

Saturday, August 10, 2019

To,  
Corporate Compliance Department,  
Bombay Stock Exchange Ltd.,  
P.J. Tower, Dalal Street,  
Mumbai -400 001

**BSE Script Code : 538795**

**Sub.: Notice of the 24th Annual General Meeting (AGM) of the Company**

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Notice of AGM scheduled to be held on 10<sup>th</sup> September, 2019 at the Registered Office of the Company.

We request you to take the same on record.

Thanking You,

Yours faithfully,  
For **SHREE AJIT PULP AND PAPER LIMITED**

  
**Rakesh Kumar Kumawat**  
**Company Secretary & Compliance Officer**

**Encl. As stated above**

## **SHREE AJIT PULP AND PAPER LIMITED**

**Regd. Office :**

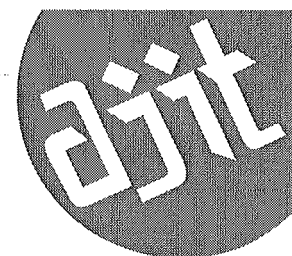
Survey No. 239, Near Morai Railway Crossing,  
Village Salvav, Via-Vapi, Dist. Valsad,  
Pin.: 396 191, Gujarat, India.  
Tel.: +91 260 6635700  
Facsimile : +91 260 2437090  
CIN : L21010GJ1995PLC025135

**Works :**

Survey No. 239, Village Salvav, 106, 107, 108P & 105P,  
Morai, Near Morai Railway Crossing,  
Via-Vapi, Pin.: 396 191, Dist. Valsad, Gujarat, India.  
Email : shreeajit@shreeajit.com  
Website : www.shreeajit.com

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



### NOTICE

Notice is hereby given that the Twenty-Fourth Annual General Meeting of the Members of Shree Ajit Pulp and Paper Limited will be held at the Registered Office of the Company at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi – 396191 District Valsad, Gujarat on Tuesday, 10th September, 2019 at 11:00 A.M., to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - (a) the audited financial statements of the Company for the year ended 31st March, 2019, the auditors' report thereon and the report of the Board of Directors and
  - (b) the audited consolidated financial statements of the Company for the year ended 31st March, 2019 and the auditors' report thereon.
2. To declare a dividend for the year 2018-19.
3. To appoint a Director in place of Mrs. Bela G. Shah (DIN: 01044910) who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS:

4. To re-appoint Mr. Laxminarayan J. Garg (DIN-00786976) as Independent Director:  
To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Laxminarayan J. Garg (DIN- 00786976) be and is hereby re-appointed as Independent Director, not liable to retire by rotation, to hold office for the second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024 as per the recommendation of Nomination and Remuneration Committee of the Board and the Board of Directors of the Company.

**FURTHER RESOLVED THAT** the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

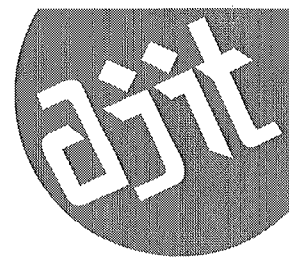
5. To re-appoint Mr. Darshak B. Shah (DIN-00098897) as Independent Director:  
To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Darshak B. Shah (DIN-00098897) be and is hereby re-appointed as Independent Director, not liable to retire by rotation, to hold office for the second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024 as per the recommendation of Nomination and Remuneration Committee of the Board and the Board of Directors of the Company.

**FURTHER RESOLVED THAT** the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



6. To approve payment of remuneration of Mrs. Bela G. Shah, Executive Director of the Company:  
To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** the Ordinary Resolution passed at the 20th AGM held on 29th September 2015 pursuant to Section 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modifications or re-enactment thereof, for the time being in force) in respect of the remuneration payable to Mrs. Bela G. Shah, Executive Director, be and is hereby approved and confirmed as Special Resolution w.e.f. 1st April, 2019 for the remaining tenure of her appointment, as set out in the explanatory statement annexed to this notice, in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mrs. Bela G. Shah from time to time within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To approve payment of remuneration of Mr. Gautam D. Shah, Managing Director of the Company:  
To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** the Ordinary Resolution passed at the 20th AGM held on 29th September 2015 pursuant to Section 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modifications or re-enactment thereof, for the time being in force) in respect of the remuneration payable to Mr. Gautam D. Shah, Managing Director, be and is hereby approved and confirmed as Special Resolution w.e.f. 1st April, 2019 for the remaining tenure of his appointment, as set out in the explanatory statement annexed to this notice, in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mr. Gautam D. Shah from time to time within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider revision in remuneration of Mr. Varun Shah, relative of Director:  
To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

