



**PREMIER
POLYFILM
LTD.**

ANNUAL REPORT 2016-2017

**BOARD OF DIRECTORS**

Shri Jaspal Singh Marwah
Shri Kamlesh Kumar Sinha
Shri Manoj Kumar Gupta
Smt. Rashmee Singhania
Shri S.P. Jain-Executive Director
Shri Amitaabh Goenka-Executive Director
Shri Amar Nath Goenka- Managing Director

COMPANY SECRETARY

Shri N.K. Bhandari

AUDITORS

De & Bose
Chartered Accountants
8/2, Kiran Sankar Roy Road,
2nd Floor. Room No. 1 & 18,
Kolkata- 700 001

BANKERS

Kotak Mahindra Bank Limited
Chandni Chowk, Delhi - 110006

REGISTERED OFFICE

Flat No. 305, III Floor, Elite House,
36, Community Centre,
Kailash Colony Extension (Zamroodpur),
New Delhi- 110 048

HEAD OFFICE & FACTORY (UNIT I)

40/1A, Site IV,
Sahibabad Industrial Area,
Sahibabad, Ghaziabad - (U.P.) 201010

UNIT II

A-13, Sikandrabad Industrial Area,
Sikandrabad, District - Bulandshahr, (UP)

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukh Das Mandir,
New Delhi - 110062

Phone No. 011-29961282, 29961283

ISIN NUMBER : INE 309M01012

**E-VOTING : Central Depository Services
(India) Ltd. (CDSL)**

CIN NO. : L25209DL1992PLC049590

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NOTICE

Notice is hereby given that the **Twenty Fifth Annual General Meeting** of Premier Polyfilm Ltd. will be held on **Wednesday the 27th day of September, 2017 at 11.30 A.M.** at Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi 110 054 to transact the following business:

ORDINARY BUSINESS:

- 1) To consider and adopt Balance Sheet of the Company as at 31st March, 2017, Profit & Loss Account for the period from 1st April, 2016 to 31st March, 2017 and the reports of Auditors' and Directors' thereon.
- 2) To declare Dividend for the year ended 31st March, 2017 @ Rs.0.50 paise per equity share with the face value of Rs.5/- each.
- 3) To appoint a Director in place of Shri Amitaabh Goenka (holding DIN 00061027), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To consider appointment of Statutory Auditors and, if thought fit, to pass the following resolution with or without modification(s), as an **ORDINARY RESOLUTION**.

"RESOLVED THAT pursuant to provision of section 139 of the Companies Act, 2013, as amended or re-enacted from time to time, and other applicable provisions of the Companies Act, 2013 consent of Shareholders be and is hereby accorded for appointment of M/s MARS & Associates, Chartered Accountants (Firm Registration number 010484N), upon expiry of term of office of Auditor under Section 139(2) of the Companies Act, 2013 of the existing Auditor (i.e. M/s De & Bose), as statutory auditor of the company for the financial year 2017-2018 to 2021-2022, i.e. from the conclusion of the forthcoming Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in year 2022 subject to ratification at every Annual General Meeting by the shareholders, at a remuneration to be decided by the Managing Director of the Company.

RESOLVED FURTHER THAT Managing Director and Company Secretary of the company be and are hereby severally authorized to do all such acts and deeds, matters and things that may be required in connection or for matters incidental thereto, filing all such documents with appropriate authorities and completing such other formalities as may be considered necessary, proper and expedient to give effect to this Resolution."

SPECIAL BUSINESS

- 5) To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be necessary, Article 116 of the Articles of Association of the Company and subject to the limits specified in Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded by way of Special Resolution to the appointment of Shri Amar Nath Goenka (holding DIN 00061051) as the Whole-time Director of the Company designated as "Managing Director" for a period of three (3) years effective from 18th February, 2018.

RESOLVED FURTHER THAT in accordance with the provisions of the Companies Act, 2013 and in accordance with the provisions as contained in Schedule V (Part I) (c) of the Companies Act, 2013 the Company hereby accords its approval by way of Special resolution to the continuous appointment of Shri Amar Nath Goenka, Managing Director of the company, till 17-02-2021 i.e. even after attaining the 70 years of age.

