



CASTLE TRADERS LIMITED

CIN : L51909TN1983PLC045632 GSTIN : 33AABCC8853F1ZR

Regd. Office : 'BHARAT KUMAR BHAVAN', No.617, ANNA SALAI, Chennai - 600 006

Phone : 044 4226 9666 Website : www.castletraders.in E-mail: ~~cs@khivrajgroup.com~~ cs@khivrajmail.com

04th September, 2021

Listing & Compliance,
The Metropolitan Stock Exchange of India Limited,
Vibgoyor Towers, 4th Floor,
Plot No. C-62, Opp. Trident Hotel,
Bandra Kurl Complex,
Bandra (E), Mumbai - 400098

Sub: Notice convening the 38th AGM as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Symbol: CASTLE; Series: BE; ISIN: INE262V01014

Dear Sir,

We are enclosing a copy of Notice convening the 38th AGM which is scheduled to be held on 29th September, 2021 through Video Conference/ Other Audio Visual Means ("VC/OAVM") facility.

This intimation is in pursuance to provisions of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

We request you to take the same on record.

Thanking you,

Yours faithfully,

For Castle Traders Limited

R. Manoranjan

Company Secretary

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **Castle Traders Limited (CIN:L51909TN1983PLC045632)** will be held on Wednesday, 29th September, 2021 at 3.00 P.M. (IST) through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) facility to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with Reports of the Board of Directors and Auditors Report thereon.
2. To consider and adopt the consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with Auditors Report thereon.
3. To appoint a Director in the place of Mrs. Prassan Kumari Chordia (DIN:01955334) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

4. **To Consider and Approve Appointment of Mr. Ratnesh Kumar Agrawal (DIN: 08477121) as Independent Director:**

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, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Mr. Ratnesh Kumar Agrawal (DIN: 08477121) and who has been appointed as an Additional Independent Non-Executive Director of the Company by the Board of Director on 9th November, 2020, for a term of Five consecutive years (i.e. upto 8th November, 2025) who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company with effect from 9th November, 2020, to hold office for a term of Five consecutive years i.e. upto 8th November, 2025.”

“RESOLVED FURTHER THAT Board of Directors/Whole Time Director/Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. **To Consider and Approve Appointment of Mr. A. Anandakumar (DIN: 09045884) as Independent Director:**

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, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Mr. A. Anandakumar (DIN: 09045884) and who has been appointed as an Additional Independent Non-Executive Director of the Company by the Board of Director on 8th February, 2021, for a term of Five consecutive years (i.e. upto 7th February, 2026) who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an

Independent Non-Executive Director of the Company with effect from 8th February, 2021, to hold office for a term of Five consecutive years i.e. upto 7th February, 2026.”

“**RESOLVED FURTHER THAT** Board of Directors/Whole Time Director/ Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Ratification of related party transactions entered into by the company during the financial year 2020-21:

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, as amended from time to time, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the contracts entered into by the Company with Related Parties all of which are on arm’s length basis and in the ordinary course of business and which are considered as material as the transaction(s) entered into individually or taken together with previous transactions during the financial year 2020-21 exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the company as detailed in the explanatory statement annexed to this notice be and are hereby ratified and approved.”

“**RESOLVED FURTHER THAT** the Board of Directors/Whole Time Director/Company Secretary of the Company be and are hereby authorized severally to settle any question, difficulty or doubt that may arise with regard to giving effect to this Resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion and to finalize any documents and writings related thereto.”

7. Approval of related party transactions entered/to be entered into by the company during the period 1st April, 2021 to 31st March, 2024:

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 Section 188 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and read with SEBI (LODR) Regulations 2015, and the recommendation and approval of the Audit committee and the Board of directors respectively, the approval of the members be and is hereby accorded for entering into contracts/arrangements/transactions with the Related Parties for sale/purchase/supply of goods and/or services with the below mentioned related parties for exceeding 10% of the turnover of the company for the period of three years with effect from April 01, 2021 to March 31, 2024 as per the information mentioned below.

