

# ***SHREE KARTHIK PAPERS LIMITED***



**AMOHA**

**Twenty Eighth Annual Report 2018 - 19**



# SHREE KARTHIK PAPERS LIMITED

## BOARD OF DIRECTORS

**Sri M.S. Velu**

Chairman & Managing Director

## DIRECTOR

**Smt. S.S. Velu**

**Sri P. Kanagavadivelu**

Independent Director

**Sri P.C. Narendran**

Independent Director

**Sri R. Uma Shankar**

Independent Director

**Sri VigneshVelu**

Whole Time Director

## COMPANY SECRETARY

**Sri. V. Rajan**

## AUDITORS

Statutory Auditors

M/s. K S P V & Co.

Chartered Accountants, Coimbatore

## SECRETARIAL AUDITOR

Sri S. Rengasamy

Practising Company Secretary

## REGISTERED OFFICE

25 Feet Road, Krishnasamy Nagar

Ramanathapuram,

Coimbatore-641045

Phone: 0422 4217174

Fax 0422 4217178

Email id:shreekarthikpapers@yahoo.com

CIN: L21012TZ 1991PLC003570

## REGISTRAR AND SHARE TRANSFER AGENTS

S.K.D.C.Consultants Limited Kanapathy

Towers, III Floor, 1391/A-1 Sathy Road,

Ganapathy, Coimbatore-641006

## LISTED STOCK EXCHANGE

BSE Limited

(Bombay Stock Exchange Limited)

Floor 25 P.J. Towers, Dalal

Street Mumbai-400 001

## BANKERS

Kotak Mahindra Bank Ltd.,Coimbatore.

### 28<sup>th</sup> Annual General Meeting

Date	: 23 <sup>rd</sup> September 2019
Day	: Monday
Time	: 3.00 P.M.
Venue	: Sree Annapoorna Kalai Arangam "Dakshin Hall" R.S. Puram Coimbatore - 641002
Book Closure Date	: 17.09.2019 to 23.09.2019 (Both days inclusive)

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## NOTICE

NOTICE is hereby given that the TWENTY EIGHTH Annual General Meeting of the Members of SHREE KARTHIK PAPERS LIMITED will be held at Sree Annapoorna Kalai Arangam, Dakshin Hall, East Arokiasamy Road, R.S. Puram, Coimbatore-641002 on Monday, the 23rd September 2019 at 3.00 P.M. to transact the following business:

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements viz. Statement of Profit and Loss Account, Cash Flow Statement for the year ended 31st March 2019, Balance Sheet as on that date, the Reports of the Directors and the Auditors' Report thereon.
2. To appoint a Director in place of Smt. Selvambal Sengottu Velu holding DIN No. 01740974 who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

3. To appoint the Statutory Auditors and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to section 139 and 140 and other applicable provisions of the Companies Act 2013, if any read with 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. T.M. Jeyachandran & Co.(Firm Registration No.012309S) Chartered Accountants, Chennai, as Statutory Auditors of the company by the Board of Directors in their meeting held on 30th August 2019 to fill the casual vacancy caused by the resignation of M/s. K S P V & Co. (Firm Registration No. 15520S) Chartered Accountants, Coimbatore, from 30th August 2019 till the conclusion of the 28th Annual General Meeting at such a remuneration as may be determined and recommended by the Audit Committee in

consultation with the Auditors and duly approved by the Board of Directors be and are hereby approved.

### ORDINARY BUSINESS

4. To appoint the Statutory Auditors in the casual vacancy and fix the remuneration and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to section 139 and other applicable provisions of the Companies Act 2013, if any read with Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. T.M. Jeyachandran & Co. ,(Firm Registration No. 012309S) Chartered Accountants, Chennai be and are hereby appointed instead of be and is hereby appointed as Statutory Auditors of the company for a period of 5 years from 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting to be held in the calendar year 2024 at such a remuneration as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors..

FURTHER RESOLVED that the Board of Directors of the company be and are hereby authorized for and on behalf of the company to file all necessary forms with the Registrar of Companies and to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed necessary for giving effect to the above Resolution".

### SPECIAL BUSINESS

5. To appoint Mr. M.S. Velu as Chairman and Managing Director of the company and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 196, 197, 198 read with Schedule V and all other applicable provisions, if any of the Companies Act 2013 and the Rules made there under including any statutory modifications or re-enactment thereof, for the time being in force and subject to other statutory approvals as may be necessary, the approval of the members of the company be and is hereby accorded to appoint Sri Muthu Sengottu Velu DIN 0168208 as Chairman and Managing Director of the company for a period of five years commencing from 31.03.2019 on such terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said appointment and/ or remuneration in such manner as may be agreed to by and between the company and he is liable to retire by rotation.