"RESOLVED that the terms of re-appointment, remuneration including perquisites payable to Shri Amar Nath Goenka, Managing Director, shall be as under:

- A) **Period:** 36 months from 18/02/2018 to 17/02/2021.
- B) **Remuneration:**
 - 1) **Basic Salary per month:** Rs. 2,00,000/- (Rupees Two Lakhs only) in the pay scale of Rs.2,00,000/- (Rupees Two Lakhs Only) to Rs. 4,00,000/- (Rupees Four Lakhs Only) with such increment in the basic salary as the Board may decide on the recommendations of the Nomination and Remuneration Committee from time to time.

**2) Perquisites and other amenities payable****a) Housing:-**

The Managing Director shall be provided unfurnished accommodation at New Delhi. The expenditure by the company on hiring of unfurnished accommodation for Managing Director will not be over 60 percent of the salary over and above 10 percent payable by the Managing Director and in case no accommodation is provided by the company, the Managing Director shall be paid House Rent Allowance @60% of his basic salary.

b) Conveyance :

The Managing Director shall be provided with the facility of free chauffeur Driven conveyance from his residence to the factory/Office & back and for use for official purpose.

c) Reimbursement of Medical expenses :

The Managing Director shall be provided with the facility of reimbursement of actual medical expenses incurred by him & his family equivalent to one month's salary in a year and can be accumulated upto the period of his tenure i.e. upto three years. The Managing Director can also incur medical expenses beyond his usual entitlement to medical benefits for self and dependent family members for special treatment for serious illness that he and/or any dependent member of his family may suffer and may require to be continued and/or given either in the country and/or abroad. Further for providing him medical treatment aboard, if required, all expenses regarding hospitalization, nursing home, surgical expenses, medicines pertaining to such medical treatment of the Managing Director and full expenses for travel, boarding and lodging expenses of the Managing Director, his wife and an attendant shall also be provided by the Company till such time he recovers and/or is advised to stay aboard for such protected medical treatment. However, in such a case, if any tax is applicable on such expenses at that time under the provisions of the Income Tax Act, the same shall be charged to /recovered from the Managing Director. Otherwise, upon expiry of his present tenure, the unclaimed portion of medical expenses, if any, shall be paid to Managing Director and tax, if any, applicable shall be deducted from the same.

d) Leave Travel Assistance :

The Managing Director shall be provided with the facility of reimbursement of actual fare but not hotel expenses incurred by him for himself and his wife and dependent children once in two years subject to maximum of one month's consolidated salary. Upon expiry of his present tenure, the unclaimed portion of Leave Travel Expenses shall be paid to him and tax ,if any, applicable shall be deducted from the same.

e) Leave and Other Perks :

The Managing Director shall be entitled to leave on full salary in accordance with the leave rules of the Company applicable to senior managerial personnel of the Company.

However, the unavailed privilege leave may be encashed by The Managing Director as per the leave rules of the Company applicable to senior managerial personnel of the Company.

The Managing Director shall also be entitled to contribution to Superannuation Fund or Annuity as applicable to the senior officers of the Company. He shall also be entitled to Gratuity as per the Government rules applicable at the time of his retirement/termination.

The Managing Director shall be provided with a landline telephone connection at his residence. Personal long distance calls on telephone by The Managing Director shall be billed by the company to The Managing Director.

In addition to this The Managing Director shall be provided with a cell phone and expenses thereon on actual basis.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Managing Director, if the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Managing Director shall be paid , the remuneration (including perquisites) as the minimum remuneration as set out in the Notice for the Twenty Fifth Annual General Meeting.

RESOLVED FURTHER THAT the Managing Director and Company Secretary of the company be and are hereby severally authorized to do all such acts and deeds, matters and things that may be required in connection or for matters incidental



thereto, filing all such documents with appropriate authorities and completing such other formalities as may be considered necessary, proper and expedient to give effect to this Resolution.”

6) To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED that in partial modification of resolution number 5 passed by the Members in Twenty Fourth Annual General Meeting of the Company held on 26th September, 2016 and pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be necessary, Article 116 of the Articles of Association of the Company and subject to the limits specified in Schedule V to the Companies Act, 2013, the consent of the Members of the Company be and is hereby accorded to the increase in salary and perks of Shri Amitabh Goenka (holding DIN 00061027) as the Whole-time Director of the Company designated as “Executive Director” for a period of 25 months with effective from 1st October, 2017 by way of Special Resolution.

“RESOLVED that remuneration including perquisites payable to Shri Amitabh Goenka, Executive Director, shall be as under:

A) **Period:** 25 months from 01/10/2017 to 31/10/2019.