SI No.	Name of the Related Party	Nature of Transaction	Nature of relationship	Transaction value (Rs. In crore)	Period of Transaction
1	Khivraj Motors Pvt. Ltd.	Sale/ Purchase or supply of goods and / or services	Common Director	30.00	For a period of three years with effect from 1 st April, 2021 to 31 st March, 2024
2	Navaratan Property Holdings Pvt. Ltd.			1.00	
3	Khivraj Automobiles and Infrastructure Pvt. Ltd.			5.00	
4	Khivraj Vahan Private Limited		Director and his relatives holdings shares in the Company	10.00	
5	Olympia Tech Park (Chennai) Private Limited			1.00	
6	Alwarpet Properties Private Limited			1.00	

“**RESOLVED FURTHER THAT** the Board of Directors/Whole Time Director/Company Secretary of the Company be and are hereby authorized to do, all such acts, matters, deeds and things, settle any queries/difficulties/doubts arise from it, and execute such addendum contracts/arrangements/transaction documents and writings and make such changes to the terms and conditions of these contracts/ arrangements/ transactions as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental thereto in the best interests of the Company.”

8. Approval of related party transactions entered/to be entered into by the company during the period 1st April, 2021 to 31st March, 2024:

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 Section 188 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI (LODR) Regulations 2015, and the recommendation and approval of the Audit committee and the Board of directors respectively, the approval of the members be and is hereby accorded for entering into contracts/arrangements/transactions with the Related Parties for sale/otherwise dispose of/purchase of movable and immovable assets/properties/investments with the undermentioned companies/firm for exceeding 10% of the turnover of the company for a period of three years with effect from April 01, 2021 to March 31, 2024 as per the information mentioned below.”

SI No	Name of the Related Party	Nature of Transaction	Nature of relationship	Transaction value (Rs. In crore)	Period of Transaction
1	ABN Motors Private Limited	Sale/ otherwise dispose of/ Purchase of movable/ immovable assets/ properties/ investments	Common Director	1.00	For a period of three years with effect from 1 st April, 2021 to 31 st March, 2024
2	Navaratan Property Holdings Pvt. Ltd.			1.00	
3	Khivraj Estates Pvt. Ltd.			1.00	
4	Khivraj & Co.,		Director is a partner	1.00	
5	Olympia Tech Park (Chennai) Private Limited		Director and his relatives holdings shares in the Company	1.00	
6	Alwarpet Properties Private Limited			1.00	

“**RESOLVED FURTHER THAT** the Board of Directors/Whole Time Director/Company Secretary of the Company be and are hereby authorized to do, all such acts, matters, deeds and things, settle any queries/difficulties/doubts arise from it, and execute such addendum contracts/arrangements/transaction documents and writings and make such changes to the terms and conditions of these contracts/arrangements/transactions as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental thereto in the best interests of the Company.”

9. Approval of related party transactions entered/to be entered into by the company during the period 1st April, 2021 to 31st March, 2024:

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 section 188 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI (LODR) Regulations 2015, and as per the recommendations and approval of the Audit Committee and the Board of Directors, respectively, the approval of the members be and is hereby accorded for entering into a leasing agreement/arrangement with Khivraj Motors Private Limited for exceeding 10% of the turnover of the company with effect from April 01, 2021 to March 31, 2024 as per the information mentioned below.”

Name of the Related Party	Nature of Transaction	Nature of relationship	Transaction value	Period of Transaction
Khivraj Motors Private Limited	Leasing arrangement	Common Director	30.00 lakhs	For a period of three years with effect from 1 st April, 2021 to 31 st March, 2024

“**RESOLVED FURTHER THAT** the Board of Directors/Whole Time Director/Company Secretary of the Company be and are hereby authorized severally to do all such acts, matters, deeds and things, settle any queries/difficulties/doubts arise from it, and execute such addendum contracts/arrangements/transaction documents and writings and make such changes to the terms and conditions of these contracts/arrangements/transactions as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental thereto in the best interests of the Company.”

