



Sheela Group  
ISO 9001 Certified

## SHEELA FOAM LIMITED

(CIN: U74899DL1971PLC005679)

**Registered Office:** C-55, Preet Vihar, Vikas Marg, Delhi-110092

**Email:** iquebal.ahmad@sheelafoam.com

**Phone:** +91 11 2202 6875 **Facsimile:** +91 11 2202 6876

# NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY FIFTH ANNUAL GENERAL MEETING OF SHEELA FOAM LIMITED WILL BE HELD AT ARYA AUDITORIUM, DES RAJ CAMPUS, C-BLOCK, EAST OF KAILASH, NEW DELHI-110 065 ON THURSDAY 20<sup>th</sup> JULY, 2017 AT 10:30 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year 2017 (Standalone and Consolidated) including audited Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports Auditors thereon.
2. To appoint a Director in place of Ms. Namita Gautam (DIN 00190463), who retires by rotation and, being eligible, offers herself for re-appointment.
3. 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 139, 142 of the companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, appointment of M/s S. P. Chopra & Co., Chartered Accountants(Firm Registration No.-000346N), be and is hereby ratified to hold the office from conclusion of this Annual General Meeting until the conclusion of the 46<sup>th</sup> Annual General Meeting of the Company to be held in the year 2018.

**FURTHER RESOLVED THAT** the Board of Directors be and hereby authorized to fix the remuneration with the consultation of Auditors."

### SPECIAL BUSINESS:

4. 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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors)Rule, 2014(including any statutory modification(s) or re-enactment(s) thereof, for the time being enforce), M/s. Mahesh Singh & Co, Cost Accountants, appointed by the Board of Directors of the Company to conduct the Audit of the cost records of the Company, for the Financial Year 2017-18, be paid ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable service tax."
5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Vijay Kumar Chopra (DIN 02103940), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 7<sup>th</sup> June, 2016, in terms of Section 161(1) of the Companies Act, and whose term of office expires, as an Additional Director, at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of his office shall be not be liable to determination by retirement of directors by rotation."

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

"RESOLVED THAT Mr. Som Mittal (DIN 00074842), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 7<sup>th</sup> June, 2016, in terms of Section 161(1) of the Companies Act, and whose term of office expires, as an Additional Director, at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of his office shall be not be liable to determination by retirement of directors by rotation."

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

"RESOLVED THAT Mr. Ravindra Dhariwal (DIN 00003922), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 7<sup>th</sup> June, 2016, in terms of Section 161(1) of the Companies Act, and whose term of office expires, as an Additional Director, at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of his office shall be not be liable to determination by retirement of directors by rotation."

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

"RESOLVED THAT Mr. Anil Tandon (DIN 00089404), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 7<sup>th</sup> June, 2016, in terms of Section 161(1) of the Companies Act, and whose term of office expires, as an Additional Director, at the Annual General Meeting and in respect

of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of his office shall be not be liable to determination by retirement of directors by rotation."

9. 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, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval to the reappointment of Mr. Rahul Gautam (DIN 0019299), as the Managing Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of which are set out in the explanatory statement attached to this notice, and the period of his office shall be not be liable to determination by retirement of directors by rotation and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. Rahul Gautam."

10. 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, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval to the reappointment of Ms. Namita Gautam (DIN 00190463), as the Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of which are set out in the explanatory statement attached to this notice, and the period of her office shall be liable to determination by retirement of directors by rotation and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Ms Namita Gautam."

11. 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, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval to the reappointment of Mr. Rakesh Chahar (DIN 00180587), as the Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of which are set out in the explanatory statement attached to this notice, and the period of his office shall be liable to determination by retirement of directors by rotation and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. Rakesh Chahar."

12. 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, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval to the reappointment of Mr. Tushaar Gautam (DIN 01646487), as the Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of which are set out in the explanatory statement attached to this notice, and the period of his office shall be liable to determination by retirement of directors by rotation and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. Tushaar Gautam."

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

"RESOLVED THAT the Company hereby accords its approval for the payment of ₹ 10,00,000 (Rupees Ten Lakhs only) commission to each Independent Director that is over and above sitting fees payable to the Independent Directors and to be reviewed annually."

By Order of the Board

**Md Iquebal Ahmad**

Company Secretary and  
Compliance Officer

Date : 10 May, 2017  
Place : Delhi

#### IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 14<sup>th</sup> July, 2017 to 20<sup>th</sup> July, 2017, both days inclusive, for annual closing.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 13 of the accompanying Notice, is annexed hereto.