B) Remuneration:

(i) **Basic Salary per month:** Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only)) in the pay scale of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) to Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand Only) with such increment in the salary as the Board may decide on the recommendations of the Nomination and Remuneration Committee from time to time.

(ii) **Perquisites and other amenities payable**

a) **House Rent Allowance:-**

The Executive Director shall be paid House Rent Allowance @40% of the Basic Salary per month.

b) **Conveyance :**

The Executive Director shall be provided with the facility of free chauffeur Driven conveyance from his residence to the factory/Office & back and for use for official purpose.

c) **Reimbursement of Medical expenses :**

The Executive Director shall be provided with the facility of reimbursement of actual medical expenses incurred by him & his family equivalent to one month's salary in a year and can be accumulated upto the period of his tenure. Upon expiry of his present tenure, the unclaimed portion of medical expenses shall be paid to him and tax if any applicable, shall be deducted from the same.

d) **Leave Travel Assistance:**

The Executive Director shall be provided with the facility of reimbursement of actual fare but not hotel expenses incurred by him for himself and his wife and dependent children once in two years subject to maximum of one month's consolidated salary. Upon expiry of his present tenure, the unclaimed portion of Leave Travel Expenses shall be paid to him and tax if any applicable, shall be deducted from the same.

e) **Leave and Other perks :**

The Executive Director shall be entitled to leave on full salary in accordance with the leave rules of the Company applicable to senior managerial personnel of the Company.

However, the unavailed privilege leave may be encashed by The Executive Director as per the leave rules of the Company applicable to senior managerial personnel of the Company.

The Executive Director shall also be entitled to contribution to Superannuation Fund or Annuity as applicable to the senior officers of the Company. He shall also be entitled to Gratuity as per the government rules applicable at the time of his retirement/termination.



The Executive Director shall be provided with a landline telephone connection at his residence. Personal long distance calls on telephone by The Executive Director shall be billed by the company to The Executive Director.

In addition to this The Executive Director shall be provided with a cell phone and expenses thereon on actual basis.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the Executive Director, if the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Executive Director shall be paid , the remuneration (including perquisites) as the minimum remuneration as set out in the Notice for the Twenty Fifth Annual General Meeting.

RESOLVED FURTHER THAT the Managing Director and Company Secretary of the company be and are hereby severally authorized to do all such acts and deeds, matters and things that may be required in connection or for matters incidental thereto, filing all such documents with appropriate authorities and completing such other formalities as may be considered necessary, proper and expedient to give effect to this Resolution."

7) To consider and, if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014 and as approved by the Board of Directors at a remuneration of Rs. 40,000/- (Rupee Forty Thousand Only) plus service tax for the Financial Year 2017-18 payable to M/s Cheena & Associates, Cost Accountants, appointed as the Cost Auditors of the Company be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Managing Director and Company Secretary of the company be and are hereby severally authorized to do all such acts and deeds, matters and things that may be required in connection thereto, filing all such documents with appropriate authorities and completing such other formalities as may be considered necessary, proper and expedient to give effect to this Resolution."

Place : New Delhi
Date : 29/05/2017
Regd. Office:
305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590

By order of the Board
for PREMIER POLYFILM LTD.
Sd/-
N.K.BHANDARI
COMPANY SECRETARY
ACS 290

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of The Companies Act, 2013 in respect of item numbers 5 and 6 are set out in the Notice is annexed hereto and form part of the Notice.
2. A Member entitled to attend and to vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the company. Proxy form should be deposited at the Registered Office of the company not less than forty-eight 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 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 shareholder.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2017 to 27th September, 2017 (Both days inclusive) for the purpose of Annual General Meeting and to determine eligible Shareholders for the payment of Dividend. The dividend on equity shares, as recommended by the Board of Directors, subject to the approval of Members in the Annual General Meeting, will be paid on or before 26th October, 2017 to the Members or their Mandates whose name appear in the Company's Register of Members on 21st September, 2017 in respect of physical Shares and in respect of Dematerialized Shares, the dividend ,if declared, will be payable to the beneficial owner of the shares whose name appear in the statement of beneficial ownership furnished by NSDL and CDSL at close of business hours on 20th September, 2017.
4. Brief resume of Director(s) including those proposed to be reappointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board



Committees, shareholding and relationships between directors(s) are provided in the Corporate Governance Report forming part of the Annual/Directors Report. The details for re-appointment of retiring directors are given in **Annexure 'V'** forming part of Notice for Annual General Meeting.

