As mentioned in Explanatory Statement under Item No.1	As mentioned in Explanatory Statement under item No. 2	See Note No. 1 below
<b>Justification for choosing the Independent Director</b>	N.A.	N.A.	As per Explanatory Statement Item No.3 of Notice
# Excludes Directorships in Private Limited Companies, Foreign Companies, membership of Management Committee of various chambers/Bodies and Section 8 Companies.			
Note No. 1: The Non-Executive Directors (including Independent Directors) are only paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committees of Directors.			

## ANNEXURE II TO NOTICE

### THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

#### I. General Information

<b>Nature of Industry</b>	The Company is in the business of manufacturing textiles; primarily it is in the business of Yarn, Fabric and Denim.
<b>Date or expected date of commercial production</b>	Subsequent to the incorporation of the Company on the 17 <sup>th</sup> October, 1960, the Company obtained Certificate of Commencement of Business on the 29 <sup>th</sup> December, 1960.
<b>In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus</b>	Not Applicable

#### Financial performance based on given indicators:

(₹ in Crore)

Particulars	2019-20	2018-19	2017-18
Revenue from Operations (gross)	2771.03	2960.58	2943.09
Profit / (loss) Before Tax	23.56	(32.79)	21.32
Profit / (loss) after Tax	22.67	(24.27)	14.50
Paid-up Capital	23.55	23.55	23.55
EPS(₹)	9.62	(10.30)	6.16

**Foreign investments or collaborators, if any:** At present, the Company has not made any foreign investments and has not entered into any foreign collaboration.

#### II. Information about the appointee to whom the remuneration is payable (s):

Particulars	Shri Riju Jhunjunwala	Shri Brij Mohan Sharma
<b>Background details</b>	Shri Riju Jhunjunwala aged 42 years holds a degree in Business Management Studies. He is an industrialist with diversified business experience. He was re-appointed as Managing Director of the Company w.e.f 1 <sup>st</sup> May, 2016. Shri Riju Jhunjunwala was subsequently appointed as Chairman of the Company w.e.f. 15 <sup>th</sup> June, 2020.  Shri Riju Jhunjunwala has successfully overseen completion of re-structuring of the operations of the Company; modernization, expansion and up-gradation of production processes etc.  He is also Managing Director of Bhilwara Energy Limited. He is on board committees of various companies also. He is non executive Vice Chairman of HEG Limited and he also serves as non-executive director of Bhilwara Technical Textiles Limited and Bhilwara Infotechnology Limited.	Shri Brij Mohan Sharma aged 63 years hold a degree in B.Com (Hons) and is a Chartered Accountant. He has an experience of more than 39 years across various industries.
<b>Past Remuneration for the Financial Year ended 31<sup>st</sup> March, 2020</b>	₹ 209.15 Lakhs	₹ 176.18 Lakhs
<b>Recognition or Awards</b>	Shri Riju Jhunjunwala has represented Company in various Business Associations.	CIMA recognized Shri Brij Mohan Sharma as one of the most influential Chief Financial Officer of the India in the year 2016.
<b>Job profile and his suitability</b>	Shri Riju Jhunjunwala is presently Chairman and Managing Director & CEO of the Company looking after overall affairs of the Company. Shri Riju Jhunjunwala had been involved in the restructuring of the Company's business apart from implementation of various expansion, modernization and diversification programmes over the years. Under his leadership the Company has become one of the leading player in the industry.	Shri Brij Mohan Sharma is Joint Managing Director of the Company looking after day to day operations of the Company. He has been responsible for closure of various expansions, modernization and diversification programmes over last ten years.
<b>Remuneration proposed</b>	As mentioned in Resolution No.1	As mentioned in Resolution No.2
<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	Taking into account Shri Riju Jhunjunwala's qualifications and prior experience, an industry comparison with similarly situated managerial personnel and the responsibilities placed on him as Managing Director of the Company, and in view of his contribution to the Company since his appointment, the Board considers it to be in the best interests of the Company. The Board is confident that Shri Riju Jhunjunwala's management capabilities will enable the Company to progress further.	Taking into account the size of the Company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Shri Brij Mohan Sharma as Joint Managing Director in the Company and the responsibilities shouldered by him, the aforesaid remuneration package commensurate with the remuneration package paid to similar managerial position in other Companies.
<b>Pecuniary Relationship directly or indirectly with the Company or relationship with the managerial personnel, if any</b>	Excepting the payment of remuneration for his services as Managing Director, as approved and detailed hereinabove, he has no other pecuniary relationship with the Company. None of the Directors and Key Managerial Personnel of the Company, except Shri Riju Jhunjunwala himself and Shri Ravi Jhunjunwala being father of Shri Riju Jhunjunwala are interested.	Excepting the payment of remuneration for his services as Joint Managing Director, as approved and detailed hereinabove, he has no other pecuniary relationship with the Company. None of the Directors and Key Managerial Personnel of the Company, except Shri. Brij Mohan Sharma are interested in the Resolution.

### **III. Other Information:**

#### **1. Reasons for loss or inadequate profits**

During the year under review, the Company faced unprecedented challenges due to global economic slowdown including the domestic markets. Towards the end of last financial year and in the current financial year, the global world faced another challenge in the form of COVID-19, which impacted the profitability of the Company severely.

#### **2. Steps taken or proposed to be taken for improvement:**

The Company geared itself and took all measures to withstand the challenges particularly in the second half of financial year. The Company took various decisions and steps which included rationalisation of costs. The Company geared itself and took all measures to withstand its operations after the lockdown was lifted and recovered its lost momentum.

#### **3. Expected increase in productivity and profits in measurable terms:**

The Company's initiatives are expected to result in better performance of the Company. Although certain constraints can be addressed only over a period of time, the management expects further improvement in operations in future years.

### **IV. Disclosure:**

The remuneration package proposed to be given to Shri Riju Jhunjhunwala & Shri Brij Mohan Sharma are as per the details given in the Resolutions under item 1 and 2. There is no severance fee or stock option in the case of the aforesaid managerial personnel.