

**Annexure II to Directors' Report**  
**CORPORATE GOVERNANCE REPORT**

**1. Company's Philosophy on Code of Governance**

It is the consistent conviction of the company that sound and strong corporate governance leads to durable substance of business and generate long term value all stake holders. In pursuance of this, the company has been pursuing corporate governance practices based on professional excellence, business ethics and transparency. The Company believes that good corporate governance goes much beyond to fulfilling the statutory requirements, but is also a projection towards the sound formulation of a distinct corporate culture. The Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to the sound corporate governance principles and practices. The Company believes that corporate governance is more about creating organizational excellence leading to increased satisfaction of all stakeholders.

**2. Board of Directors and Board Meetings:**

Company's Board of Directors as at 31<sup>st</sup> March, 2019 comprises Five Directors three of them are independent and non-executive. The Composition is as under:

Name	Category	No of outside Directorship held		Committee Member ship	Committee Chairman ship
		Public	Private		
Mr. Akash Kagliwal	Executive	9	10	-	-
Mrs. Ashu Jain	Non-Executive Women Director	-	3	-	-
Mr. Omprakash Sharma	Non-Executive & Independent	3	-	-	-
MrsJeevanlataKagliwal	Non-Executive Director	4	9	-	-
Mr. Shrirang Agrawal	Non-Executive & Independent	8	3	2	-

**Meeting and Attendance record of each Director**

During the year ended 31<sup>st</sup> March 2019, six meetings of the Board were held on the following date:

(1) 30-05-2018 (2) 30-07-2018 (3) 31-08-2018 (4) 31-10-2018 (5) 31-01-2019 (6) 25.03.2019

The attendance record of the Directors at the Board Meetings held during the year ended 31<sup>st</sup> March, 2018 and the last Annual General Meeting (AGM) of the Company are as under:

Name of the Director	Board Meetings	Last AGM ( Y/N)
Mr. Akash Kagliwal	5	Yes
Mrs. Ashu Jain	5	Yes
Mr. Omprakash Sharma	6	Yes
Mrs Jeevanlata Kagliwal	-	No
Mr. Shrirang Agrawal	6	Yes

**3. Audit Committee**

The Audit Committee met five times during the year ended 31<sup>st</sup> March 2019 on

(1) 31<sup>st</sup> May 2018 (2) 30<sup>th</sup> Jul 2018 (3) 31<sup>st</sup> Aug 2018 (4) 31<sup>st</sup> Oct 2018  
(5) 31<sup>st</sup> Jan 2019

The Constitution of the committee as at 31.03.2019 and the attendance of each member are given below:

Name of the Director	No. of Meetings attended
Mr. Akash Kagliwal	5
Mr. Omprakash Sharma	5
Mr. Shrirang Agrawal	5

Two members of the Committee are non-executive and independent. He has adequate knowledge of Accounts, Audit, and Finance. Mr. Shrirang Agrawal Independent Director is the Chairman of the committee.

Audit Committee meetings are also attended by Company's Vice President (Finance) and CEO.

The Role of the Audit Committee include:

- To review the company's financial reporting process and financial statements.
- To review the accounting and financial policies and practices.
- To review the efficacy of the internal control mechanism and monitor the management policies adopted by the company and ensure compliance with regulatory guidelines.
- To review reports furnished by the internal and statutory auditors and ensure that suitable action is taken.
- To examine accountancy, taxation and disclosure aspects of all significant transactions.

Review of information by Audit Committee:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

#### 4. Remuneration Committee

Remuneration Committee comprises of non-executive Directors namely

Mrs. Ashu Jain  
Mr. Shrirang Agarwal

#### Remuneration to Directors

The Non-Executive Independent directors, sitting fees for attending the meetings of the Board of Directors as below.

Name	Status	Sitting Fees Rs
Mrs. Ashu Jain	Non-Executive women Director	25,000
Mr. Om Prakash Sharma	Non-Executive Independent	25,000
Mr. S.S.Agarwal	Non-Executive Independent	25,000
Mrs Jeevanlata Kagliwal	Non-Executive Director	Nil

#### Remuneration to Managing Director

The Managing Director's remuneration is subject to compliance of Schedule XIII of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956. The Board on the recommendation of the Remuneration committee considers the remuneration of Managing Director. The Board recommends the remuneration of the Managing Director for approval of the Shareholders, at the Annual General Meeting or any such other authority as may be required.

