



**Sangal** PAPERS LTD.

36<sup>th</sup> ANNUAL REPORT 2015 - 2016

**SANGAL PAPERS LTD.**

**CIN : L21015UP1980PLC005138**

**BOARD OF DIRECTORS**

Mr. Himanshu Sangal	- Managing Director
Mr. Amit Sangal	- Director of Finance cum CFO
Mr. Tanmay Sangal	- Whole Time Director
Mr. Vinayak Sangal	- Director
Mr. Prem Sethi	- Director
Mrs. Geeta Gupta	- Director
Mr. Shivam Sharma	- Company Secretary

**AUDIT COMMITTEE**

Mr. Prem Sethi	- Chairperson
Mrs. Geeta Gupta	- Member
Mr. Himanshu Sangal	- Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Prem Sethi	- Chairperson
Mrs. Geeta Gupta	- Member
Mr. Himanshu Sangal	- Member
Mr. Tanmay Sangal	- Member

**NOMINATION & REMUNERATION COMMITTEE**

Mr. Prem Sethi	- Chairperson
Mrs. Geeta Gupta	- Member
Mr. Vinayak Sangal	- Member

**SECRETARIAL AUDITOR :**

**D. K. Gupta & Co.,**  
Meerut.  
Company Secretary in Practice

**AUDITOR :**

**M/s SHIAM & Co.**  
Chartered Accountants  
Agarwal Market, Mahaveer Chowk,  
Muzaffarnagar, U.P.

**REGISTERED OFFICE :**

22 - Km, Meerut-Mawana Road,  
Mawana-250 401, Distt. Meerut (U.P.)  
E-mail : [sangalpapers@hotmail.com](mailto:sangalpapers@hotmail.com)  
Website: [www.sangalpapers.com](http://www.sangalpapers.com)

**BANKERS :**

**AXIS BANK LTD.**

Boundary Road, Meerut

**36<sup>TH</sup> ANNUAL GENERAL MEETING**

Date : 30<sup>th</sup> September 2016  
Day : Friday  
Time : 11.00 A.M.  
Place : 22 Km, Meerut-Mawana Road,  
Mawana-250 401, Distt. Meerut (U.P.)

**REGISTRAR & SHARE TRANSFER AGENT :**

**MAS SERVICES LTD.**

T- 34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase - II, New Delhi - 110 020  
E-mail : [sm@masserv.com](mailto:sm@masserv.com), [mas\\_serv@yahoo.com](mailto:mas_serv@yahoo.com)  
Phone No. : 011 - 26387281 - 82 - 83

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**SANGAL PAPERS LIMITED (CIN : L21015UP1980PLC005138)**

Vill. Bhainsa, 22-Km, Meerut-Mawana Road, Mawana-250 401, Distt. Meerut (U.P.)

E-Mail ID : [sangalpapers@hotmail.com](mailto:sangalpapers@hotmail.com), Website : [www.sangalpapers.com](http://www.sangalpapers.com), Phone No. : 01233-271515

**NOTICE TO MEMBERS:**

Notice is hereby given under the provision of section 101 of the Companies Act 2013 that Thirty Sixth (36th) Annual General Meeting of the SANGAL PAPERS LIMITED will be held on Friday, **30th September, 2016 at 11:00 A.M.** at the registered office of the Company at Village Bhainsa, 22 Km, Mawana Road, Meerut, U.P. - 250401 to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited standalone Balance Sheet as at 31st March 2016, the Statement of Profit & Loss Account and cash flow statement for the year ended on that date and the Report of the Directors and Auditors thereon as well as Form No. MR-3 Secretarial Audit Report issued by the Practicing Company Secretary for the year ended 31.03.2016 in pursuance to Section 204 (1) of Companies Act, 2013.
2. To ratified the appointment of Statutory Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/S SHIAM & Co. (Chartered Accountants), Muzaffarnagar (Registration No. 000030C), as Statutory Auditors upto the conclusion of Thirty Seven (37th) Annual General Meeting be and is hereby ratified and confirmed and that the Board of Directors be and is hereby authorized to fix a Fee of Rs. 75000/- plus service tax p.a. as recommended by the Audit Committee and approved by the Board."
3. To appoint a Director in place of Mr. Vinayak Sangal (DIN No. 06833351) who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**4. REAPPOINTMENT OF MR. HIMANSHU SANGAL (DIN- 00091324) AS MANAGING 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 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and as per of Articles of Association of the Company, approval of the members of the company be and is hereby accorded to the re-appointment of Mr. Himanshu Sangal as Managing Director (DIN- 00091324) of the Company for a term of Five years with effect from 01st Day of April, 2016 to 31st Day of March, 2021, as well as the payment of salary and other benefits (hereinafter referred to as "remuneration"), and the terms and conditions as detailed herein explanatory statement attached herewith, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Himanshu Sangal."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Himanshu Sangal (DIN- 00091324), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197, 198 and Part I of Section I and Section II and Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT Mr. Tanmay Sangal (DIN- 01297057), Whole Time Director of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution".

