



P. N. GADGIL & SONS LIMITED

(Previously known as P. N. Gadgil & Sons)

CIN U36911PN2017PLC173262

Registered Office: Abhiruchi Mall, S.No.59 /1-C, Wadgaon (BK),
Sinhgad Road, Pune – 411041

Tel: +91 20 24612000 I Fax: 020 24612185

Email: info@pngsl.com I Website: www.pngadgilandsons.com

NOTICE

NOTICE is hereby given that the Third Annual General Meeting (AGM) of P. N. GADGIL & SONS LIMITED (the Company) will be held at S. No. 37/1 & 37/2 near Lokmat New Paper, Vadgaon, Khurd, Pune- 411041 on Wednesday, 12th August, 2020 at 12:30 PM to consider and transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial period ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Udaya Narayan Kalkundrikar (DIN: 08007781), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

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 provisions of Sections 196 and 197 and other applicable provisions of the Companies Act, 2013, if any, (the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time read with Section II of Part II of Schedule V of the Act and as per the approval of the Nomination & Remuneration Committee and the Board of Directors and subject to such consent(s), approval(s) and permission(s) and subject to such conditions as may be imposed by any authority (ies), if any while granting such consents, permissions and approvals and as are agreed to by the Board of Directors (hereinafter referred to as the Board which term shall unless repugnant to the context or meaning thereof be deemed to include any committee thereof and any person authorized by the Board in this behalf), the approval of members be and is hereby accorded for payment of remuneration of Rs. 55,00,000/- (Rupees Fifty Five Lacs), by way of commission on profit / performance based incentive to Mrs. Renu Govind Gadgil (DIN 07412955), Whole Time Director of the Company, within the limits of the aforementioned provisions of the Act, for the services rendered by her for the financial year 2019-20.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

Date: 10th July, 2020
Place: Pune

By Order of the Board

Sd/-
Apurva Parai
Company Secretary
Flat No. 4, Building No. 17
Konark Aangan,
Opp. Chintamani Nagar Part – II,
Bibvewadi, Pune - 411037
M.No. A32972



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE 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 MEMBER. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/ AUTHORITY, AS APPLICABLE. A COPY OF PROXY FORM HAS BEEN ENCLOSED HEREWITH.
2. Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
3. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial period ending 31st March, 2020 are being sent by e-mail to those Members who have registered their e-mail address with the Company, unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode. The Company requests those Members who have not yet registered their e-mail addresses, to register the same directly with their DP's, in case shares are held in electronic form or with the Company, in case shares are held in physical form.
4. Relevant documents referred to in the Notice, Register of Directors / Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act 2013 and Register of Contracts maintained under Section 189 of the Companies Act 2013 and other relevant registers and the copies of agreement i.e. Letter of appointment as mentioned in Section 190 are available for inspection by the members at the Registered Office of the Company during normal business hours on working days up to the date of the Annual General Meeting.
5. The Statement relating to Special Business as mentioned in the Notice pursuant to provisions of Section 102 of the Companies Act, 2013 (the Act) is annexed hereto.
6. The detailed address of venue of meeting with route map and nearest landmark is attached herewith. Pick and drop facility will be available half an hour before and after the conclusion of the meeting from/to the registered office of the Company.
7. Members are requested to notify the Company immediately the changes, if any, in the address in full with the postal area, pin code number, quoting their folio no. to the Company for shares held in physical form and/or to Company's Registrar and Share Transfer Agent, 'LINK INTIME INDIA PRIVATE LIMITED' at 247 Park, C - 101, 1st Floor, L.B.S. Marg, Vikhroli - (West) Mumbai - 400 083 and to their respective Depository Participants (DP) for shares held in electronic form.
8. Members / proxies should carry valid ID proof such as PAN, Voter ID, Passport, Driving License, Aadhar card etc along with duly filled Attendance Slip enclosed herewith for attending the meeting.
9. Members are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company, for admission to the meeting venue.
10. Members may also note that the notice of the 3rd Annual General Meeting and the Annual Report will be available on the Company's website www.pngadgilandsons.com.