### Terms & Conditions

- 1) Designation: Chairman cum Managing Director
- 2) Term: 5 years with effect from 31-03-2019
- 3) Salary: No remuneration is fixed at present

Resolved further that in the event of no profit or inadequacy of profit, the remuneration payable to Sri Muthu Sengottu Velu, Chairman and Managing Director shall not exceed the limit specified in Section II Part II of Schedule V of the Companies Act 2013 as modified from time to time or such other limits as may be notified by the Government from time to time as minimum remuneration".

Resolved further that the Board/ Nomination and Remuneration Committee of Directors of the company be and is hereby authorized to do all acts, deeds, matters and things as may

be considered necessary desirable or expedient for giving effect to this resolution".

6. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

"RESOLVED THAT, the consent of the members be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any of the Companies Act 2013 to the Board of Directors of the company to pledge, mortgage and/ or charge in all or any part of the movable or immovable properties of the company and the whole or part of the undertaking of the company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the company and the whole of the undertaking of the company together with power to take over the management of the business or concern of the company in certain events to or in favour of Banks, Financial Institutions to secure the amount borrowed by the company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the company or any third party in respect of such borrowings and to sell or otherwise dispose off the whole or substantially the whole of the undertaking of the company where the company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s)/ interest on such terms and conditions at such time(s) and in such form and manner and with such ranking as to priority as the Board in its absolute discretion thinks fit provided that the maximum limit of the obligations secured by such security interest created by the company or substantial interest/ undertaking does not exceed Rs. 12,75,00,000 (Rupees Twelve crores and seventy five lakhs only) at one time.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as

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may be necessary for giving effect to the above resolution.

RESOLVED FURTHER THAT the mortgage/ charge created/ to be created/ or agreements/ documents/ executed/ to be executed and all acts done in terms of the above resolution by and with authority of the Board of Directors be and are hereby confirmed and ratified"

By Order of the Board

Place : Coimbatore

(Sd./-) V. Rajan

Date : 30.08.2019

Company Secretary

### NOTES FOR THE MEMBERS' ATTENTION

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Pursuant to provisions of Section 105 of the Companies Act 2013, a person can act as a proxy on behalf of member 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 a member.
2. Corporate members intending to send their authorized representative(s) to attend the AGM pursuant to Section 113 of the Companies Act 2013 are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM  
  
The instrument appointing proxy should however be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting
4. The Register of Members and Share Transfer Books of the company will remain closed from 17th September 2019 to 23rd September 2019 (both days inclusive)
5. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice and relevant details pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are annexed hereto
6. Members holding shares in electronic form are hereby informed that bank particulars change of address if any, PAN No. are to be intimated to their respective Depository Participants. The company or its Registrar cannot act on any request directly received from members holding shares in electronic form for any change of bank particulars or address if any.
7. Members holding shares in physical form are requested to send any change in their address, bank details, share transfers/ transmissions, duplicate certificate if any, to Registrar and Share Transfer Agent (RTA) , SKDC Consultants Limited, Kanapathy Towers, 1391/A1 Sathy Road, Ganapathy, Coimbatore-641006 quoting reference of the Folio No.
8. Information as required to be provided pursuant to the requirements of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with regard to the Directors seeking appointment/re-appointment at the AGM is given to the notice.
9. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the Company in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form to enable the Company to serve documents after electronic form.

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10. Details of Directors seeking appointment/re-appointment of Sri M.S. Velu, please refer to the statement in respect of Special Business set out at item No. 5 of the Notice of the Annual General Meeting pursuant to Section 102 of the Companies Act 2013. The Board recommends the resolution set out at item No. 5 of the notice for your approval.
11. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email ids are registered with the company/Depository participant(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 is being sent in the permitted mode.
12. Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further Amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 3, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize of the equity shares of the company promptly.
13. Voting through electronic means  
  
In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their votes for all the resolutions detailed in the Notice of the 28th Annual General Meeting scheduled to be held on Monday, the 23rd September 2019 at 3.00 p.m. by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities as per instructions below.  
  
The Members, who have not voted through remote e-voting and present at the AGM in person or proxy, can vote through the ballot at the AGM.  
  