**5. REAPPOINTMENT OF MR. AMIT SANGAL (DIN- 00091486) AS EXECUTIVE 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 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and as per of Articles of Association of the Company and approval of members of the company be and is hereby accorded to the re-appointment of Mr. Amit Sangal as Executive Director (DIN- 00091486) of the Company for a term of Five years with effect from 01st Day of April, 2016 to 31st Day of March, 2021, as well as the payment of salary and other benefits (hereinafter referred to as "remuneration"), and the terms and conditions as detailed herein explanatory statement attached herewith, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Amit Sangal."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Amit Sangal (DIN- 00091486), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197, 198 and Part I of Section I and Section II and Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT Mr. Tanmay Sangal (DIN- 01297057), Whole Time Director of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution".



**6. REAPPOINTMENT OF MR. TANMAY SANGAL (DIN- 01297057) AS WHOLE TIME DIRECTOR OF THE COMPANY:**

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 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and as per of Articles of Association of the Company, approval of members of the company be and is hereby accorded to the re-appointment of Mr. Tanmay Sangal (DIN- 01297057) as Whole-Time-Director of the Company for a term of Five years with effect from 01st Day of April, 2016 to 31st Day of March, 2021, as well as the payment of salary and other benefits (hereinafter referred to as "remuneration"), and the terms and conditions as detailed herein explanatory statement attached herewith, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Tanmay Sangal."

"**RESOLVED FURTHER THAT** the remuneration payable to Mr. Tanmay Sangal (DIN- 01297057), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197, 198 and Part I of Section I and Section II and Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"**RESOLVED FURTHER THAT** Mr. Tanmay Sangal (DIN- 01297057), Whole Time Director of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution."

**7. RATIFICATION OF COST AUDITOR'S REMUNERATION :**

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 148 (3) of the Companies Act, 2013 and rule 6(2) of Companies (Cost Records and Audit) Rules, 2014, that Mr. S. R. Kapur, Cost Accountant (Membership No. :- M-4926) be and is hereby appointment as the cost auditor of the company to conduct audit of cost records made and maintained by the company pertaining to paper product for the financial year 1st Day of April, 2016 to 31st Day of March, 2017 at a remuneration as per agreement."

"**FURTHER RESOLVED THAT** Mr. Himanshu Sangal (DIN- 00091324), Managing Director of the Company be and is hereby authorized to make necessary application to the Central Government for its approval to the appointment of Shri S.R. Kapur as the Cost Auditor for the financial year 2016-2017 as aforesaid and to take such other steps as may be necessary to implement this resolution."

**Place : Mawana**

**Date : 30/05/2016**

**By Order of the Board of Directors  
FOR Sangal Papers Ltd.**

**CIN : L21015UP1980PLC005138**

**Reg. Office : 22 Km, Meerut-Mawana Road,  
Mawana – 250 401, Distt. Meerut (U.P.)  
Phone : 01233- 271515, 274324  
E-Mail : [sangalpapers@hotmail.com](mailto:sangalpapers@hotmail.com)**