3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolutions/authority, as applicable.

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. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify 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.
5. 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.
6. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
7. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
8. Electronic copy of the Annual Report for 2017 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017 is being sent in the permitted mode.

Electronic copy of the Notice of the 45<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with

Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 45<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

9. Members may also note that the Notice of the 45<sup>th</sup> Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2017 will also be available on the Company's website [www.sheelafaam.com](http://www.sheelafaam.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at New Delhi for inspection without any fee 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 email id: [iquebal.ahmad@sheelafaam.com](mailto:iquebal.ahmad@sheelafaam.com)

#### 11. Voting through electronic means

- I. 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'), Regulation 44 of the Listing Regulations 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 45<sup>th</sup> 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 Central Depository Services (India) Limited (CDSL).
- II. 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.
- III. 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.
- IV. 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) The voting period begins on July 16<sup>th</sup>, 2017 at 09.00 a.m. and ends on July 19<sup>th</sup>, 2017 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 (record date) of July 13<sup>th</sup>, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Sheela Foam Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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.

(xix) Shareholders 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## EXPLANATORY STATEMENT

### Item No. 4

The Board, on the recommendation of the Audit Committee, has approved at their Meeting held on 10<sup>th</sup> May, 2017 the appointment of M/s. Mahesh Singh & Co., Cost Accountants, New Delhi (Firm Registration No. 100441), as Cost Auditors to conduct the audit of the cost records of the Company pertaining to products covered by Central Excise Tariff Act, manufactured by the Company, for the financial year ending 31<sup>st</sup> March, 2018 at a remuneration of ₹ 1,50,000/- (One Lakh Fifty Thousand only) plus applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2018.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution. The Board recommends the passing of the resolution as set out at Item No. 4 as an ordinary resolution.

### Item Nos. 5

The Board of Directors at their meeting held on 7<sup>th</sup> June, 2016, appointed Mr. Vijay Kumar Chopra as an Additional Director of the Company with effect from 7<sup>th</sup> June, 2016. Subject to the approval of members he was appointed for 5 years. Under Section 161(1) of the Companies Act, 2013, he holds office only up to the date of the Annual General Meeting of the Company.

A Notice has been received from a member proposing Mr. Vijay Kumar Chopra as a candidate for the office of Director of the Company.

The approval of members is being sought for the appointment of Mr. Vijay Kumar Chopra as an Independent Director.

Brief Profile of Independent Director is given below:

**Mr. Vijay Kumar Chopra**, aged 71 years is a fellow member of the Institute of Chartered Accountants of India. In the past, he has held senior managerial positions in various banking organisations such as Central Bank of India and has been the chairman and managing director of Corporation Bank and SIDBI. He has also served as a whole time member of SEBI from June 6, 2006 to March 5, 2008. He has several years of experience in the banking and finance sector.

Except Mr. Vijay Kumar Chopra, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice. Mr. Vijay Kumar Chopra is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

### Item Nos. 6

The Board of Directors at their meeting held on 7<sup>th</sup> June, 2016, appointed Mr. Som Mittal as an Additional Director of the Company with effect from 7<sup>th</sup> June, 2016. Subject to the approval of members he was appointed for 5 years. Under Section 161(1) of the Companies Act, 2013, he holds office only up to the date of the Annual General Meeting of the Company.

A Notice has been received from a member proposing Mr. Som Mittal as a candidate for the office of Director of the Company.

The approval of members is being sought for the appointment of Mr. Som Mittal as an Independent Director.

Brief Profile of Independent Director is given below:

**Mr. Som Mittal**, aged 65 years, is holding a bachelor's degree in metallurgical engineering from Indian Institute of Technology, Kanpur and a post graduate diploma in business administration from the Indian Institute of Management, Ahmedabad. In the past, he was associated with Larsen & Toubro, Escorts and Denso and held leadership roles in Digital, HP and Compaq. He served as the President of the National Association of Software and Services Companies (NASSCOM) from January 2008 to January 2014 and was the chairman of NASSCOM in the year 2003-04. He has won the lifetime achievement award for outstanding dedication to the growth of the Global ICT industry and leadership from the World Information Technology and Services Alliance for 2008-14 and a distinguished alumnus award from the Indian Institute of Technology Kanpur in 2000. Additionally, he has also served as a member of the Indian Prime Minister's Committee on National e-Governance and the Global Advisory Council of the World Information Technology and Services Alliance. He has several years of experience in manufacturing and information technology sectors.