11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

Date: 10th July, 2020
Place: Pune

By Order of the Board

Sd/-
Apurva Parai
Company Secretary
Flat No. 4, Building No. 17
Konark Aangan,
Opp. Chintamani Nagar Part – II,
Bibvewadi, Pune - 411037
M.No. A32972



EXPLANATORY STATEMENT
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out, in terms of Section 102 of the Companies Act, 2013, all material facts relating to Special Business as mentioned in the accompanying Notice dated 10th July, 2020:

Item No. 3

Mrs. Renu Govind Gadgil is one of the promoters and founder Directors of the Company. The Board of Directors, in its Extra Ordinary General Meeting held on 30th August, 2019, made a revision in the limits of the remuneration to be paid to Mrs. Renu Govind Gadgil (DIN 07412955), Whole Time Director of the Company from 2,50,00,000/- (Rupees Two crores fifty lacs) p.a. to an amount not exceeding Rs. 6,00,00,000/- (Rupees Six Crores) p.a., for a period of 3 years, commencing from 1st October, 2019., with other terms and conditions of employment as approved at the Extra Ordinary General Meeting of the Company held on 12th December 2017 remaining unchanged for the services being rendered by her.

In view of forgoing, the total remuneration to Mrs. Renu Govind Gadgil for the year 2019-20 worked out to Rs. 4,25,00,000/- (pro-rata). The Board, in its Meeting held on 27th January, 2020, decided to pay an amount of Rs. 3 crores or 0.25 % of sales, whichever is lower as commission on net profit to Mrs. Gadgil for the year 2019-20. The said remuneration by way of commission on profit / performance based incentive worked out to Rs. 4,80,00,000/- which exceeded the aforesaid pro-rata limit by an amount of Rs. 55,00,000/- and was paid in the month of March, 2020.

Hence, as required under Section 196 and 197 of the Companies Act, 2013, members' approval is required and being sought by way of an Ordinary Resolution for payment of remuneration by way of commission on profit / performance based incentive of Rs. 55,00,000/- to Mrs. Gadgil by way of commission on profit / performance based incentive for Financial year 2019-20. The remuneration paid to her is within the limits as laid down under the aforesaid provisions of the Act for the financial period ending 31st March, 2020. However, your approval is being sought by way of a Special Resolution.

The relevant disclosures as required in pursuance of Secretarial Standard 2 of (ICSI) have been made in the **Annexure 1** to this statement.

The Board recognizes valuable contributions made by Mrs. Renu Govind Gadgil (DIN 07412955), Whole Time Director of the Company for development of the Company and therefore recommends the resolution set out in Item no. 03 of the notice for approval by members of the Company.

However, your approval is being sought by way of a Special Resolution.

Except the appointee herself, Mr. Govind Vishwanath Gadgil, being relative of Mrs. Renu Govind Gadgil, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution proposed under item No. 03.

All document referred to in the notice are open for inspection at the registered office of the Company during normal business hours on working day up to the date of Annual General meeting.

Date: 10th July, 2020
Place: Pune

By Order of the Board

Sd/-
Apurva Parai
Company Secretary
Flat No. 4, Building No. 17
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Annexure 1 to Item No. 03 of the Notice

Details of Directors seeking revision in terms of remuneration at the Annual General Meeting
(In pursuance of Secretarial Standard 2 of ICSI)

Sr. No.	Name of Director	Mrs. Renu Govind Gadgil
1.	DIN	07412955
2.	Designation	Whole Time Director
3.	Date of Birth	13/05/1961
4.	Age	59
5.	Nationality	Indian
6.	Date of first appointment on the Board	06/11/2017
7.	Change in Designation	05/12/2017
8.	Shareholding in P. N. Gadgil & Sons Limited	1,50,47,333 equity shares of Rs. 10 each
9.	List of Directorship held in other Companies	Puneet Shares and Finance Private Limited
10.	Qualifications	BHMS
11.	Experience	In jewellery business for more than 5 years as one of the owners
12.	Terms and Conditions of appointment or re-appointment	<p>A. Term of appointment: - She will serve as a Whole Time Director for 5 (Five years) from 5th December 2017 up to and including 04th December 2022. No change in the terms and conditions of appointment except for one time incentive salary, is proposed.</p> <p>B. She will be liable to retire by rotation during the tenure of her appointment as Whole Time Director of the Company.</p> <p>C. Subject to the superintendence, control and direction of the Board, she will have the general control of the business of the Company and she will be vested with the powers of general management and day to day affairs of the Company, to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things which in the ordinary course of such business SALES COMMISSION, she may consider necessary or proper or in the best interests of the Company.</p> <p>D. The term of her employment will forthwith determine if she becomes insolvent or make any composition or arrangement with her creditors or she will cease to be a Director of the Company.</p> <p>E. If she is guilty of negligence in the conduct of the business of the Company or of any misconduct or any breach of these terms and conditions, if any, as in the opinion of the Board renders her retirement from the office of Whole Time Director desirable, the Company may intimate to her, by not less than 30 days notice in writing, about her cessation, she will be ceased to be a Director and Whole Time Director of the Company upon the expiration of such notice.</p> <p>Kindly refer draft Letter altering terms and conditions of appointment pertaining to the remuneration for the Financial year 2019-20, which is available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the AGM.</p>
13.	No of Board meetings attended during the financial year	6
14.	Chairman / Member in the Committees of the Board of Companies in which he is a director	P. N. GADGIL & SONS LIMITED : Member of Borrowing Committee and Internal Complaints Committee
15.	Relationship with other Directors, manager and other Key managerial	Relative of Mr. Govind Vishwanath Gadgil, Chairman and Whole time Director of the Company