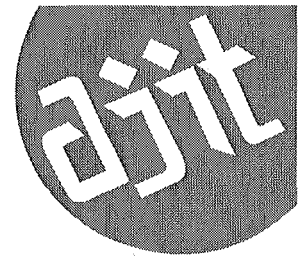
**“RESOLVED THAT** pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including statutory modification(s) or re-enactment thereof for the time being in force, and as may be enacted from time to time, the consent of Members be and is hereby accorded to increase the payment of remuneration to Mr. Varun Shah, holding office or place of profit, as Technical Manager of the Company w.e.f. 1st October, 2019 as detailed below:

- Salary: Rs. 5,00,000/- (Rs. Five Lacs Only) Per Month.
- Bonus, leave encashment, gratuity, provident fund and other benefits as per the rules of the Company applicable to Senior Personnel of the Company.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to alter and vary from time to time, the designation, responsibilities and the remuneration by way of salary of Mr. Varun Shah within the maximum limit of Rs. 10,00,000/- per month plus other benefits as applicable to the Senior Management personnel of the Company.

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



**FURTHER RESOLVED THAT** for the purpose of giving effect to the foregoing Resolution Mr. Gautam D. Shah, Chairman and Managing Director and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board of Directors

Place: Vapi  
Date: 28<sup>th</sup> May, 2019  
Registered Office:  
Survey No. 239, Near Morai Railway Crossing,  
Village Salvav, Via-Vapi- 396191, Gujarat.  
CIN: L21010GJ1995PLC025135  
Tel: 0260 6635700, Fax: 0260 2437090  
Email: investors@shreeajit.com  
Website: www.shreeajit.com

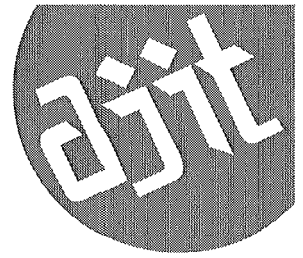
Gautam D. Shah  
Chairman and Managing Director  
DIN: 00397319

### NOTES:

1. An explanatory statements pursuant to Section 102 of the Companies Act, 2013, setting out the material facts and reasons for the proposed resolutions at item no. 4 to 8 above are appended herein below.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE IN HIS STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIP ATTACHED HEREWITH DULY FILLED AND SIGNED, IN ACCORDANCE WITH SPECIMEN SIGNATURES REGISTERED WITH THE COMPANY TO ATTEND THE MEETING.  
A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company.
3. The Printed copy of the Balance Sheet, the Directors' Report and the Auditors' Report is sent herewith.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 30/08/2019 to 10/09/2019 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 10/09/2019. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 29/08/2019 as per the details furnished by the Depositories for this purpose.
5. The dividend, if any, declared at the Annual General Meeting will be payable on or after 03/10/2019.
6. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc to their Depository Participants only and not to the Company's Registrar and Transfer Agent. Changes intimated to the Depository Participants will be automatically reflected in the Company's records. The Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. Link Intime India Private Limited or the Company Secretary of the Company, which will help the Company and its Registrar and Transfer Agent to provide efficient and better service to the members.
7. The shares of the Company are included in the list for trading in compulsory demat segment w.e.f. 27th February, 2001. The Company has entered into agreements with National Securities Depository

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) so as to provide facility to the shareholders for transactions under demat segment.

8. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio.
9. It will be appreciated if queries, if any, on Accounts of the Company are sent to the Company ten days in advance of the meeting so that the answers may be made available at the meeting.
10. Members are requested to bring their copies of Annual Report at the meeting along with attendance slip.
11. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
12. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, in respect of Director(s) seeking appointment / re-appointment are attached to this notice.
13. Members wishing to claim dividend, which remain unclaimed, are requested to correspond with the Registrar and Transfer Agent i.e. M/s Link Intime India Private Limited or the Company Secretary of the Company. Members are requested to note that dividends not claimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the Section 124 of the Companies Act, 2013, be transferred to Investor Education and Protection Fund. Further, shares of such shareholders, who have not encashed any dividend for a consecutive period of 7 years or more, will be transferred to the Investor Education and Protection Fund.