5. As a measure of economy copies of Annual Reports will not be distributed at the Meeting. Members may please bring their own copies of the Annual Report to the Meeting.
6. The Securities & 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 respective Depository Participants. Members holding shares in Physical Form shall submit their PAN details to the RTA/company.
7. If a Member desires information on accounts, such request may please be made in writing and should reach the Registered office of the company office at least seven (7) days before the Meeting.
8. The voting facility will be available at the venue of the Annual General Meeting upto 11.30 A.M. However, this facility will be available only to those Shareholders who have not casted their vote through remote E- voting system.
9. Members who have not encashed their dividend warrants towards the Final Dividend for the year ended 31st March,2016 are requested to write to the Company to claim duplicate Dividend Warrant.
10. MEMBERS ARE REQUESTED TO PROVIDE THEIR RESPECTIVE EMAILS SO AS TO ENABLE COMPANY TO SEND ANNUAL REPORTS BY EMAIL.

Place : New Delhi

Date : 29/05/2017

Regd. Office:

305, III Floor,'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-

N.K.BHANDARI
COMPANY SECRETARY
ACS 290

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

Item No. 5

Shri Amar Nath Goenka has been continuing as Managing Director of the Company since 18th February,1993 and his last reappointment as Managing Director was approved by the Shareholders in the Twentieth Annual General Meeting of the company held on 24th August, 2012 for a period of five (5) years under Schedule XIII of the Companies Act,1956 with effect from 18th February,2013 till 17th February,2018 at a remuneration of Rs.1,25,000/- (Rupees One Lakhs Twenty Five Thousand only) per month as basic salary plus perquisites admissible under Schedule XIII to the Companies Act,1956.

The present term of Shri Amar Nath Goenka expires on 17/02/2018 and the next Annual General Meeting of the company would be held on or before 30th September,2018 i.e. in any case after the expiry of his present tenure on 17/02/2018. It is, therefore, proposed to reappoint Shri Amar Nath Goenka as Managing Director in the ensuing Annual General Meeting for a further period of three (3) years with effect from 18/02/2018 under Schedule V to the Companies Act,2013 at the revised remuneration of Rs.2,00,000/- (Rupees Two Lakhs only) per month in the pay scale of Rs.2,00,000/- (Rupees Two Lakhs only) to Rs.4,00,000/- (Rupees Four Lakhs only) plus perquisites as given in the Notice for the ensuing Annual General Meeting. The shareholding of Shri Amar Nath Goenka as on 31/03/2017 in the Company is 5,73,025 (2.73%).

As per provisions of the Companies Act,2013 any appointment or reappointment of whole time Director including Managing Directors requires approval of the Shareholders in their General Meeting. Further in case of inadequate profit or no profit Managing Director can be appointed under Schedule V of the Companies Act,2013 upto a period not exceeding three years without obtaining the consent of the Central Government provided that such approval is accorded by the shareholders by a Special Resolution moved in the Notice for Annual General Meeting. It is, therefore, proposed to pass the Special Resolution approving reappointment of Shri Amar Nath Goenka as Managing Director for a term of three years on the Terms and Conditions as specified in the Notice of the Twenty Fifth Annual General Meeting under Schedule V of the Companies Act, 2013. The Board of Directors of the company have approved reappointment of Shri Amar Nath Goenka for another three years i.e. upto 17/02/2021 in their Meeting held on 29/05/2017 on the recommendation of the Nomination and Remuneration Committee subject to approval by the Members of the company and subject to such other approvals, permissions and sanctions, as may be necessary.

Shri Amar Nath Goenka is also Director in M/s Premier Polyplast & Processors Ltd.

The disclosure under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 is provided at Annexure "V" of this Notice.



Shri Amar Nath Goenka is 75 years old and holds Degree in Commerce. He has more than 55 years of experience in industry and hence the salary and perquisites proposed to provide to him are considered reasonable. Further the remuneration and perks given in the Notice convening the Twenty Fifth Annual General Meeting are within the prescribed limits of Schedule V of the Companies Act, 2013.

In terms of the good Corporate Governance guidelines of the Company, the Board of Directors of the Company at their meeting held on 29th May, 2017 recommended the proposal for the reappointment at revised/enhanced payment of remuneration and perks to Shri Amar Nath Goenka, Managing Director of the Company.