**Himanshu Sangal  
Chairman & Managing Director  
(DIN : 00091324)**



**NOTES:**

1. The Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013 in respect of rectification of term of Statutory Auditor of the company and the special business is annexed to this Notice.
2. A Member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.
3. The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting/Proxies are requested to sign the attendance slip annexed to the proxy form and hand it over at the gate of the venue of the Meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act 2013 and the Rules framed thereunder, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th Sep. 2016 to 30th September 2016 in terms of the provisions of Section 91 of the Companies Act 2013.
6. In line with Green Initiative of the Ministry of Corporate Affairs, hard copy of the Annual Report containing the Balance Sheet, the Statement of Profit & Loss, the Cash Flow Statement will be sent to those shareholders who have not registered their e-mail addresses. Shareholders who have registered e-mail address will be sent the soft copies by e-mail. However, a shareholder continues to retain the right to request the Company for a hard copy of the Report.
7. To ensure that shareholder's queries are answered in full, shareholders are requested to write to the Company at an early date at the e-mail ID: [sangalpapers@hotmail.com](mailto:sangalpapers@hotmail.com).
8. Relevant documents referred to in the accompanying Notice and the explanatory Statement, the Statutory Registers, the Audited Financial Statement, the Director's Report and the Auditor's Report will remain open for inspection at the Registered office of the Company on all working days between 09.30 A.M. to 5.30 P.M. excluding Sundays and public holidays upto the date of the AGM. The Audited Financial Statements, the Director's Report and the Auditor's Report will be placed on the Company's website on: [www.sangalpapers.com](http://www.sangalpapers.com).
9. Members may also note that the Notice of the Thirty Sixth (36th) Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2016 will also be available on the Company's website [www.sangalpapers.com](http://www.sangalpapers.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost, For any communication, the shareholders may also send requests to the Company's investor e-mail ID: [investor@sangalpapers.com](mailto:investor@sangalpapers.com).
10. 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.
11. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 30, 2016 and are provided in Annexure I of this Notice.
12. The Notice of Annual General Meeting may be assessed on Company website [www.sangalpapers.com](http://www.sangalpapers.com) and Stock Exchange website [www.bseindia.com](http://www.bseindia.com).
13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.



14. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public Holidays during business hours up to the date of the Meeting.

**15. Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') (Include and modification or reenactment thereof, if any) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the Thirty Sixth (36th) Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

The instructions for shareholders voting electronically are as under:

- (I) (A) (i) The voting period begins on 27th September, 2016 at 09.00 A.M. and ends on 29th September, 2016 at 05.00 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 of 23rd September 2016 may cast their vote electronically. The e- voting module shall be disabled by NSDL for voting thereafter.
- (ii) Open e-mail and open PDF file viz. "**SPL-remote e-Voting.pdf**" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. The shareholders should log on to the e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the voting period.
- (iii) A. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>  
B. Click on "Shareholders" Tab
- (iv) Put user ID and password as initial password noted in step (ii) above. Click Login.
- (v) Password change menu will appears. Change the password/pin with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e- voting opens. Click on remote e-voting. Active Voting Cycles.
- (vii) Select "**EVEN-104409**" of "**SANGAL PAPERS LIMITED**".
- (viii) Now you are ready for remote e- voting as Cast page opens.
- (ix) Cast Your Vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon Confirmation, the message "Vote Cast Successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail to [dkgupta08@yahoo.co.in](mailto:dkgupta08@yahoo.co.in) or [investorse@sangalpapers.com](mailto:investorse@sangalpapers.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) The Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
REVEN (Remote e-voting Event Number) USER ID \_\_\_\_\_ PASSWORD/PIN \_\_\_\_\_
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or contact Senior Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, at the designated e-mail IDs: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) at telephone nos. +91 22 2499 4600/ +91 22 2499 4360 who will also address the grievances connected with the



voting by electronic means. The Members may also write to the Company Secretary at the email ID: [investor@sangalpapers.com](mailto:investor@sangalpapers.com) or contact at telephone no. 01233-2711137.

- (xiv) Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- (xv) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (xvi) If you are holding shares in demat form and had logged on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier voting of the any Company, then your existing password is to be used.

- I. Please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting. If a Member cast vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated Invalid. The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the Cut-off date of 23rd September 2016.
- II. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- III. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting shall be counted for the purpose of passing of resolution (s).
- IV. The Company has appointed Mr. D.K. Gupta (M/s D. K. Gupta & Co.), Practicing Company Secretary (Membership No. FCS 5226 & CP No.: 3599), as the Scrutinizer, to scrutinize the e-voting process, in a fair and transparent manner.
- V. 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) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- VI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.sangalpapers.com](http://www.sangalpapers.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Place : Mawana**

**Date : 30/05/2016**

**By Order of the Board of Directors**  
FOR Sangal Papers Ltd.  
CIN : L21015UP1980PLC005138

**Reg. Office : 22 Km, Meerut-Mawana Road,  
Mawana – 250 401, Distt. Meerut (U.P.)  
Phone : 01233- 271515, 274324  
E-Mail : [sangalpapers@hotmail.com](mailto:sangalpapers@hotmail.com)**

**Himanshu Sangal**  
Chairman & Managing Director  
(DIN : 00091324)



**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to certain Ordinary Business and all the Special Businesses mentioned in the accompanying Notice:

**Resolution at Item No. : 4**

Mr. Himanshu Sangal, who was appointed Managing Director by the members w.e.f. 01/04/2011 to hold office upto March 31, 2016 and Proposed by the Board of Directors for Keeping in view that Mr. Himanshu Sangal has rich and varied experience in the Papers Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Himanshu Sangal as Managing Director of the company.