Members who have neither received nor encashed their dividend warrant(s) for the financial years ended March 31, 2012 upto March 31, 2018, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

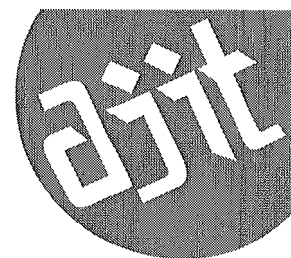
14. In case of joint holders attending the meeting, the joint holder who is higher in the order of name will be entitled to vote at the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Security market. Members holding Shares in dematerialized form should inform their DP and members holding shares in physical form should inform the Company their PAN details along with proof thereof.
16. Corporate Members intending to send their Authorised Representative to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution to the Company, authorising them to attend and vote on their behalf at the Annual General Meeting.
17. A Route map showing direction to reach the venue of the meeting is given at the end of this Notice.
18. **Voting through electronic means:-**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting by electronic means and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his/her discretions, subject to compliance with the instruction for e-voting given below.

The facility for voting through poll paper shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>th</sup> ANNUAL REPORT 2018-19



vote at the AGM. 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 Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.

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

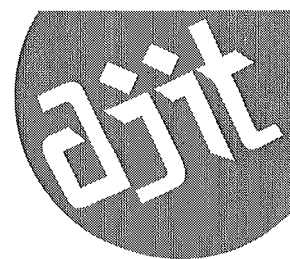
- (i) The voting period begins on 7th September, 2019 (9.00 AM) and ends on 9th September, 2019 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd September, 2019 may cast their vote 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 Attendance Slip indicated in the PAN field.</li></ul>
Dividend Bank Details or Date of Birth (DOB)	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. <ul style="list-style-type: none"><li>• 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).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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 "Shree Ajit Pulp and Paper Limited".

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19

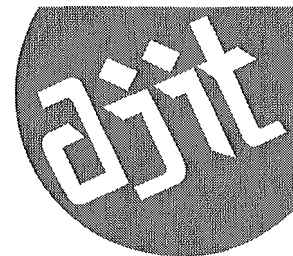


- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions 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 a 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 changed 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) Shareholders can also use mobile app – "M-Voting" for e-voting. M-Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to M-Voting using their evoting credentials to vote for the Company resolution(s).
- (xix) **Note for Non – Individual Shareholders and Custodians:**
- Non-Institutional shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as corporate.
  - 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, 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.
- (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).
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai-400013, or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd September, 2019.
20. Mr. Venilal C. Khambhata, Practicing Company Secretary (CP No. 6177), has been appointed as the scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
21. The scrutinizer after scrutinizing the votes cast at the meeting by poll and through remote e-voting will, not later than 48 hours of conclusion of the meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman or any other person authorised by him in writing, who shall countersign the same.
22. The result declared along with the scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 48 hours of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges, where the shares of the Company are listed.
23. Notice of the Meeting is also displayed at [www.shreeajit.com](http://www.shreeajit.com).



# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



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

#### ITEM NO. 4

After considering the performance evaluation and based on recommendation received from Nomination and Remuneration Committee, the Board of Directors at its meeting held on 6th February, 2019 re-appointed Mr. Laxminarayan J. Garg as an Independent Director for second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024.

Mr. Garg joined the Board of the Company on 15-10-2013 as non-executive Independent Director. He is a businessman and has wide entrepreneurial skills ranging over a period spanning thirty years and expertise in the field of finance, management and administration.

The Board of Directors believe that the association of Mr. Garg as Independent Director with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the re-appointment of Mr. Garg as Independent Director as set out in item No. 4 for the approval of the Shareholder by special resolution at the ensuing Annual General Meeting.

In the opinion of the Board, Mr. Garg fulfils the conditions specified in Section 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force). Further Mr. Garg has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149 of the Companies Act, 2013.

No other Director of the Company except Mr. Laxminarayan J. Garg is concerned or interested in this resolution.

#### ITEM NO. 5

After considering the performance evaluation and based on recommendation received from Nomination and Remuneration Committee, the Board of Directors at its meeting held on 6th February, 2019 re-appointed Mr. Darshak B. Shah as an Independent Director for second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024.

Mr. Shah joined the Board of the Company on 11-07-2014 as non-executive Independent Director. He has wide entrepreneurial skills ranging over a period spanning thirteen years and expertise in the field of finance, management and administration.

The Board of Directors believe that the association of Mr. Shah as Independent Director with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the re-appointment of Mr. Shah as Independent Director as set out in item No. 5 for the approval of the Shareholders by special resolution at the ensuing Annual General Meeting.