Except Mr. Som Mittal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice. Mr. Som Mittal is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item Nos. 7

The Board of Directors at their meeting held on 7<sup>th</sup> June, 2016, appointed Mr. Ravindra Dhariwal as an Additional Director of the Company with effect from 7<sup>th</sup> June, 2016. Subject to the approval of members he was appointed for 5 years. Under Section 161(1) of the Companies Act, 2013, he holds office only up to the date of the Annual General Meeting of the Company.

A Notice has been received from a member proposing Mr. Ravindra Dhariwal as a candidate for the office of Director of the Company.

The approval of members is being sought for the appointment of Mr. Ravindra Dhariwal as an Independent Director.

Brief Profile of Independent Director is given below:

**Mr. Ravindra Dhariwal**, aged 65 years, is holding a bachelor's degree in chemical engineering from Indian Institute of Technology, Kanpur and a post graduate diploma in management from Indian Institute of Management, Calcutta. He was a whole-time director in Bennett, Coleman & Co. Limited from 2008 to 2015. Mr. Dhariwal also serves an independent director on the board of Varun Beverages Limited, which is a franchisee of PepsiCo products. He has several years of experience in various sectors including print media.

Except Mr. Ravindra Dhariwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice. Mr. Ravindra Dhariwal is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item Nos. 8

The Board of Directors at their meeting held on 7<sup>th</sup> June, 2016, appointed Mr. Anil Tandon as an Additional Director of the Company with effect from 7<sup>th</sup> June, 2016. Subject to the approval of members he was appointed for 5 years. Under Section 161(1) of the Companies Act, 2013, he holds office only up to the date of the Annual General Meeting of the Company.

A Notice has been received from a member proposing Mr. Anil Tandon as a candidate for the office of Director of the Company.

The approval of members is being sought for the appointment of Mr. Anil Tandon as an Independent Director.

Brief Profile of Independent Director is given below:

**Mr. Anil Tandon**, aged 65 years, is holding a bachelor's degree of technology in electrical engineering from Indian Institute of Technology, Kanpur and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. Since 1995, he has been the Managing Director of Tex Corp Limited. He has several years of national and international experience in the zip fastening products sector.

Except Mr. Anil Tandon, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the accompanying Notice. Mr. Anil Tandon is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item No. 9

The Board of Directors, on the recommendation of Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> May, 2017, proposed reappointment Mr. Rahul Gautam as Managing Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of remuneration are set out herein below and the period of his office shall not be liable to determination by retirement of directors by rotation.

The material terms of remuneration of Mr. Rahul Gautam is as under:

Salary, Allowances and Commission/Incentive (hereinafter referred to as "Remuneration"):

- a) Salary Comprising
  - (i) Basic salary : At the rate not exceeding ₹ 3,00,000 (Rupees Three Lakhs Only) per month; and
  - (ii) Allowances/Perquisites : Not exceeding one time of the Basic salary, with increments as per the annual increment decided by the HR, from time to time, subject to a ceiling on increment of 15% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1<sup>st</sup> April every year, commencing from 1<sup>st</sup> April, 2018.
- b) Incentive : At the rate not exceeding 1.5% of the profit before tax.

Brief Profile of Mr Rahul Gautam is given below:

Mr. Rahul Gautam, aged 64 years, is the Managing Director of the Company. He has been associated with the Company since 1971 and as the Managing Director since 1<sup>st</sup> April, 1996. He holds a bachelor's degree in technology (chemical engineering) from the Indian Institute of Technology, Kanpur and a master's degree in science (chemical engineering) from the Polytechnic Institute of New York. He has over 41 years of experience in the home comfort products and PU foam industry, and is the Chairman Emeritus of the Indian Polyurethane Association.

Except Mr. Rahul Gautam, being an appointee, Ms. Namita Gautam and Mr. Tushaar Gautam, both Whole-time Directors of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item No. 10

The Board of Directors, on the recommendation of Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> May, 2017, proposed reappointment Ms. Namita Gautam as Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of remuneration are set out herein below and the period of her office shall be liable to determination by retirement of directors by rotation.

