

## NOTICE

**Notice** is hereby given that the Thirty Second Annual General Meeting of the Members of National Plastic Industries Limited (CIN:L25200MH1987PLC044707), will be held on Friday, September 20, 2019 at 4.30 p.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off. Western Express Highway, Andheri (East), Mumbai - 400069 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2019 the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mr. Paresh Vinod Parekh (DIN: 00432673), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **4. Appointment of Mr. Nipun Shah, as an Independent Director**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable Regulations and schedules and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment for the time being in force) Mr. Nipun Shah (DIN: 00195076) who was appointed by the Board of directors as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, any one director or Chief Financial Officer or Company Secretary of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

#### **5. Appointment of Mr. Purnachandra Rao Dendukuri, as an Independent Director**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable Regulations and schedules and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment for the time

being in force) Mr. Purnachandra Rao Dendukuri (DIN: 06907588) who was appointed by the Board of directors as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, any one director or Chief Financial Officer or Company Secretary of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. **APPROVAL FOR PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBERS OF PROMOTER GROUP OF THE COMPANY IN EXCESS OF THRESHOLD LIMITS AS PER SEBI (LODR) (AMENDMENT) REGULATIONS, 2018**

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** approval of the Company be and is hereby accorded pursuant to Regulation 17(6)(e)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the continuation of payment of aggregate annual remuneration as per existing terms and conditions as approved by the shareholders to Mr. Paresh V. Parekh, Managing Director, Mr. Ketan V. Parekh, Joint Managing Director, Mr. Harsh P. Parekh, Whole-time Director of the Company who are promoters/members of the promoter group, notwithstanding their aggregate annual remuneration exceeding 5 percent of the Net Profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, till the expiry of their respective current term.

**RESOLVED FURTHER THAT** all the existing terms and conditions of remuneration including salary and other perquisite payable to the aforesaid Directors shall remain unchanged

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid terms from time to time.”

7. **APPROVAL OF THE REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. N. Ritesh & Associates, Cost Accountants (Firms Registration No. R100675) appointed by the Board of Directors as Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year 2019-2020 be paid a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only)

**RESOLVED FURTHER THAT** the Board of Directors of the Company 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.”

**By the order of Board of Directors  
For National Plastic Industries Limited**

**Date : 12<sup>th</sup> August, 2019  
Place : Mumbai**

**Sd/-  
PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**Registered Office:**

Office No. 213,214 & 215, 2<sup>nd</sup> Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai – 400069.  
Tel: +91 22 67669999.  
fax: +91 22 67669998  
Email: investor@nationalplastic.com  
Website: www.nationalplastic.com

**NOTES**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the business at item no. 4 to 7 above is annexed hereto and forms as a part of the notice.
2. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the person seeking re-appointment and appointment as Director under Item No. 3,4 and 5 of the Notice is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
  
A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. The Annual Report will also be available on the website of the Company at www.nationalplastic.com in the Investors section.
7. The Register of Members and the Share Transfer Books shall remain closed from Saturday, September 14, 2019 to Friday, September 20, 2019 (both days inclusive), for the purpose of payment of Dividend and Annual General Meeting (AGM) of the Company.

8. Subject to the provisions of the Companies Act, 2013 ('the Act'), dividend as recommended by the Board of Directors for the year ended March 31, 2019, if declared at the AGM, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on September 13, 2019. The final dividend is Re. 1/- per equity share.
9. All the Members are requested to:
  - i. bring their copies of the Annual Report and the duly filled in Attendance Slip for attending the Annual General Meeting.
  - ii. send their queries with respect to the accounts and operations of the Company at least 10 days in advance so that the required information can be made available at the meeting.
  - iii. Address all the correspondence relating to dividends, transfer and transmission of shares, change in their registered address, to the Company's Registrar and Transfer Agents, Sharex Dynamic (India) Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400083.
  - iv. Members holding shares in the electronic form are advised to inform change in address and updates of bank account details directly to their respective depository participant(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
  - v. Quote their Folio No. / DP ID and Client ID No. in all their correspondence with the Registrar and Share Transfer Agents.
  - vi. Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio
10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode as a link to all the Members whose email address is registered with the Company or the Depository Participant(s), unless any Member has requested for the hard copy of the same. For members who have not registered their email address, physical copies of the Notice of AGM, Annual Report and Attendance Slip are being sent in the permitted mode.
11. The route map showing directions to reach the venue of the AGM is set out in the Report.
12. In case of Joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
13. **VOTING THROUGH ELECTRONIC MEANS:**
  - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means through remote e-voting platform provided by Central Depository Services (India) Limited [CDSL]. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper
  - II. 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.
  - III. The remote e-voting period commences on September 17, 2019 (9:00AM) and ends on September 19, 2019 (5:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 13, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**IV. The process and manner for remote e-voting are as under:**