In the opinion of the Board, Mr. Shah fulfils the conditions specified in Section 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force). Further Mr. Shah has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149 of the Companies Act, 2013.

No other Director of the Company except Mr. Darshak B. Shah is concerned or interested in this resolution.

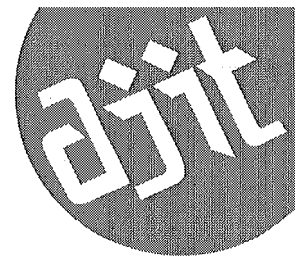
#### ITEM NO. 6

The Members of the Company had appointed Mrs. Bela G. Shah as Executive Director of the Company for a period of 5 years with effect from 7th February, 2015 on the terms and conditions of appointment and payment of remuneration as set out in the resolution approved by the members at the 20th Annual General Meeting held on 29th September, 2015 and further revised w.e.f. 1st October, 2017 at the Board meeting held on 13th November, 2017, under the powers vested in the Board vide the aforesaid resolution.



# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>th</sup> ANNUAL REPORT 2018-19



Pursuant to the Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 made effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 requires the listed entities to obtain approval of shareholders by way of Special Resolution for payment of annual remuneration to Promoter Executive Director which exceeds Rs. 5 Cr. or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Accordingly, the Board of Directors of the Company recommended the special resolution set out in Item No. 6 of the notice for approval of payment of remuneration to Mrs. Bela G. Shah, Executive Director of the Company with effect from 1st April, 2019 for the remaining period of her appointment, within the limits specified under Schedule V of the Companies Act, 2013 as amended from time to time as under:

### A. Salary:

- i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.
- ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Encashment of un-enjoyed leave at the end of tenure.

### B. Commission:

Commission on the net profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to performance of the Company, which including the remuneration mentioned in A above shall not exceed 5% of the net profit of the Company in any one year.

In the event of absence or inadequacy of profit in any year(s), the Executive Director shall be paid minimum remuneration in accordance with Schedule V of the Companies Act, 2013 as amended as under:

- i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.
- ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Encashment of un enjoyed leave at the end of tenure.
- iv. Children's education allowance: in case of children studying in or out side India, an allowance limited to a maximum of Rs. 12,000/- per month per child or actual expenses incurred, whichever is less, up to two children.
- v. Holiday passage for children studying outside India- Return holiday passage once in a year by economy class or once in two year by first class.
- vi. Leave travel concession for self and family in accordance with the rules of the Company, if it is proposed to spend leave in home country instead of anywhere in India.

All other terms and conditions of appointment and remuneration as approved by the Company in General Meeting remain unchanged.

No other director of the Company except Mrs. Bela G. Shah and her relative Mr. Gautam D. Shah are interested or concerned in the proposed resolution.

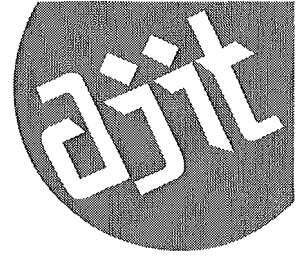
### ITEM NO. 7

The Members of the Company had appointed Mr. Gautam D. Shah as Managing Director of the Company for a period of 5 years with effect from 1st July, 2015 on the terms and conditions of appointment and payment of remuneration as set out in the resolution approved by the members at the 20th Annual General Meeting held on 29th September, 2015 and further revised at the Board meeting held on 13th November, 2017 w.e.f. 1st October, 2017 under the powers vested in the Board vide the aforesaid resolution.

Pursuant to the Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 made effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 requires the listed entities to obtain approval of shareholders by way of Special Resolution for payment of annual remuneration to

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>TH</sup> ANNUAL REPORT 2018-19



Promoter Managing Director which exceeds Rs. 5 Cr. or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Accordingly, the Board of Directors of the Company recommended the special resolution set out in Item No. 7 of the notice for approval of payment of remuneration to Mr. Gautam D. Shah, Managing Director of the Company with effect from 1st April, 2019 for the remaining period of his appointment, within the limits specified under Schedule V of the Companies Act, 2013 as amended from time to time as under:

### A. Salary:

- i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.
- ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Encashment of un enjoyed leave at the end of tenure.

### B. Commission:

Commission on the net profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to performance of the Company, which including the remuneration mentioned in A above shall not exceed 5% of the net profit of the Company in any one year.