The Company has earned a net profit of Rs. 370/- Lakhs for the year ended 31st March, 2017. Section II of Part II of Schedule V of the Companies Act, 2013 prescribes that in case of no profits or inadequate profits, the remuneration can be paid to the managerial personnel within the limits arrived at in accordance with the provisions of the said Section II.

The following additional detailed information as per Section II of Schedule V is as follows:

I.	General Information :		
1.	Nature of Industry	The Company carries business of manufacturing of Vinyl Flooring , Sheetting and Leather cloth etc.	
2.	Date or expected date of commencement of commercial production	Commercial Operations commenced on 1st November,1993.	
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 as company is old and established company	
4.	Financial performances based on given indicators		
As per Audited financial results for the year (Rs. In Lakhs)			
		2015-16	2016-17
	Paid up Capital	1,059	1,059
	Reserves & Surplus	2,133	2,378
	Revenue from Operations	10,410	11,364
	Other Income	167	160
	Total Revenue	10,577	11,524
	Total Expenses	10,029	10,958
	Profit after Tax	387	370
1.	Foreign investments or collaborations, if any. Nil		
II.	Information about the appointee :		
1.	Background details	Shri Amar Nath Goenka, aged 75 years, holds a Bachelors' degree in Commerce. He has an experience of more than 55 years in business and Industry. He has been looking after business of PVC Flooring and Sheetting for the last 32 years.	
2.	Past remuneration	Rs.1,25,000/- (Rupees One lakh Twenty Five Thousand only) per month	
3.	Recognition or awards	NIL	
4.	Job Profile and his suitability	He is looking after marketing, finance and banking of the Company. He is one of the Promoters of the Company. He has vast experience of more than 55 years of the industry and trade.	
5.	Remuneration proposed	As mentioned in the resolution.	
6.	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 origin)	In the past few years, the remuneration of Senior Executives in the industry in general has gone up significantly. The remuneration proposed to be paid to Shri Amar Nath Goenka is purely based on merit. Further the board perused the remuneration of managerial persons in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Amar Nath Goenka before approving the remuneration as proposed hereinabove.	
7.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Besides the remuneration proposed and also being shareholder of the Company Shri Amar Nath Goenka does not have any pecuniary relationship with the Company except Shri Amitaabh Goenka, Director of the Company, as his son. He is not related to any other Director or Key managerial personnel of the company.	



III. Other Information :		
1.	Reason of loss or inadequate profits	Due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability in the company.
2.	Steps taken or proposed to be taken for improvement	The Company has initiated certain steps such as cost control, borrowing at cheaper rates, improving efficiency /profitability and diversification in PVC manufacturing.
3.	Expected increase in productivity and profits in measurable terms.	The Company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is expected a growth of around 10% in near future.

Shri Amar Nath Goenka has given his declaration and has confirmed that he has not been convicted of any offence in connection with the promotion, formation and/or management of any company or LLP and has not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years and that his total directorship in all companies shall not exceed the prescribed number of companies in which a person can be appointed as a director.

In the opinion of the Board Shri Amar Nath Goenka is a person of integrity and possesses relevant expertise, competence and experience to hold office of the Director of the Company.

The Board of Directors recommends the adoption of the resolution number 5 as a Special Resolution.

No Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution number 5 of the Notice except Shri Amar Nath Goenka himself and Shri Amitaabh Goenka being son of Shri Amar Nath Goenka.

Item No. 6

Shri Amitaabh Goenka has been continuing as Director and Executive Director of the Company since 1st November,2010 and his last reappointment as Executive Director was approved by the Shareholders in the Twenty Fourth Annual General Meeting of the company held on 26th September,2016 for a period of three (3) years effective from 1st November,2016 at a remuneration of Rs.1,50,000/- (Rupees One Lakhs Fifty Thousand only) per month as basic salary plus perquisites admissible under the provisions of the Companies Act,2013.

However, on the recommendations of Nomination & Remuneration Committee, the Board of Directors of the Company in their Meeting held on 29th May, 2017 has revised/increased the basic salary at Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per month in the pay scale of Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand only) to Rs.4,50,000/- (Rupees Four Lakhs Fifty Thousand only). The salary and perquisites payable to Shri Amitaabh Goenka pursuant to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and subject to the approval of the shareholders and subject to such other approvals, permissions and sanctions, as may be necessary, as given in the Notice of Twenty Fifth Annual General Meeting of the company with effect from 1st October, 2017 to 31st October, 2019, for a period of 25 months. As per provisions of the Companies Act,2013 if there is any change in the salary and/or perquisites of any whole time Director and including Executive Director it requires approval of the Shareholders in their General Meeting.