The material terms of remuneration of Ms. Namita Gautam is as under:

Salary, Allowances and Commission/Incentive (hereinafter referred to as "Remuneration"):

- a) Salary Comprising
  - (i) Basic salary : At the rate not exceeding ₹ 2,50,000 (Rupees Two Lakhs Fifty Thousand Only) per month; and
  - (ii) Allowances/Perquisites : Not exceeding one time of the Basic salary, with increments as per the annual increment decided by the HR, from time to time, subject to a ceiling on increment of 15% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1<sup>st</sup> April every year, commencing from 1<sup>st</sup> April, 2018.
- b) Incentive : At the rate not exceeding 0.75% of the profit before tax.

#### Brief Profile of Ms. Namita Gautam

Ms. Namita Gautam, aged 63 years, is a Whole-time Director of the Company. She has been associated with the Sheela group for the last 30 years and as a Whole-time Director of the Company since 14<sup>th</sup> November, 2003. During her tenure, marketing and projects departments of the Company. She currently heads our CSR initiative through "Sleepwell Foundation" and heads Special Projects. She holds a bachelor's degree in law and a master's degree in economics from Kanpur University. She has held various positions with FICCI Ladies Organization, including as its National President in 2004-05. She is also the chairperson of the Institute Management Committee of Jija Bai ITI for Women and is on the board of trustees of Indraprastha Educational Trust, which runs the Indraprastha College for Women, Delhi. She was a member of Special Task Force on skills, education and entrepreneurship development formulated by CII, Northern Region for the fiscal 2015-16 and is the convenor of the Panel on Skills Development,

CII Delhi, a member of the NZ Skill Council and National Skill Council of CII for 2016-17.

Except Ms. Namita Gautam, being an appointee, Mr. Rahul Gautam, Managing Director and Mr. Tushaar Gautam, Whole-time Directors of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item No. 11

The Board of Directors, on the recommendation of Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> May, 2017, proposed reappointment Mr. Rakesh Chahar as Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of remuneration are set out herein below and the period of his office shall be liable to determination by retirement of directors by rotation.

The material terms of remuneration of Mr. Rakesh Chahar is as under:

Salary, Allowances and Commission/Incentive (hereinafter referred to as "Remuneration"):

- a) Salary Comprising
  - (i) Basic salary : At the rate not exceeding ₹ 2,00,000 (Rupees Two Lakhs Only) per month; and
  - (ii) Allowances/Perquisites : Not exceeding one time of the Basic salary, with increments as per the annual increment decided by the HR, from time to time, subject to a ceiling on increment of 15% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1<sup>st</sup> April every year, commencing from 1<sup>st</sup> April, 2018.
- b) Incentive : At the rate not exceeding 0.75% of the profit before tax.

#### Brief Profile of Mr. Rakesh Chahar:

Mr. Rakesh Chahar, aged 51 years, is a Whole-time Director of the Company. He has been associated with the Company since 1<sup>st</sup> November, 1990 and as the Whole-time director since 14<sup>th</sup> November, 2003. He is currently the chairman of the Indian Sleep Products Federation. He has over 26 years of experience in the business of selling and marketing of bedding products and polyurethane foam.

Except Mr. Rakesh Chahar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the accompanying Notice.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item No. 12

The Board of Directors, on the recommendation of Nomination and Remuneration Committee at their meeting held on 10<sup>th</sup> May, 2017, proposed reappointment Mr. Tushaar Gautam as Whole-time Director for a period of five years with effect from 1<sup>st</sup> April, 2017 on the terms and conditions of appointment and remuneration as contained in the draft Agreement, material terms of remuneration are set out herein below and the period of his office shall be liable to determination by retirement of directors by rotation.

The material terms of remuneration of Mr. Tushaar Gautam is as under:

Salary, Allowances and Commission/Incentive (hereinafter referred to as "Remuneration"):

- a) Salary Comprising
  - (i) Basic salary: At the rate not exceeding ₹ 200,000 (Rupees Two Lakhs Only) per month; and
  - (ii) Allowances/Perquisites : Not exceeding one time the Basic salary, with increments as per the annual increment decided by the HR, from time to time, subject to a ceiling on increment of 15% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1<sup>st</sup> April every year, commencing from 1<sup>st</sup> April, 2018.
- b) Incentive: At the rate not exceeding 0.75% of the profit before tax.

#### Brief Profile of Mr. Tushaar Gautam:

Mr. Tushaar Gautam, aged 38 years, is a Whole-time Director of the Company. He has been associated with our Company since 7<sup>th</sup> January, 2002 and as a Whole-time Director since 1<sup>st</sup> April, 2007. He holds a bachelor's degree from Purdue University, USA, where his courses of study included financial, marketing and operations management. In May 2005, he was recognized by the President's Council of Purdue University for pursuit of

excellence. He heads operations of the Company and also oversees the business and operations of our subsidiary Joyce Foam Pty Ltd and is a director on its board of directors. He has over 14 years of experience in heading production, research and development.