	personnel of the Company	
16.	Details of remuneration sought to be paid	The members are being approached for the approval of remuneration of Rs. 55,00,000/- to be paid to Mrs. Renu Govind Gadgil , as one time payment in the form of by way of commission on profit / performance based incentive which is in excess of the limits approved by the members in the EOGM held on 30th august, 2019, and as approved by board of director on 27th January, 2020.
17.	Last drawn remuneration	<p>The Company has paid Rs. 1,80,00,000 /-for the period commencing from 01st April, 2018 to 31st March, 2019.</p> <p>The Company has paid Rs. 4,80,00,000/- for the period commencing from 01st April, 2019 to 31st March, 2020, subject to approval of members.</p>

Date: 10th July, 2020
Place: Pune

By Order of the Board

Sd/-
Apurva Parai
Company Secretary
Flat No. 4, Building No. 17
Konark Aangan,
Opp. Chintamani Nagar Part - II,
Bibvewadi, Pune - 411037
M.No. A32972



ANNEXURE 2 TO THE NOTICE

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 (INCLUDING SECRETARIAL STANDARD – 2) IN RESPECT OF ITEM NO. 3 OF THE ACCOMPANYING NOTICE DATED 10TH JULY, 2020

I. GENERAL INFORMATION –

(1) Nature of Industry:

We are one of the leading and trusted retail jewellery companies in Maharashtra. The legacy of the “P. N. Gadgil” brand traces back over six generations to the year 1832. Prior to the incorporation of our Company in the year 2017, consequent to conversion of the Erstwhile Partnership Firm into the Company, the current business was carried on by our Promoters in the name of such Erstwhile Partnership Firm.

Our offerings include gold jewellery, silver jewellery, idols and other silverware, diamonds and diamond jewellery and other gemstones jewellery and related gift items.

(2) Date or expected date of commencement of Commercial Production: Commercial production commenced in the year 2012 when the Company was a partnership firm in the name of “P. N. Gadgil & Sons”. In other words the activities or business continued in the Company after the aforesaid conversion.

(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:-

Particulars	From 6 th November, 2017 to 1 st April, 2019 till 31 st March, 2020
Total Income	20,76,39,12,773
Depreciation and amortization expense	16,84,11,898
Total expenses	19,89,22,76,765
Profit before tax	87,16,36,007
Net profit/ Profit after Tax	64,41,95,754
Paid up capital	33,77,05,990

(5) Foreign Investments or collaborations, if any – There is no direct foreign investment and no foreign collaboration in the Company.

II. INFORMATION ABOUT THE APPOINTEES

Sr. No.	Information	Mrs. Renu Gadgil Whole Time Director
	Background details	Renu Gadgil is one of the Promoters of our Company and has been a member of our Board since inception. She passed the Licentiate of Court of Examiners in Homeopathy. She has more than 5 years of experience in the jewellery business. In the past, she was associated with P N Gadgil & Sons, in the capacity of a Partner.
	Past Remuneration	The Company has paid a remuneration of Rs. 1,80,00,000/- for the financial year 2018-19 The Company has paid a remuneration of Rs. 4,80,000/- for the financial year 2019-20, subject to approval of members
	Recognition and Awards	-
	Job profile and his /her suitability	Renu Gadgil was appointed as the Whole-time Director of the Company for a period of five years with effect from 5 th December 2017. She has been involved in day to day operations of the Company and has been responsible for the functions and administration of the Company. She also pays attention for maintaining legacy benefit to the organization. Considering her vast experience and knowledge of the business in which company operates, and sales achieved in the year 2019-20, the remuneration proposed commensurate with her job profile and is justified.
	Remuneration proposed	The proposed remuneration, by way of commission on profit / performance based incentive to be paid is provided in Item No. 03 of the Notice.
	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 / her origin)	The revised one time remuneration of Rs. 55 Lacs for the Year 2019-20 has been benchmarked with the remuneration being drawn by peers in similar capacity in Jewellery Companies of comparable size in the Jewellery industry and has been approved by the Nomination and Remuneration Committee and by the Board of the Company respectively. The profile of Mrs. Renu Govind Gadgil, her responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration. The remuneration to be paid to Mrs. Renu Govind Gadgil for which the approval is being sought from the members is in line with the industry standards.
	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	<ul style="list-style-type: none"> • Spouse of Mr. Govind Vishwanath Gadgil, Chairman & Whole Time Director • Mrs. Renu Govind Gadgil is a Promoter and Whole Time Director holding 1,50,47,333 equity shares consisting of 33,77,05,990 of the total paid-up capital of the Company as on 31-03-2020. • Company repaid unsecured loan of Rs. 29,17,97,789/- to Mrs. Renu Govind Gadgil as on 31.03.2020 • Company paid Interest on unsecured loan of Rs. 41,39,179/- to Mrs Renu Govind Gadgil as on 31.03.2020 • She received a lease Rent of Rs. 85,04,496/-