It is, therefore, proposed to pass the Special Resolution approving enhanced/revised salary and perquisites to Shri Amitaabh Goenka as Executive Director for a period of twenty Five months i.e. upto the date of his remaining period of his appointment on the Terms and Conditions as specified in the Notice of the esnusing Annual General Meeting. The Board of Directors of the company have approved the revised salary and perquisites of Shri Amitaabh Goenka in their Meeting held on 29/05/2017 on the recommendation of the Nomination and Remuneration Committee subject to approval by the Members of the company and subject to such other approvals, permissions and sanctions, as may be necessary. The shareholding of Shri Amitaabh Goenka as on 31/03/2017 in the company is 24,51,575 (11.70%).

Shri Amitaabh Goenka is 46 years old and holds Degree in Commerce. He has more than 24 years of experience in industry and hence the salary and perquisites proposed to provide to him are considered reasonable. Further the remuneration and perks given in the Notice convening the Twenty Fifth Annual General Meeting are within the prescribed limits of Schedule V of the Companies Act, 2013. The revision of salary and perquisites of Shri Amitaabh Goenka as Executive Director are subject to approval of the shareholders and subject to such other approvals, permissions and sanctions, as may be necessary.

Shri Amitaabh Goenka is also Director on the Board of M/s D L Millar & Company Limited, M/s Joemillar Aquatek India Private Limited, M/s Kay Ess Polymers Limited, proprietor of M/s 1000 Plus Inc and partner in M/s G B & Company.

The disclosure under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 is provided at Annexure "V" of this Notice.



In terms of the good Corporate Governance guidelines of the Company, the Board of Directors of the Company at their meeting held on 29th May, 2017 recommended the proposal for the reappointment at revised/enhanced payment of remuneration and perks to Shri Amitaabh Goenka, Executive Director of the Company.

The Company has earned a net profit of Rs. 370/- Lakhs for the year ended 31st March, 2017. Section II of Part II of Schedule V of the Companies Act, 2013 prescribes that in case of no profits or inadequate profits, the remuneration can be paid to the managerial personnel within the limits arrived at in accordance with the requirements of the said Section II.

The following additional detailed information as per Section II of Schedule V is as follows:

I.	General Information :	
1.	Nature of Industry	The Company carries business of manufacturing of Vinyl Flooring , Sheeting and Leather cloth etc.
2.	Date or expected date of commencement of commercial production	Commercial Operations commenced on 1st November,1993.
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 as company is old and established company
4.	Financial performances based on given indicators	
As per Audited financial results for the year		
(Rs. In Lakhs)		
	2015-16	2016-17
Paid up Capital	1,059	1,059
Reserves & Surplus	2,133	2,378
Revenue from Operations	10,410	11,364
Other Income	167	160
Total Revenue	10,577	11,524
Total Expenses	10,029	10,958
Profit after Tax	387	370
1.	Foreign investments or collaborations, if any. Nil	
II.	Information about the appointee :	
1.	Background details	Shri Amitaabh Goenka, aged 46 years, holds a Bachelors' degree in Commerce. He has an experience of more than 24 years.
2.	Past remuneration	Rs.1,50,000/- (Rupees One Lakhs Fifty Thousand only) per month
3.	Recognition or awards	NIL
4.	Job Profile and his suitability	He is looking after production, marketing and Export of the Company. In addition to this he is overall in- charge of Unit II of the Company.. He has vast experience of more than 24 years of the industry and trade.
5.	Remuneration proposed	As mentioned in the resolution.
6.	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 origin)	In the past few years, the remuneration of Senior Executives in the industry in general has gone up manifold. The remuneration proposed to be paid to Shri Amitaabh Goenka is purely based on merit. Further the board perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Amitaabh Goenka before approving the remuneration as proposed hereinabove.
7.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Besides the remuneration proposed and also being shareholder of the Company Shri Amitaabh Goenka does not have any pecuniary relationship with the Company except Shri Amar Nath Goenka, Director of the Company, as his father. He is not related to any other Director or Key managerial personnel of the company.