Place: Chennai
Date: 29th June, 2021

By Order of the Board of Directors
Castle Traders Limited

Registered Office:
(CIN: L51909TN1983PLC045632)
No.617, Bharat Kumar Bhavan, Anna Salai,
Chennai – 600 006.
Website: www.castletraders.co.in
E-mail: cs@khivrajmail.com

R. Manoranjan
Company Secretary

IMPORTANT NOTES:

1. Explanatory statement pursuant to section 102(1) of the Companies Act, 2013 in respect of the items of the Special Business as set out above is annexed hereto.
2. General instructions for accessing and participating in the 38th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting are as under.
 - a) In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively and by General Circular No.02/2021 dated 13th January 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 the validity of which has been extended till 31st December, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 38th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 38th AGM shall be the Registered Office of the Company.
 - b) In line with the MCA Circulars and SEBI Circular, the Notice of the 38th AGM will be available on the website of the Company at www.castletraders.co.in and on the website of the Metropolitan Stock Exchange India Limited (MSEI) at www.msei.in
 - c) Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
 - d) Members may join the 38th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 3.30 P.M. i.e. 30 minutes before the time scheduled to start the 38th AGM and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the 38th Annual General Meeting.
 - e) Members may note that the VC/OAVM Facility, provided by company, allows participation of at least 20 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 38th Annual General Meeting without any restriction on account of first-come first- served principle.
 - f) Attendance of the Members participating in the 38th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 - g) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 38th AGM.
3. The instructions for shareholders voting electronically are as under:
 - i) The remote e-voting period begins on 26th September, 2021 at 10.00 A.M. and ends on 28th September, 2021 at 5.00 P.M. During this period shareholders of the Company, holding shares either

in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2021 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue since this time as AGM is being conducting through Video conference/Other Audio visual means.

iii) The shareholders should log on to the e-voting website: www.evotingindia.com.

iv) Click on “Shareholders” tab.

v) Now, select the “Company Name” from the drop down menu and click on “Submit”.

vi) Now Enter your User ID.

a) For CDSL: 16 digits beneficiary ID.

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID.

c) Members holding shares in Physical Form should enter Folio Number registered with the Company. Or

Alternatively, if you are registered for CDSL’s EASI/EASIEEST e-services, you can log-in at <https://www.cdslindia.com> from Login – My easi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

vii) Next enter the Image Verification as displayed and Click on Login.

viii) 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.

ix) 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</p> <p>*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>*Members who have not updated their PAN with the Company/Depository Participant are requested to use Sequence Number sent by Company/RTA.</p>
Dividend Bank Details or Date of Birth (DOB)#	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

x) After entering these details appropriately, click on “SUBMIT” Tab.

xi) Members holding Shares in physical form will then directly reach 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.

xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xiii) Click the EVSN for the relevant <Company Name> on which you choose to vote. In this case, it would be Castle Traders Limited.

xiv) 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.

xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xvi) 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.

xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xix) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xx) Members can also cast their vote using CDSL's mobile app M-Voting available for android based mobiles. The M-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xxi) Note for Non-Individual Shareholders and Custodians.

- Non-Individual Shareholders/Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration form bearing the stamp and sign of the entity should be emailed to: helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- xxii) 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 email to helpdesk.evoting@cdslindia.com or call on 18002005533.
4. The Register of Members and Share Transfer Books of the Company will remain closed from to 23rd September, 2021 to 29th September, 2021 (both days inclusive).
 5. Members desiring to have any clarification on Accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
 6. Members holding Shares in physical form are requested to notify/send the following information by quoting their Folio Number to the Company/Registrar and Share Transfer Agents to facilitate better servicing:-
 - a) Any change in their address/bank account details with Phone Nos., Fax Nos., and E-mail ID, Mobile No etc. for speedy disposal of letters on various issues.
 - b) Share Certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account.
 7. The Shares of the Company have been activated for Dematerialization with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vide ISIN: INE262V01014. Members are advised to dematerialize their shares with any Depository Participant (DP).
 8. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 38th AGM and the Annual Report for the year 2021 including therein the Audited Financial Statements for year 2021, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 38th AGM and the Annual Report for the year 2021 and all other communication sent by the Company, from time to time, can get their email address with the Company and or share transfer Agent, M/s. Cameo Corporate Services Limited.
 9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent, M/s. Cameo Corporate Services Limited.
 10. Members may also note that the Notice of the 38th Annual General Meeting and the Annual Report for the year 2020-21 will also be available on the Company’s website www.castletraders.co.in for their download.
 11. Mr. S. Ganesan, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the remote e-Voting process in a fair and transparent manner.
 12. The Scrutinizer shall after the conclusion of e-Voting at the 38th AGM, unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 hours from the conclusion of the 38th AGM.

13. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.castletraders.co.in and shall also be immediately forwarded to the Metropolitan Stock Exchange India Limited.

15. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Shareholders are encouraged to join the Meeting through Laptops/iPads for better experience.
- b) Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- c) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- d) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@khivrajmail.com who do not wish to speak during the AGM but have queries may send their queries in advance 3days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@khivrajmail.com. These queries will be replied to by the company suitably by email.
- e) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- f) The procedure for e-Voting facility on the day of the AGM is not available as the Company is provided the e-voting through CDSL separately.
- g) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM through VC/OAVM facility , However, they will not be eligible to vote at the AGM.
- h) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

Item No. 4:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee on 9th November, 2020 appointed Mr. Ratnesh Kumar Agrawal (DIN: 08477121), as an Additional Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of Five consecutive years to hold office from 9th November, 2020 to 8th November, 2025. His appointment is subject to the approval of the Members.

A notice has been received from a Member proposing Mr. Ratnesh Kumar Agrawal (DIN: 08477121) as a candidate for the office of Director of the Company.

Mr. Ratnesh Kumar Agrawal, aged about 63 years, holds Master Degree in Commerce from the University of Rajasthan, Jaipur, He has over 35 years of rich work experience in Senior Management level in various Companies such as Automobiles, Retail and Real Estate Sector. His qualification and experience are also detailed under the heading "Information about the Directors to be appointed/re-appointed" which forms part of this Notice.

He shall be paid sitting fees for attending the Meetings of the Board and Committees if any thereof. He does not hold by himself or for any other person on a beneficial basis, any Shares in the Company.

Mr. Ratnesh Kumar Agrawal has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and of the Listing Regulations.

In the opinion of the Board, Mr. Ratnesh Kumar Agrawal fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations for his appointment as an Independent Non-Executive Director of the Company and is independent of the management.

None of the Directors and Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. The Board recommends passing of this Resolution represents his appointment as set out at item No.4 of the Notice convening the Meeting.

Item No. 5:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee on 8th February, 2021 appointed Mr. A. Anandakumar (DIN: 09045884), as an Additional Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of Five consecutive years to hold office from 8th February, 2021 to 7th February, 2026. His appointment is subject to the approval of the Members.

A notice has been received from a Member proposing Mr. A. Anandakumar (DIN: 09045884) as a candidate for the office of Director of the Company.

Mr. A. Anandakumar, aged about 48 years, is a qualified Cost Accountant apart from a Commerce Graduate from the University of Madras. He has over 25 years of rich experience in the areas of Financial Accounting, Indirect Taxation, Tax Planning Strategy, Audit and Inspection and Commercial operations. He worked in various capacities in various Organizations such as Automobiles, Retail sector. His qualification and experience are also detailed under the heading "Information about the Directors to be appointed/re-appointed" which forms part of this Notice.

He shall be paid sitting fees for attending the Meetings of the Board and Committees if any thereof. He does not hold by himself or for any other person on a beneficial basis, any Shares in the Company.

Mr. A. Anandakumar (DIN: 09045884) has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and of Listing Regulations.

In the opinion of the Board, Mr. A. Anandakumar (DIN: 09045884) fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and of the Listing Regulations for his appointment as an Independent Non- Executive Director of the Company and is independent of the management.

None of the Directors and Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. The Board recommends passing of this Resolution represents his appointment as set out at item No.5 of the Notice convening the Meeting.