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits: Inadequate profits is primarily due to the following:
 - i) The revenue during the period ending 31.03.2020 is majorly contributed for expansion of business, the benefits of which are yet to be accrued to the Company.
 - ii) Seasonal fluctuations could have a material adverse effect on our business, financial condition and results of operations.
 - iii) Shortage of rainfall may have adverse impact on rural economy and consequently may impact business of the Company.



- iv) The cyber fraud of Rs. 2,98,40,000/-resulted into set back to the Company to some extent and reduction in revenue and net profit.
- v) The profits were inadequate to absorb the increased quantum of one time increase in remuneration.

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

The Company is focusing on strengthening its core competency in core retail operations, by optimizing store networks and assures that the demand for our products with end-consumers will continue to grow or that we will be able to continue to develop appealing styles or meet rapidly changing consumer demands in the future.

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

In addition to steps proposed to be taken for improvement as detailed hereinabove, key focus areas would be increasing top-line, profit maximization, conservation of cash and operational efficiencies. While it is difficult to give precise figures, the above initiatives are expected to improve further the productivity and profitability.

III. Disclosures:

- 1. The remuneration package of all the managerial persons are given in the respective resolutions.
- 2. The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Date: 10th July, 2020
Place: Pune

By Order of the Board

Sd/-
Apurva Parai
Company Secretary
Flat No. 4, Building No. 17
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- 1. NO CHANGE IN OTHER TERMS AND CONDITIONS
- 2. THE APPROVAL IS BEING SOUGHT FOR AS ONE TIME COMMISSION ON PROFIT / PERFORMANCE BASED INCENTIVE / REMUNERTATION FOR THE YEAR 2019-20 OVER AND ABOVE THE REMUMERATION AS APPROVED BY THE SHAREHOLDERS IN THE EOGM HELD ON 30TH AUGUST, 2019
- 3. REMUNERATION PAID CONSIDERING SALES ACHIEVED



P. N. GADGIL & SONS LIMITED

(CIN - U36911PN2017PLC173262)

Regd. Office: Abhiruchi Mall, S.No.59 /1-C, Wadgaon (BK),
Sinhgad Road Pune - 411041

Email Id: info@pngadgilandson.com website: www.pngadgilandsons.com

Phone No. – +91 20 24612000 Fax No. – 020 24612185

ATTENDANCE SLIP

[To be presented at the entrance]

Annual General Meeting on Wednesday, the 12th August, 2020 at 12:30 P.M.
at S. No. 37/1 & 37/2 near Lokmat New Paper, Vadgaon, Khurd, Pune- 411041

Folio No.....DP ID No.....Client ID.....

No. of Shares held

Name of the MemberSignature.....

Name of Proxy Holder.....Signature.....

I / We hereby record my / our presence at the Annual General Meeting of the Company held on Wednesday, the 12th August, 2020 at 12:30 P.M. at S. No. 37/1 & 37/2 near Lokmat New Paper, Vadgaon, Khurd, Pune- 411041

Notes:

1. Only Member / Proxy holder can attend the Meeting.
2. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.



P. N. GADGIL & SONS LIMITED

(CIN - U36911PN2017PLC173262)

Regd. Office: Abhiruchi Mall, S.No.59 /1-C, Wadgaon (BK), Sinhgad Road Pune - 411041

Email Id: info@pngadgilandson.com website: www.pngadgilandsons.com

Phone No. – +91 20 24612000 Fax No. – 020 24612185

Form No. MGT-11

Proxy form

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

Name of the Member(s):
Registered address:
E-mail Id:
Folio No:
Clint ID/DP ID:

I/ We being the member of, holding.....shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:

or failing him

2. Name

Address:

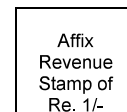
E-mail Id:

Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at 3rd Annual General Meeting of members of the Company, to be held on Wednesday, 12th August, 2020 at 12:30 P.M. at S. No. 37/1 & 37/2 near Lokmat New Paper, Vadgaon, Khurd, Pune- 411041 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolution	Vote (For or Against)
Ordinary Business		
1.	Adoption of financial statements	
2.	Appointment of Mr. Udaya Kalkundrikar as a Director liable to retire by rotation	
Special business		
3.	Approval of remuneration of Rs. 55,00,000/- (Rupees Fifty Five Lacs), by way of commission on profit / performance based incentive to Mrs. Renu Govind Gadgil, Whole Time Director of the Company	

Signed thisday of..... 2020

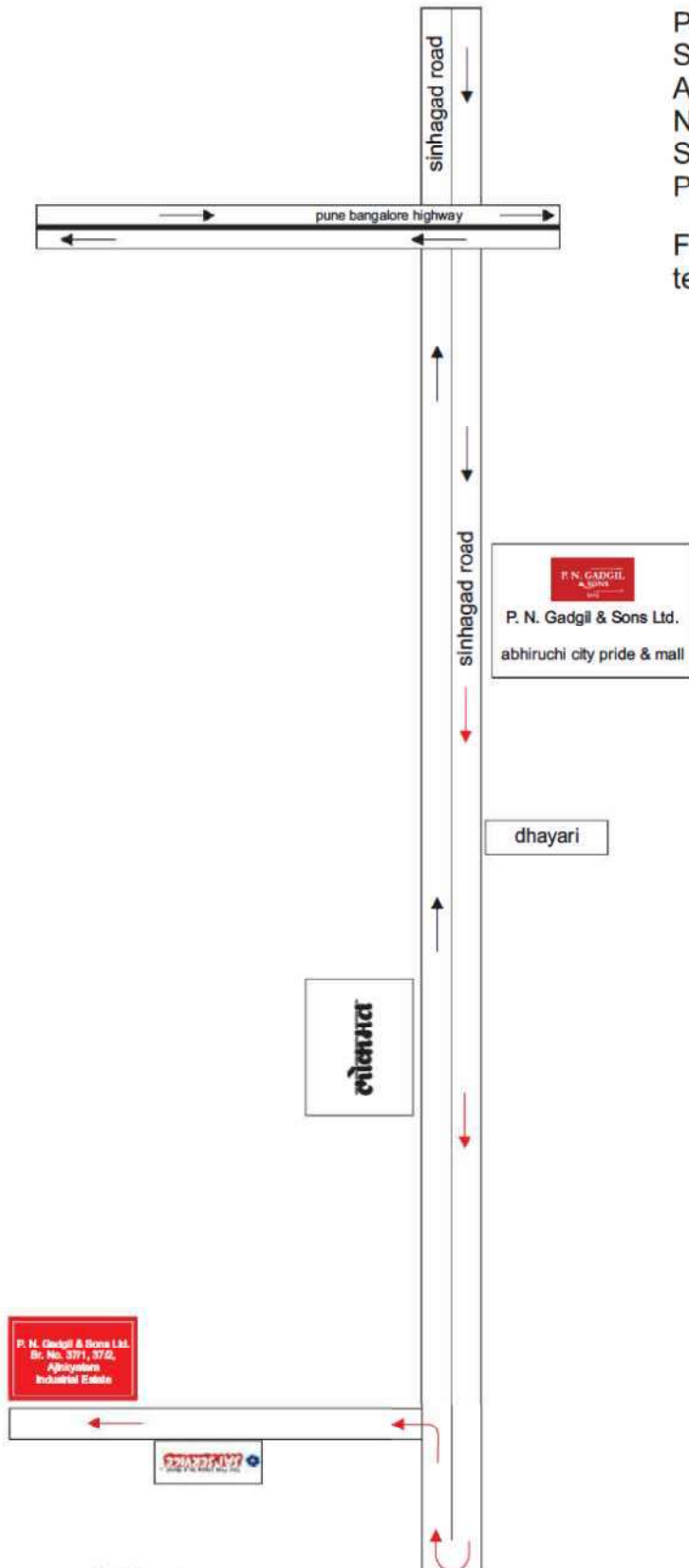


Signature of Shareholder:

Signature of Proxy holder(s):

Note:

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.



P. N. Gadgil & Sons Ltd.
Sr. No. 37/1, 37/2,
Ajinkyatara Industrial Estate,
Next to Lokmat Press Office
Sinhagad Road, Wadgaon Khurd,
Pune, Maharashtra 411041

For queries, contact us :
tel : 202 - 24612000 / 67520200