In terms of the Corporate Governance policy of the Company and pursuant to the recommendation of the Nomination and remuneration Committee, the Board of Directors of the Company passed a resolution on February 10, 2016 approving re-appointment of Mr. Himanshu Sangal as Managing Director of the Company for a further period of Five Years (5) with effect from April 1, 2016 to March 31, 2021. This is subject to the approval of the shareholders at this Annual General Meeting with Ordinary Resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Himanshu Sangal and term and condition of the re-appointment are given below:

- A) **Salary:** 75,000 per month (Rupees Seventy Five Thousand Only).
- B) **Residential accommodation:** As per provided time to time, if any.
- C) **Perquisites and allowances:** In addition to the above salary, he shall be entitled to the following perquisites and allowances restricted to an amount equal to two times his annual salary in a financial year, if any:
  - i) Gas, electricity, water, furnishing and other amenities, repairs, house maintenance expenses, servant(s), cook(s), security guard(s), etc., at his residence, if any;
  - ii) **Club Fees:** Actual fees of clubs will be reimbursed, if any;
  - iii) **Leave travel concession:** For self and family once in a year incurred in accordance with the rules of the company, as per provided;
  - iv) Facility of car with driver;
  - v) **Allowances and other perquisites:** Special allowance and/ or any other allowances or perquisites as determined by the nomination & remuneration committee. The above perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost
- D) **Other Benefits:**
  - i) Contribution to provident fund, pension/superannuation/ gratuity fund schemes in accordance with the Company's rules and regulations in force from time to time;
  - ii) One month's leave with full salary for every 11 months of service. Leave accumulated but not availed will be allowed to be encashed. Leave encashment at the end of the tenure will be as per the rules of the Company, if any;
  - iii) Reimbursement of actual medical expenses incurred in India or abroad for self and family including hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding/lodging, travel, etc., for self and family and attendant;
  - iv) Medical/ Personal accident/Travel insurance/ Life Insurance: Actual premium to be paid by the Company for self & family (as per term and condition);
  - v) **Telephone:** Free telephone facility at residence including mobile phone & other suitable communication facilities. The above benefits will not be included in the computation of the ceiling on perquisites and allowances.
- E) **Commission:** as per recommended by the nomination and remuneration committee, if any.
- F) **Minimum remuneration:** Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Himanshu Sangal, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the maximum as laid down in Section I and Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration. As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not required for this re-appointment.



The Board of Directors recommends the resolution in relation to the re-appointment of Managing Director, for the approval of the shareholders of the Company. Notice has been received from member signifying their intention to propose appointment of Mr. Himanshu Sangal as Managing Director of the Company along with a deposit of Rs. 1,00,000. The disclosure under provided at Annexure I of this Notice.

### **Resolution at Item No. : 5**

Mr. Amit Sangal, who was appointed Executive Director by the members w.e.f. 01/04/2011 to hold office upto March 31, 2016 and Proposed by the Board of Directors for Keeping in view that Mr. Amit Sangal has rich and varied experience in the finance and marketing and has involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Amit Sangal as Executive Director of the company.

In terms of the Corporate Governance policy of the Company and pursuant to the recommendation of the Nomination and remuneration Committee, the Board of Directors of the Company passed a resolution on February 10, 2016 approving re-appointment of Mr. Amit Sangal as Executive Director of the Company for a further period of Five (5) Years with effect from April 1, 2016 to March 31, 2021. This is subject to the approval of the shareholders at this Annual General Meeting with Ordinary Resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Amit Sangal and term and condition of the re-appointment are given below:

- A) **Salary:** 75,000 per month (Rupees Seventy Five Thousand Only).
- B) **Residential accommodation:** As per provided time to time, if any.
- C) **Perquisites and allowances:** In addition to the above salary, he shall be entitled to the following perquisites and allowances restricted to an amount equal to two times his annual salary in a financial year, if any:
  - i) Gas, electricity, water, furnishing and other amenities, repairs, house maintenance expenses, servant(s), cook(s), security guard(s), etc., at his residence, if any;
  - ii) **Club Fees:** Actual fees of clubs will be reimbursed, if any;
  - iii) **Leave travel concession:** For self and family once in a year incurred in accordance with the rules of the company, as per provided;
  - iv) Facility of car with driver;
  - v) **Allowances and other perquisites:** Special allowance and/ or any other allowances or perquisites as determined by the nomination & remuneration committee. The above perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost
- D) **Other Benefits:**
  - i) Contribution to provident fund, pension/superannuation/ gratuity fund schemes in accordance with the Company's rules and regulations in force from time to time;
  - ii) One month's leave with full salary for every 11 months of service. Leave accumulated but not availed will be allowed to be encashed. Leave encashment at the end of the tenure will be as per the rules of the Company;
  - iii) Reimbursement of actual medical expenses incurred in India or abroad for self and family including hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding/lodging, travel, etc., for self and family and attendant;
  - iv) Medical/ Personal accident/Travel insurance/ Life Insurance: Actual premium to be paid by the Company for self & family (as per term and condition);
  - v) **Telephone:** Free telephone facility at residence including mobile phone & other suitable communication facilities. The above benefits will not be included in the computation of the ceiling on perquisites and allowances.
- E) **Commission:** as per recommended by the nomination and remuneration committee, if any.
- F) **Minimum remuneration:** Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Amit Sangal, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the maximum as laid down in Section I and Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration. As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not required for this re-appointment.



The Board of Directors recommends the resolution in relation to the re-appointment of Executive Director, for the approval of the shareholders of the Company. Notice has been received from member signifying their intention to propose appointment of Mr. Amit Sangal as Executive Director of the Company along with a deposit of Rs. 1,00,000. The disclosure under provided at Annexure I of this Notice.

### **Resolution at Item No. : 6**

Mr. Tanmay Sangal, who was appointed Whole Time Director by the members w.e.f. 01/04/2011 to hold office upto March 31, 2016 and proposed by the board of directors for Keeping in view that Mr. Tanmay Sangal has rich and varied experience in the international marketing and export and import of Papers Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Tanmay Sangal as Whole Time Director of the company.

In terms of the Corporate Governance policy of the Company and pursuant to the recommendation of the Nomination and remuneration Committee, the Board of Directors of the Company passed a resolution on February 10, 2016 approving re-appointment of Mr. Tanmay Sangal as Whole Time Director of the Company for a further period of Five Years (5) with effect from April 1, 2016 to March 31, 2021. This is subject to the approval of the shareholders at this Annual General Meeting with Ordinary Resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Tanmay Sangal and term and condition of the re-appointment are given below:

- A) **Salary:** 25,000 per month (Rupees Twenty Five Thousand Only).
- B) **Residential accommodation:** As per provided time to time, if any.
- C) **Perquisites and allowances:** In addition to the above salary, he shall be entitled to the following perquisites and allowances restricted to an amount equal to two times his annual salary in a financial year, if any:
  - i) Gas, electricity, water, furnishing and other amenities, repairs, house maintenance expenses, servant(s), cook(s), security guard(s), etc., at his residence, if any;
  - ii) **Club Fees:** Actual fees of clubs will be reimbursed, if any;
  - iii) **Leave travel concession:** For self and family once in a year incurred in accordance with the rules of the company, as per provided;
  - iv) Facility of car with driver;
  - v) **Allowances and other perquisites:** Special allowance and/ or any other allowances or perquisites as determined by the nomination & remuneration committee. The above perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, these shall be evaluated at actual cost
- D) **Other Benefits:**
  - i) Contribution to provident fund, pension/superannuation/ gratuity fund schemes in accordance with the Company's rules and regulations in force from time to time;
  - ii) One month's leave with full salary for every 11 months of service. Leave accumulated but not availed will be allowed to be encashed. Leave encashment at the end of the tenure will be as per the rules of the Company;
  - iii) Reimbursement of actual medical expenses incurred in India or abroad for self and family including hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding/lodging, travel, etc., for self and family and attendant;
  - iv) Medical/ Personal accident/Travel insurance/ Life insurance: Actual premium to be paid by the Company for self & family (as per term and condition);
  - v) **Telephone:** Free telephone facility at residence including mobile phone & other suitable communication facilities. The above benefits will not be included in the computation of the ceiling on perquisites and allowances.
- E) **Commission:** as per recommended by the nomination and remuneration committee, if any.
- F) **Minimum remuneration:** Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Tanmay Sangal, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the maximum as laid down in Section I and Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration. As the terms of re-appointment and the remuneration proposed are in conformity with the relevant