Item No. 6:

The Company had accorded approval of shareholders for transactions with Related Parties with Khivraj Motors Private Limited and Khivraj Vahan Private Limited for Sale/Purchase or supply of goods and/or services not exceeding Rs.1.00 crore each for the period of three years with effect from July 2017 at the AGM held on 5th July, 2017. However, during FY 2020-21 the Company has crossed the limit of Rs.1.00 crore and reached the transaction amount approximately of Rs.6.00 crore with Khivraj Motors Private Limited and Rs.2.11 crore with Khivraj Vahan Private Limited respectively. All such transactions were in the Ordinary course of business and at Arm's Length price.

The Audit Committee and the Board of Directors of the Company have considered these Contracts/Arrangement and limits at their respective meetings and ratified and approved the Contracts/Arrangements with the Related Party(ies) and have also decided to seek ratification and approval of Shareholders for the exceeding amount pursuant to Section 188 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The Board of Directors of the Company recommends the Resolution as set out at Item No.6 in the accompanying Notice for ratification and approval of the members.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mr. Bharat Kumar Chordia and Mrs. Prassan Kumari Chordia is concerned or interested, financially or otherwise, in the said Resolution at Item No.6 of the Notice.

Item No. 7, 8 and 9:

The company may enter into contract/agreement/arrangement with all or any of the said related parties as mentioned in resolution over a period of three years with effect from 1st April, 2021 to 31st March, 2024 for sale/purchase/supply of goods and services and Sale/otherwise dispose of/Purchase of movable/immovable assets / properties / investments and Leasing arrangement with related parties.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 including any modification or amendment thereof, (hereinafter referred to as "SEBI Regulation 2015") all material related party transactions shall require approval of the Shareholders through resolutions.

The compliance with the corporate governance provisions as specified in Regulation 23 of SEBI (LODR) Regulations 2015 are not applicable to the company as the company does not meet the criteria under Regulation 23 of SEBI (LODR) Regulation, 2015. However, as an abundant caution the Company is seeking shareholders' approval on prospective material related party transactions.

As per explanation to Regulation 23(1) of "SEBI Regulation 2015", a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the listed entity.

All such transactions were on an arm's length basis and in the ordinary course of business. Hence, it is proposed to secure shareholders' approval on resolution No.7, 8 and 9 of the Notice convening the Annual General Meeting for approving the prospective material related party transactions for the period commencing from 1st April, 2021 to 31st March, 2024.

The above information shall be considered as additional information required to be disclosed pursuant to Rule 15 of Companies (Meeting of Board and its power) Rules, 2014. According to the provisions of Regulation 23(4) of SEBI Regulation, 2015 related parties shall abstain from voting on this Resolution.

None of the Directors and Key Managerial Personnel & their relatives except Mr. Bharat Kumar Chordia and Mrs. Prassan Kumari Chordia are concerned or interested in the resolution mentioned at Item No.7, 8 and 9 of the notice.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015):

Particulars	Mr. A. Anandakumar	Mr. Ratnesh Kumar Agrawal
DIN	09045884	08477121
Date of First Appointment and Qualification	08/02/2021	09/11/2020
Date of Birth	30/10/1972	05/12/1957
Expertise in specific functional areas	Over 25 years of rich experience in the areas of Financial Accounting, Indirect Taxation, Tax Planning Strategy, Audit and Inspection & Commercial operations.	Over 35 years of rich work experience in Automobiles, Retail and Real Estate Sector
Directorships held in other Public/private Companies (excluding foreign Companies and Section 8 companies)	Nil	Nil
Committee / Executive position held in other companies	Nil	Nil
Number of shares held in the Company	Nil	Nil
Relationship with other Directors	He is not related to any other Directors	He is not related to any other Directors

For other details such as the number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Directors Report and MGT-9 which is a part of this Annual Report.

Place: Chennai
Date: 29th June, 2021

By Order of the Board of Directors
Castle Traders Limited

Registered Office:
(CIN: L51909TN1983PLC045632)
No.617, Bharat Kumar Bhavan, Anna Salai,
Chennai – 600 006.
Website: www.castletraders.co.in
E-mail:cs@khivrajmail.com

R. Manoranjan
Company Secretary