Kindly note that members can opt for only one mode of voting i.e., either by through remote e-voting or by ballot at the AGM .  
  
The members who have cast their votes by remote e-voting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.  
  
Votes cast by members who hold shares on the cutoff date Viz. .16.09.2019 alone will be considered.
14. The Securities and Exchange Board of India (SEBI) has mandated submission of Income tax Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit the PAN details to the Company or its Registrar and Share Transfer Agents .
15. Members are requested to note that the venue of the 28th Annual General Meeting is " Sree Annapoorna Kalai Arangam, Dakshin Hall, East Arokiasamy Road, R.S. Puram, Coimbatore-641002 on 23rd September 2019.
16. The cut off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be 16th September 2019.

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17. The Board has appointed Sri. S. Rengasamy Practising Company Secretary, Coimbatore 641036 as Scrutinizer for conducting the e-voting process and ballot at AGM.

18. The Scrutinizer shall, after scrutinising the votes cast at the AGM and through Remote e-voting not later than 2 (two) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman. The results of the voting on the resolutions shall be announced by the Chairman on 25th September 2019. The results declared along with the Scrutinizers report shall be placed on the website of www.cdsl and also shall be communicated to BSE Limited.

19. The results of voting shall be declared at the Registered Office of the Company within 2 days of the conclusion of the Annual General Meeting by the chairman of the meeting and displayed on the website of the company.

### 20. The instructions for shareholders voting electronically are as under:

(i) The e-voting period begins on 20.09.2019 at 9.00 A.M. and ends on 22.09.2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16<sup>th</sup> September 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iv) Click on Shareholders.

(v) 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.

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

(vii) 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.

(viii) If you are a first time user follow the steps given below:

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

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>



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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "Shree Karthik Papers Limited" on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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 linked in the login 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.

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(xxi) 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).

By Order of the Board

Place : Coimbatore

(Sd./-) V. Rajan

Date : 30.08.2019

Company Secretary

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

#### Item No. 3 and 4

As per the provisions of Section 139(8)(i) of the Companies Act 2013, any casual vacancy in the office of an auditor shall be filled by the Board of Directors within 30 days from the date of resignation of an auditor subject to the approval of the shareholders of the company within 3 months of the recommendation of the Board and said auditor shall hold office till the conclusion of the next Annual General Meeting.

M/s. K S P V & Co., Chartered Accountants, Coimbatore registered with the Institute of Chartered Accountants of India (Firm Registration No. 015520S), due to their internal restructuring consequent to which they are unable to continue as Statutory Auditors of the company, resigned with effect from 21st August 2019. The Board of Directors in their meeting held on 30th August 2019 appointed M/s, T.M. Jeyachandran & Co., Chartered Accountants, Chennai as Statutory Auditors in place of casual vacancy caused due to the resignation of M/s. K S P V & Co. from 30th August 2019 to the conclusion of the 28th Annual General Meeting subject to the approval of the shareholders.

The Board of Directors recommend the appointment of M/s, T.M. Jeyachandran & Co., Chartered Accountants, Chennai (Firm Registration No. 012309S) as Statutory Auditors for a term of 5 years from the conclusion of the 28th Annual General Meeting until the conclusion of

the 33rd Annual General Meeting of the company to be held in the calendar year 2024 at such a remuneration as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors.

None of the Directors or Key Managerial Personnel of the company or any other relatives concerned or interested. financially or otherwise in the resolution.

The Board recommends the resolution as set out in item No. 3 and 4 of the notice for your approval.

#### Item No. 5

The Board of Directors in their meeting held on 29.03.2019 has, subject to the approval of members, appointed Sri M.S. Velu holding DIN No. 01682508 as Chairman and Managing Director of the company for a period of five years from 31.03.2019 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

Since the age of Sri M.S. Velu is above 70 years, it is proposed to seek members approval by passing Special Resolution for the appointment of Sri M.S. Velu as Chairman and Managing Director of the company in terms of the applicable provisions of the Act.

Keeping in view of the vast experience and skills possessed by Sri M.S. Velu, the Board considers that his continued association would immensely benefit the company and it is desirable to appoint him as Chairman and Managing Director of the company..

#### Terms & Conditions

- 1) Designation: Chairman and Managing Director
- 2) Term: 5 years with effect from 31-03-2019
- 3) Salary: No remuneration is fixed at present

Sri M.S. Velu satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under section 196(3) of the Act for being