In the event of absence or inadequacy of profit in any year(s), the Managing Director shall be paid minimum remuneration in accordance with Schedule V of the Companies Act, 2013 as amended as under:

- i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.
- ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii. Encashment of un enjoyed leave at the end of tenure.
- iv. Leave travel concession for self and family in accordance with the rules of the Company, if it is proposed to spend leave in home country instead of anywhere in India.

All other terms and conditions of appointment and remuneration as approved by the Company in General Meeting remain unchanged.

No other director of the Company except Mr. Gautam D. Shah and his relative Mrs. Bela G. Shah are interested or concerned in the proposed resolution.

### ITEM NO. 8

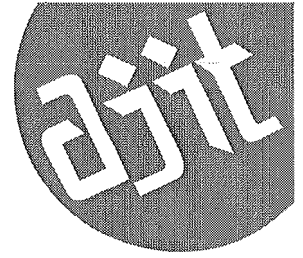
The provisions of Section 188 of the Companies Act, 2013 and the rules made there under stipulate that the appointment to the office or place of profit on a remuneration exceeding Rs. 2.50 lakhs per month in the Company can be made only with prior consent of the members of the Company by way of an ordinary resolution. Mr. Varun Shah, a relative of Mr. Gautam D. Shah, Chairman & Managing Director and Mrs. Bela G. Shah, Executive Director and Chief Financial Officer of the Company, who is Mechatronics Engineer from the UNSW Sydney, Australia, was appointed by the Board as Technical Manager to lead the new project team of the Company, on the recommendation of the Audit Committee of the Company, with effect from 1st October, 2018 on the remuneration including all the benefits not exceeding Rs. 2.50 lakhs per month. Now, the Board of Directors, on the recommendation of the Nomination & Remuneration Committee and the Audit Committee, have, at their meeting held on 28th May, 2019, given its approval, subject to the members of the Company according its consent by way of ordinary resolution listed at item No. 8 of the Notice, to increase the salary payable to Mr. Varun Shah with effect from 1st October, 2019, as detailed below:

- Salary of Rs. 5,00,000/- per month.
- Bonus, leave encashment, gratuity, provident fund and other benefits as per the rules of the Company applicable to Senior Personnel of the Company.

The Board is of the unanimous opinion that this appointment will be in the best interest of the Company and therefore, recommends to the members for approval.

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>th</sup> ANNUAL REPORT 2018-19



Mr. Gautam D. Shah, Chairman and Managing Director and Mrs. Bela G. Shah, Executive Director and CFO of the Company, being relatives of Mr. Varun Shah, are deemed to be concerned or interested in the resolution. No other Director of the Company is concerned or interested in the resolution.

For and on behalf of the Board of Directors

Place: Vapi  
Date: 28th May, 2019  
Registered Office:  
Survey No. 239, Near Morai Railway Crossing,  
Village Salvav, Via-Vapi- 396191, Gujarat.  
CIN: L21010GJ1995PLC025135  
Tel: 0260 6635700, Fax: 0260 2437090  
Email: investors@shreeajit.com  
Website: www.shreeajit.com

Gautam D. Shah  
Chairman and Managing Director  
DIN: 00397319

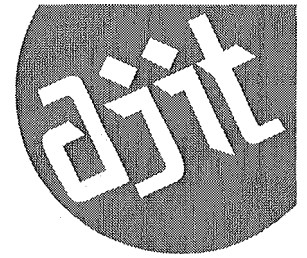
### Details of Director's seeking appointment / re-appointment at the Annual General Meeting:

Particulars	Mrs. Bela G. Shah	Mr. Darshak B. Shah	Mr. Laxminarayan J. Garg
DIN	01044910	00098897	00786976
Age	54	43	58
Date of Appointment	07/02/2015	01/04/2019	01/04/2019
Qualifications	Bachelor degree in science with Mathematics	Bachelor degree in commerce	Bachelor degree in commerce
Expertise in specific functional area	Specializing in Management of Business Undertakings	Expertise in the field of finance, management and administration	Expertise in the field of finance, Management and administration
Directorship held in other Public Companies	-	-	Vapi Real Estate Developer's Association
Membership / Chairmanships of Committees of other public Companies (Includes only Audit and Stakeholders Relationship Committee)	-	-	-
Number of Shares held in the Company	387540	-	-
Relationship between Directors inter se	Mr. Gautam D. Shah – Husband	N.A.	N.A.