Except Mr. Tushaar Gautam, being an appointee, Mr. Rahul Gautam, Managing Director and Ms. Namita Gautam, Whole-time Directors of the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 12.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

#### Item No. 13

The Board of Directors of the Company ('the Board') in their meeting held on 7<sup>th</sup> June, 2016 appointed the Independent Directors. For the time devoted and the contribution made by Independent Directors, the Board at the meeting held on 10<sup>th</sup> May, 2017, have recommended for the approval of the Members, payment of ₹ 10,00,000/- (Rupees Ten Lakhs only) by way of commission to each Independent Directors of the Company for the Financial Year 2016-17. The Commission shall be reviewed annually. Additional information in respect of the Independent Directors, pursuant to the Secretarial Standard on General Meetings, is appearing in this notice above and Directors Report of the Company.

The Independent Directors (and their relatives) are interested in this Resolution insofar as the same relates to their respective commission. None of the Key Managerial Personnel of the Company, or their relatives, is interested in the resolution set out at Item No. 13.

The Board recommends this Resolution for your approval.

By Order of the Board

**Md Iquebal Ahmad**

Company Secretary and  
Compliance Officer

Date : 10 May, 2017  
Place : Delhi





Form No. MGT-11

**PROXY FORM**

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

CIN: U74899DL1971PLC005679

**Name of the Company:** Sheela Foam Limited

**Registered Office:** C-55, Preet Vihar, Vikas Marg, Delhi-110092

**Phone:** +91 11 2202 6875 **Facsimile:** +91 11 2202 6876

**Website:** www.sheelafoam.com / **Email:** [iquebal.ahmad@sheelafoam.com](mailto:iquebal.ahmad@sheelafoam.com)

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio / DP ID and Client ID :

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint:

1	Name	Address
	E-mail ID	Signature or failing him/her;
2	Name	Address
	E-mail ID	Signature or failing him/her;
3	Name	Address
	E-mail ID	Signature

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **FORTY FIFTH ANNUAL GENERAL MEETING** of the Company to be held on **THURSDAY, 20<sup>th</sup> JULY, 2017 at 10.30 a.m.** at 'ARYA AUDITORIUM, DES RAJ CAMPUS, C-BLOCK, EAST OF KAILASH, NEW DELHI-110 065 and at any adjournment thereof in respect of such resolutions and in such manner as indicated herein :

Resolution No.	Particulars of resolution	Vote (optional)	
		For	Against
Ordinary Business			
1	Adoption of the Standalone Audited Financial Statements and Consolidated Financial Statements for the year ended 31 <sup>st</sup> March, 2017 together with the reports of the Board of Directors and Auditors thereon.		

Resolution No.	Particulars of resolution	Vote (optional)	
		For	Against
2	Reappointment of Ms. Namita Gautam as a Director retiring by rotation.		
3	Ratification of the appointment of M/s. S. P. Chopra & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
<b>Special Business</b>			
4	Ratification of remuneration payable to the Cost Auditor for the in financial year ending 31 <sup>st</sup> March, 2018.		
5	Appointment of Mr. Vijay Kumar Chopra as an Independent Director of the Company.		
6	Appointment of Mr. Som Mittal as an Independent Director of the Company		
7	Appointment of Mr. Ravindra Dhariwal as an Independent Director of the Company		
8	Appointment of Mr. Anil Tandon as an Independent Director of the Company		
9	Reappointment of Mr. Rahul Gautam as Managing Director of the Company.		
10	Reappointment of Ms. Namita Gautam as Whole-time Director of the Company.		
11	Reappointment of Mr. Rakesh Chahar as Whole-time Director of the Company.		
12	Reappointment of Mr. Tushaar Gautam as Whole-time Director of the Company.		
13	Commission to Independent Director		

Signed this                      day of                      2017.

Signature of Member

Affix 30  
Paisa  
Revenue  
Stamp

Signature of Proxy holder

Signature

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Company reserves its right to ask for identification of the proxy.
3. It is optional to put an (X) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.
4. For the resolutions and explanatory statement, please refer the Notice of the 45<sup>th</sup> Annual General Meeting of the Company.