



NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of STI India Limited will be held on Monday, the 29th September, 2014, at 11.00 A.M. at the Registered Office of the Company situated at Rau - Pithampur Link Road, Tehsil - Mhow, District Indore - 453 332 (M.P.) India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on 31st March, 2014 and Balance Sheet as on that date together with the Reports of Independent Auditor and Directors thereon.
2. To appoint a Director in place of Dr. R. B. Baheti (DIN: 00008202) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. V.K. Beswal & Associates, Chartered Accountants, Mumbai having Firm Registration No. 101083W as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To re-appoint Mr. Prashant Agrawal (DIN: 00019464) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded to the re-appointment of Mr. Prashant Agrawal (DIN: 00019464) as Managing Director of the Company for a period of 3 (three) years with effect from 25th November, 2013 to 24th November, 2016 without any remuneration;

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint Mr. T. N. Anand Reddy (DIN: 00220734) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. T. N. Anand Reddy (DIN: 00220734) a Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March, 2019.

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Mr. A. Arumugham (DIN: 00350163) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. A. Arumugham (DIN: 00350163) a Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March, 2019.

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To approve borrowing limits of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of earlier resolutions passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 150.00 Crores;

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

8. To authorize the Board for mortgaging the property of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of earlier resolutions passed under Section 293(1)(a) of the Companies Act, 1956 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) the consent of the members be and is hereby granted to the Board (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for creation of mortgage on the property, admeasuring area 285290 Sq. mtr., situated at Plot No. 1, Rau-pithampur Link Road, Teh: Mhow, Dist - Indore - 453 332 (M.P.) on such terms and conditions as the Board may determine to the extent of value of mortgage property for securing the debentures of Rs. 141.00 Crores issued by the Company and subsequently extending the mortgage / charge on the same property for securing the borrowing availed by Bombay Rayon Fashions Limited from Financial Institutions / Bank;

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents / deeds/writings/papers and agreements as may be required and to take all necessary steps and do all necessary things in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its Committee(s) / Director(s) or any Officer(s) of the Company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit."

9. To adopt new set of Article of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard 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 14 and all other applicable provisions if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company;

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: Mumbai
Date : 30th July, 2014

By Order of the Board of Directors of
STI India Limited

Regd. Off.-
Rau-Pithampur Link Road,
Tehsil-Mhow, Distt- Indore-453 332
(M.P.) India, Ph: (0731) 4014400, Fax (0731) 4020011,
Email: share3@stitextile.net,
Website: www.stitextile.net, CIN: L27105MP1984PLC002521

Deepesh Kumar Nayak
Company Secretary



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE AT THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of member(s) not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 22nd September, 2014 to Monday, the 29th September, 2014 (both days inclusive).

2. The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item nos. 4 to 9 set out in the notice is annexed hereto.
3. Information under clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking re-appointment at the Annual General Meeting is annexed hereto.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a Certified True Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
6. Members desirous of getting any information about the accounts and operation of the Company are requested to address their queries to the Secretarial Department at the Registered Office well in advance or may email at share3@stitextile.net, so that the same may reach at least seven days before the date of the Meeting to enable the management to keep the required information readily available at the Meeting.
7. The Members having physical shares are requested to notify immediately any change in their addresses with the Postal Identity Number (Pin Code) and quoting their folio

number(s) to the Company. The Members holding shares in Demat form are required to get updated change in their addresses through their Depositories.

8. The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and another Circular 188/2011 dated April 29, 2011. This will ensure prompt receipt of communication, avoid loss in postal transit and reduce paper consumption besides entailing other benefits. Hence, Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filled form to our Registrar and Share Transfer Agent **Link Intime India Private Limited**, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W) Mumbai-400 078 for sending the document in electronic form.
9. **Electronic copy of the Annual Report will be sent to the members in future whose email IDs are registered with the Company / Registrar and Share Transfer Agent for communication purposes unless any member requests for a physical copy of the same. Therefore, Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company electronically. A positive consent letter is attached to the Notice is being sent to the Members for giving consent to receive documents in electronic mode.**
10. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report of 2014 will be available on the Company's website www.stitextile.net. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
11. Members who wish to dematerialize the share or seek any information regarding transfer of shares are requested to contact the Company's Registrar and Share Transfer Agent.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company or the Registrar and Share Transfer Agent.
13. Members are requested to provide their details / information in the prescribed format as annexed with the annual report, to the Company or Registrar and Share Transfer Agent for updation of their information in the record of the Company and Registrar and Share Transfer Agent.

VOTING THROUGH ELECTRONIC MEANS

14. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting. The process and instructions for e-voting are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "STI India Limited" from the drop down menu and click on "Submit".
- (iv) Now Enter your User ID.
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DPID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) 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 (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. ● In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Detail	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ● Please enter the DOB 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 the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **STI India Limited**.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> 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.