For other details such as number of meetings of the Board attended during the year, remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>th</sup> ANNUAL REPORT 2018-19



### STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013. :

#### I. General Information:

1. Nature of industry: The Company is engaged into manufacturing of Kraft Paper (Testliner and Multilayer Testliner).
2. Date of commencement of commercial production: The Company carries on manufacturing business since 1997.
3. Financial performance bases on given indicators:

(Rs. In Lakh)

Particulars	2018-19	2017-18
Profit (Loss) after Tax	2,312.86	825.41
Net worth	12,409.00	10,143.36
Earnings per share (In Rs.)	43.18	15.41
Turnover	26,947.64	25,269.63

4. Foreign investments or collaboration, if any: None

#### II. Information about appointee:

1. Background details:

Name	Gautam D. Shah	Bela G. Shah
Designation	Managing Director	Executive Director
Father's /spouse name	Dhansukhlal G. Shah	Gautam D. Shah
Nationality	Australian	Australian
Date of Birth	24/08/1964	25/03/1965
Qualifications	BE Civil	Bachelor degree in science with Mathematics
Experience	over 31 years' experience	over 18 years' experience

2. Past remuneration:

Managerial remuneration (Includes Salary, Commission and Provision for leave encashment and gratuity) paid to Managing Director Rs. 180.33 lakh and Executive Director Rs. 180.63 lakh for the financial year 2018-19.

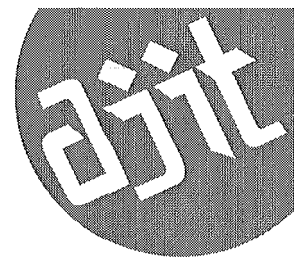
3. Recognition or awards: None

4. Job profile and suitability: The Managing Director is responsible for the management of day to day affairs of the Company subject to superintendence, control and direction of the Board of Directors of the Company.

The Executive Director is responsible for strategic planning for expansion/diversification of Company's business, general and commercial administration and such other duties as entrusted to her by the Managing Director from time to time subject to superintendence, control and direction of the Board of Directors of the Company.

# SHREE AJIT PULP AND PAPER LIMITED

## 24<sup>th</sup> ANNUAL REPORT 2018-19



5. Remuneration proposed: Details of remuneration proposed for approval of the Shareholders at this 24th Annual General Meeting of the Company are as provided in the respective explanatory statements.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Compared to the industry average and the size of the Company, the remuneration proposed to be paid is reasonable.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any: In addition to the remuneration and perquisites paid to them as Managing Director and Executive Director, they are both promoters and also relatives.

### III. Other Information:

1. Reason of loss or inadequate profits and steps taken or proposed to be taken for improvement: The Company has been earning profits over last many years. However the profitability of the Company may be adversely impacted in future due to unfavorable business environment and hence the payment of minimum remuneration as per Schedule V of the Companies Act, 2013 is proposed in case of inadequate profit in any one year. The Company is passing the Special Resolutions pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018.
2. Steps taken or proposed to be taken for improvement: Not Applicable
3. Expected increase in productivity and profits in measurable terms: The Company has earned the profit after tax of Rs. 2,312.86 lakh for the year ended 31st March, 2019 and the Company is expected to continue to perform well in future.

### IV. Disclosures:

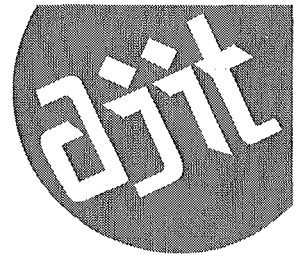
The Disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pension, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Board's Report under head "Corporate Governance Report" forming part of the Annual report 2018-19. The Company has not granted any stock options to its Directors.

For and on behalf of the Board of Directors

Place: Vapi  
Date: 28<sup>th</sup> May, 2019  
Registered Office:  
Survey No. 239, Near Morai Railway Crossing,  
Village Salvav, Via-Vapi- 396191, Gujarat.  
CIN: L21010GJ1995PLC025135  
Tel: 0260 6635700, Fax: 0260 2437090  
Email: investors@shreeajit.com  
Website: www.shreeajit.com

Gautam D. Shah  
Chairman and Managing Director  
DIN: 00397319

**SHREE AJIT PULP AND PAPER LIMITED**  
**24<sup>th</sup> ANNUAL REPORT 2018-19**



**Route Map to the Venue of the 24th AGM of the Company**