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

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- c. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. 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.
- f. If you are a first time user follow the steps given below

	<b>For Members holding shares in Demat Form and Physical Form</b>
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.</li> </ul> <p>For example: If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</p>
Dividend Bank Details <b>OR</b> 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> <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 (d).</li> </ul>

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. 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.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for National Plastic Industries Limited on which you choose to vote.
- k. 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.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- m. 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.
- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p. 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.
- q. 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, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- r. **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 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) and/or to [ashishlalpuria@yahoo.co.in](mailto:ashishlalpuria@yahoo.co.in)
  - 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
- V. 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) or contact CDSL at 022-23023333.
- VI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- VIII. Mrs. Jayshree A. Lalpuria, Practicing Company Secretary (Membership No. 17629) of Jayshree A. Lalpuria & Co. has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



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- XI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.nationalplastic.com](http://www.nationalplastic.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- XII. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date i.e September 13, 2019.
- XIII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 13, 2019, may obtain the login ID and password by sending a request [investor@nationalplastic.com](mailto:investor@nationalplastic.com).
14. The Securities and Exchange Board of India has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f 1<sup>st</sup> April, 2019. Accordingly the Company and its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
15. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with the bankers only on receipt of necessary information. The Members holding shares in electronic form may instruct their DP's accordingly.
16. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Sharex Dynamic (India) Private Limited (RTA) C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400083, Tel. No.: 022 2851 5606, website: [www.shareindia.com](http://www.shareindia.com).
17. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank details, NECS, Mandates, Nominations, power of attorney etc to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited.
18. Those members who have so far not encashed their dividend warrants for below mentioned financial years, may claim or approach the company or Registrar and Share Transfer Agents as mentioned above for the payment thereof, as the same will be transferred to Investor Education Protection Fund (IEPF) established pursuant to section 125(1) of the Companies Act, 2013 if a member does not claim amount for a consecutive period of seven years or more.

Financial Year ended	Due Date of Transfer
2011-12	November 01, 2019
2014-15	November 05, 2022
2015-16	October 29, 2023
2016-17	October 29, 2024
2017-18	October 25, 2025

In accordance with section 124(6) of the Act read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended time to time, if a member does not claim the dividend amount for consecutive period of seven years or more, then the shares held by him/ her shall be transferred to Demat account of IEPF authority. However, both

unclaimed dividend and shares transferred to IEPF authority can be claimed from IEPF authority by making an online application in the prescribed form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) and by sending the physical copy of the same duly signed along with requisite documents to the company at the registered office for verification of the claim. The Company Secretary acts as the Nodal Officer for IEPF matters.

19. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 19, 2018 (date of last Annual General Meeting) on the website of the Company ([www.nationalplastic.com](http://www.nationalplastic.com)), as also on the website of the Ministry of Corporate Affairs.
20. For receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically, the members, who have not registered/updated their e-mail address so far, are requested to register/update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form and who are desirous of receiving the communications/documents in electronic form are requested to promptly register their e-mail addresses with the Company.
21. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2018-2019, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

Further, Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact RTA for lodging claim for refund of shares and / or dividend from the IEPF Authority

**Please note that as a valued shareholder of the Company, you are always entitled to receive, on request, a printed copy of the Annual Report and all other documents as stated above, free of cost.**

**By the order of Board of Directors  
For National Plastic Industries Limited**

**PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**Date : 12<sup>th</sup> August, 2019  
Place : Mumbai**

**Registered Office:**

Office No. 213,214 & 215, 2<sup>nd</sup> Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai – 400069.  
Tel: +91 22 67669999.  
fax: +91 22 67669998  
Email: [investor@nationalplastic.com](mailto:investor@nationalplastic.com)  
Website: [www.nationalplastic.com](http://www.nationalplastic.com)



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

The following statement sets out all material facts relating to special business mentioned in the Notice:

### **Item No. 4:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company, the Board of Directors (the Board) has appointed, Mr. Nipun Shah as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 who would hold office upto the date of the ensuing Annual General Meeting. Further he was also appointed as Independent Director for a period of five years subject to approval of Members of the Company.