In case of members receiving the physical copy:

- (A) Please follow all steps from Sr. No. (i) To Sr. No. (xvii) above to cast vote.
- (B) The voting period begins on 9.00 A. M. on 23rd September, 2014 and will end on 5.00 P. M. on 25th September, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd 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 Member, the Member shall not be allowed to change it subsequently.
- (C) 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.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com.
- (D) The voting right of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut off date of Friday, the 22nd August, 2014.
- (E) Mr. Pankaj Saklecha (Membership No. FCS 6292) M/s Rao Saklecha & Co., Practicing Companies Secretaries, Indore has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
- (F) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (G) 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.stitextile.net and on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and communicated to both the exchanges i.e. NSE & BSE.
- (H) Members who are not casting their vote electronically may cast their vote at the Annual General Meeting.

Place: Mumbai By Order of the Board of Directors of
Date : 30th July, 2014 **STI India Limited**

Regd. Off.-
Rau-Pithampur Link Road, **Deepesh Kumar Nayak**
Tehsil-Mhow, Dist- Indore-453 332 Company Secretary
(M.P.) India, Ph: (0731) 4014400,
Fax (0731) 4020011,
Email: share3@stitextile.net,
Website: www.stitextile.net,
CIN: L27105MP1984PLC002521

Explanatory Statements pursuant to Section 102 (1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.**ITEM NO. 2****Brief profile of Dr. R. B. Baheti**

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of shares held in Company
02.01.1946	07.08.1984	04 (Four)	42

Dr. R.B. Baheti, Director and Chairman of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Dr. R. B. Baheti, Director & Chairman of the Company is a top level Corporate Executive. Dr. Baheti born in 1946, is M. Com, Ph. D in Economics (Gold Medalist) having rich experience around four decades in running business of Cotton Yarn & Textile, Copper Coated Automotive Components, Precision Steel Tubes & Granite etc. and dealing in Textile is his family Business.

Dr. R. B. Baheti is a well-known and reputed industrialist of Central India. He has been associated with many educational and social organizations. He is recognized and respected as an experienced industrialist in the industry circle in domestic as well as international market.

Dr. R. B. Baheti has attained the age of 68 years, he has been providing his expert advice and guidance to the Company since date of incorporation and has considerable experience in the field and knowledge about the business and affairs of the Company. In guidance and association of Dr. R. B. Baheti, the Company achieved several milestones. As a member of the Board, Dr. R.B. Baheti is expected to add immense value for the long-term growth of the Company.

Dr. R.B. Baheti was Chairman and Managing Director of the Company up to 31st October, 2010. Dr. R. B. Baheti has expressed his willingness to relinquish the office of the Managing Director and on expiry of the term indicated his willingness to continue as Non Executive Chairman of the Board w. e. f. 1st November, 2010.

He was also associated with Prestigious Educational Institutions viz. Indian Institute of Management, Indore, Indian Institute of Management, Lucknow and Ahmedabad.

The Board recommends the resolution in relation to re-appointment of Dr. R. B. Baheti as Director, for the approval by the shareholders of the Company.

None of the Director, Key Managerial Personnel of the Company and their relatives, other than Dr. R. B. Baheti for his respective appointment, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 2 for approval of the Members.

ITEM NO. 4

Mr. Prashant Agrawal was appointed as Managing Director of the Company by members in their 25th Annual General Meeting held on 24th December, 2010, for a period of 03 years with effect from 25th November, 2010 to 24th November, 2013, without remuneration, pursuant to the provisions of Section 198, 269, 309, 316 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act.

As per the terms of appointment, the tenure of office of Mr. Prashant Agrawal as Managing Director was expiring on 24th November, 2013. Therefore, subject to the confirmation of members in the ensuing annual general meeting, the Board of Director, at its meeting held on 30th October, 2013 re-appointed Mr. Prashant Agrawal as Managing Director of the Company for further period of three years w.e.f. 25th November, 2013 to 24th November, 2016, without remuneration.

A brief profile of Mr. Prashant Agrawal is given below:

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of shares held in Company
26.01.1974	25.11.2010	19 (Nineteenth)	NIL

Mr. Prashant Agrawal aged 40 years holds Degree in Chemical Engineering from Institute of Chemical Technology, Bombay and MS in Chemical Engineering and Petroleum Refining, USA, has over 18 years of rich experience in the textile industry. He is also a Promoter Director designated as Managing Director of Bombay Rayon Fashions Limited (BRFL) having extensive knowledge and good command through his global vision contributed for new business opportunities and converting them into remunerative projects, consolidation of the business activities by way of acquisitions/mergers and setting up of subsidiaries.

Mr. Prashant Agrawal is not disqualified from being appointed as a managing director in terms of Section 164 and other applicable provisions of the Companies Act, 2013 and rule made thereunder.

None of the Director, Key Managerial Personnel of the Company and their relatives, other than Mr. Prashant Agrawal, Mr. Aman Agrawal & Mr. A. R. Mundra, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval of the Members.

ITEM NO. 5 & 6

As per Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1st April, 2014 and subsequent notification issued by the Ministry of Corporate Affairs vide its General circular no.14/2014 dated 9th June 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors on or before 31st March, 2015. Further, pursuant to the above provisions, the term of such Independent Directors

is not liable to retire by rotation.