Mr. Nipun Shah is Chartered Accountant qualified with B. Com of India. Mr. Nipun shah has participated in several corporate finance activities including due diligence investigations, transaction and tax structuring, valuation and business restructuring. Mr. Shah has 25 years of audit experience covering listed Companies, privately owned Companies, government Companies, bank and mutual fund, shipping Companies & logistic Companies, pharmaceutical, media & entertainment, realty & construction, airlines & trust Audit.

Brief profile of Mr. Nipun Shah as stipulated under Regulation 36(3) of the SEBI Listing Regulations is given as an annexure to this Notice.

Mr. Nipun Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has also received a declaration from Mr. Nipun Shah stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, Mr. Nipun Shah fulfils the conditions for his appointment as an Independent Director as specified in the Act. Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Mr. Nipun Shah as an Independent Director, not liable to retire by rotation. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Mr. Nipun Shah as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company on all working days (Monday to Friday) during business hours, upto the date of the Annual General Meeting.

Except Mr. Nipun Shah, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members

### **Item No. 5:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company, the Board of Directors (the Board) has appointed, Mr. Purnachandra Rao Dendukuri as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 who would hold office upto the date of the ensuing Annual General Meeting. Further he was also appointed as Independent Director for a period of five years subject to approval of Members of the Company.

Mr. Purnachandra Rao Dendukuri is a Bachelor of Commerce and CAIIB from the Indian Institute of Bankers. Mr. Rao was associated with Corporation Bank for around 40 years. Mr. Rao has wide experience in credit marketing and recovery and resolution process to restructure the borrower accounts.

Brief profile of Mr. Purnachandra Rao Dendukuri as stipulated under Regulation 36(3) of the SEBI Listing Regulations is given as an annexure to this Notice.

Mr. Purnachandra Rao Dendukuri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has also received a declaration from Mr. Purnachandra Rao Dendukuri stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, Mr. Purnachandra Rao Dendukuri fulfils the conditions for his appointment as an Independent Director as specified in the Act. Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Mr. Purnachandra Rao Dendukuri as an Independent Director, not liable to retire by rotation. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Mr. Purnachandra Rao Dendukuri as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company on all working days (Monday to Friday) during business hours, upto the date of the Annual General Meeting.

Except Mr. Purnachandra Rao Dendukuri, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members.

**Item No. 6:**

The recent Amendments carried out to Regulation 17(6)(e)(ii) of the SEBI (LODR) (Amendment) Regulations, 2018 specifies that approval of members by Special Resolution is required for payment of aggregate annual remuneration to Executive Directors of the Company who are promoters/members of the promoter group exceeding 5 percent of the Net Profits of the Company. Mr. Paresh Parekh, Managing Director, Mr. Ketan Parekh, Joint Managing Director and Mr. Harsh Parekh Wholetime Director are Executive Directors of the Company who are promoters/members of the promoter group.

The shareholders have approved remuneration payable within the limits as prescribed at that time as per Companies Act, 2013, while approving the appointment of Mr. Paresh V. Parekh and Mr. Ketan V. Parekh on September 19, 2018 and to Mr. Harsh P. Parekh on September 20, 2017, which is in excess of 5% of the net profits of the Company in aggregate. This necessitates seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their respective term, in order to comply with the above mentioned newly introduced Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

Mr. Paresh Parekh, Mr. Ketan Parekh, Mr. Harsh Parekh and their relatives are deemed to be concerned or interested in the resolution, except the abovementioned Directors, none of the Directors or Key Managerial Personnel of the Company are concerned or interested in the aforesaid Special Resolution.

The Board recommends the passing of Special Resolution as set out in the Item No. 6 of the Notice for approval of the members.

**Item No. 7:**

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s N. Ritesh & Associates, Cost Accountants (Firms Registration No. R100675) to conduct the audit of the Cost Records of the Company for the financial year 2019-2020. In terms

## NATIONAL PLASTIC INDUSTRIES LIMITED

of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor along with the reimbursement of expenses incurred towards the audit is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought to approve the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the Resolution at Item No. 6 of the accompanying Notice for approval by the Members.

**By the order of Board of Directors  
For National Plastic Industries Limited**

**Date : 12<sup>th</sup> August, 2019**

**Place : Mumbai**

**PARESH VINOD PAREKH**

**CHAIRMAN**

**(DIN: 00432673)**

**Registered Office:**

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