Accordingly, it is proposed to appoint existing Non-executive Independent Directors Mr. T. N. Anand Reddy and Mr. A. Arumugham as Independent Directors of the Company in accordance with Section 149 of the Companies Act, 2013, not liable to retire by rotation and to hold office for 5 (five) consecutive year for a term up to 31st March, 2019.

The Company has received from each of Mr. T. N. Anand Reddy and Mr. A. Arumugham (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has received notice in writing from Member under Section 160 of the Act along with the deposit of requisite amount of Rs. 1 Lac, proposing the candidatures of each of the above Directors for the office of Independent Directors of the Company.

In the opinion of the Board, Mr. T. N. Anand Reddy and Mr. A. Arumugham fulfill the conditions for their appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement and are independent of the management.

A copy of the draft letters of appointment setting out the terms and conditions of appointment of Mr. T. N. Anand Reddy and Mr. A. Arumugham is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of the AGM.

The Board considers that continued association of Mr. T. N. Anand Reddy and Mr. A. Arumugham would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. T. N. Anand Reddy and Mr. A. Arumugham as an Independent Directors. Accordingly, the Board recommends the ordinary resolutions set forth in the Item Nos. 5 & 6 of the Notice for approval of the members.

Mr. T. N. Anand Reddy and Mr. A. Arumugham are interested in the resolutions set out respectively at Item Nos. 5 & 6 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

A brief profile of Mr. T. N. Anand Reddy and Mr. A. Arumugham seeking re-appointment as Independent Director at the ensuing Annual General Meeting is appended below:

**Mr. T. N. Anand Reddy**

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of shares held in Company
24.12.1955	30.06.2008	1 (one)	NIL

Mr. T. N. Anand Reddy is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in the year 2008. Mr. T. N. Anand Reddy is the Chairman of the Stakeholders Relationship Committee and a Member of the Audit and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. T.N. Anand Reddy is an experienced Textile Technocrat with B. Tech Degree in Chemical Engineering from I.I.T. Chennai in 1978 & Diploma. Ing Process & Combustion Technology, Technische University W.Berlin. 1983

Mr. A. Arumugham

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of shares held in Company
26.10.1942	09.02.2011	15 (Fifteen)	NIL

Mr. A. Arumugham is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in the year 2011. Mr. A. Arumugham is the Chairman of the Audit Committee and a Member of Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. A. Arumugham aged 72 years holds a degree in commerce and qualified as a member of the Institute of Chartered Accountants of India in 1967 and has 44 years of standing in the profession and has vast experience in the industrial field. He completed his articleship with M/s. Brahmahayya and Company, a leading firm of Chartered Accountants in south India, and after qualifying as a Chartered Accountant, worked with the firm for a year. He then joined the Government of Mysore, Steel Plant at Bhadravati, Karnataka, as the first chartered accountant of the company. He is the senior partner of M/s. ARU & DEV, an established accountancy firm of Chartered Accountants with over 37 years of standing.

ITEMNO. 7 & 8

At the Extra-ordinary General Meeting of the Company held on 23rd March, 2007 the Members had given their consent to the Board under Sections 293(1)(a) and (d) of the Companies Act, 1956 by way of Ordinary Resolutions, for exercising the power to borrow monies and to create charge / mortgage on the properties of the Company.

Under Section 180 of the Companies Act, 2013 the above powers of the Board are now required to be exercised only with the consent of the company by way of Special Resolution.

The approval of the Members for the said borrowings and creation of a mortgage or charge is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors recommend the Resolutions at Item Nos. 7 and 8 of the accompanying Notice for the approval of the Members of the Company.

Mr. Prashant Agrawal, Mr. Aman Agrawal & Mr. A. R. Mundra, Directors of the Company are interested in the resolutions set forth in Item No. 7 and 8 of the Notice.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

ITEMNO. 9

The existing Article of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some of the regulations in existing AOA are no longer in conformity with the Act in view of the recent notification of the Companies Act 2013 and rules made there under. Hence it is considered expedient to replace the existing Article by adoption of new set of Article.

As per the provisions of Section 14 of the Companies Act, 2013, alteration in Articles of Association of the Company will require to be approved by the shareholders of the Company by way of Special Resolution and hence placed for seeking approval of shareholders.

Copy of existing and new Articles of Association of the Company will be available for inspection by members during 11.00 a.m to 2.00 p.m. at the Registered Office of the Company from 21st September, 2014 to the date of Annual General Meeting.

Your Board recommends this resolution to seek your approval for amendment and adoption of new set of Articles of Association.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No. 9.

Place: Mumbai
Date : 30th July, 2014

By Order of the Board of Directors of
STI India Limited

Regd. Off.-
Rau-Pithampur Link Road,
Tehsil-Mhow, Distt- Indore-453 332
(M.P.) India, Ph: (0731) 4014400,
Fax (0731) 4020011,
Email: share3@stitextile.net,
Website: www.stitextile.net,
CIN: L27105MP1984PLC002521

Deepesh Kumar Nayak
Company Secretary