The table below shows the details of remuneration paid to Managing Director of the Company during the financial year 2017-2018

Director's Name	Salary Rs
Mr. Akash Kagliwal	2760000

#### 5. Shareholders / Investors Grievance Committee

The Shareholders / Investors Grievance Committee comprised one executive and one non-executive Director; the committee met four times on

(1) 30<sup>st</sup> May 2018      (2) 30<sup>th</sup> Jul 2018      (3) 31<sup>st</sup> Oct 2018      (4) 31<sup>st</sup> Jan 2019

During the year ended 31st March, 2019. The Constitution of the committee as on 31.03.2018 is given below:

Name	Status	Meeting attended
Mr.Akash Kagliwal	Executive	5
Mr. Shirang Agrawal	Non-executive	5

**The committee deals with matters relating to:**

- Transfer/ transmission of shares
- Review of shares dematerialized and all other related matters
- Monitoring of expeditious redressal of investors' grievances
- Other matters relating to shares

Company's shares are compulsorily traded in dematerialized form and have to be delivered in dematerialized form in all Stock Exchanges. To expedite transfers in physical segment, authority has been delegated to the Investor Relations committee of the Board.

There were no share transfers/ complaints pending disposal as on 31st March, 2019.

**Compliance officer**

**Mr. Sushant Kulkarni-Company Secretary**

Nath Pulp & Paper Mills Limited  
NathHouse,Paithan Road –Aurangabad-Maharashtra-431005  
Tel Nos: 0240-2376314, 2376315 Fax: 0240-2376762

**Mr. K.G. Iyer–Authorised Representative**

Address: Nath House, Paithan Road, Aurangabad -431005  
Tel Nos: 0240-2376314, 2376315 Fax: 0240-2376762

No of Shareholders' Complaints received during the year	7
No. of complaints solved to the satisfaction of the Shareholders	7
No. of pending complaints	Nil

**6. Annual General Meetings**

Meeting	Day and Date	Time	Place
43 <sup>rd</sup> Annual General Meeting 2017-18	Friday 28 <sup>th</sup> Sep 2018	02PM	Nath House, Nath Road, Aurangabad
42 <sup>nd</sup> Annual General Meeting 2016-17	Friday 29 <sup>th</sup> Sep 2017	11 AM	Nath House, Nath Road, Aurangabad
41 <sup>st</sup> Annual General Meeting 2015-16	Friday 30 <sup>th</sup> Sep 2016	11 AM	Nath House, Nath Road, Aurangabad

During the year 2018-19 no resolution has been passed through Postal Ballot. Presently there is no proposal to pass any Special Resolution by postal ballot.

**7. Extraordinary General Meeting:**

The Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') has passed order on 23.08.2018 and directed a meeting to be held of equity Shareholders on 09.10.2018 for the purpose of considering, and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement and Amalgamation between Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited and Rama Pulp and Papers Limited and their respective Shareholders as per the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013. The Scheme was passed with requisite majority by Equity Shareholders of the Company in the said meeting.

**8. Disclosure of material transactions and penalties to the Board**

There are no materially significant related party transactions, i.e., transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that would be prejudicial to the interest of the Company.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the period under review.

## 9. Means of Communication

Although, half yearly report is not sent to each household of shareholders, Company has submitted the quarterly results to Bombay Stock Exchange.

Newspapers normally published in	Business Standard & Lokpatra
Website where displayed	Bseindia.com
Whether it displays official news release and presentations made to Institutional Investors or analysts	NA
Whether Management Discussion and Analysis is part of the annual report or not	Yes

## 10. General Shareholders Information

### (a) Annual General Meeting

Date and time	30 <sup>th</sup> September, 2019 At 02.00 P.M.
Venue	Nath House, Paithan Road Aurangabad
Pin	431005
Financial Year	2018-2019

### (b) Book Closure

The register of the shareholders of the Company will remain closed on 27<sup>th</sup> Sept 2019 to 29<sup>th</sup> Sept 2019, both days inclusive

### (c) Financial Calendar (tentative)

Financial reporting for the quarter ending 30th June ,2019	by 15 <sup>th</sup> Aug 2019
Financial reporting for the quarter ending 30th September , 2019	by 31 <sup>st</sup> October 2019
Financial Reporting for the quarter ending 31st December , 2019	by 31 <sup>st</sup> January 2020
Financial reporting for the quarter ending 31st March 2020	by 31 <sup>st</sup> May 2020
Annual General meeting for the year ending 31 <sup>st</sup> March 2020	by 30 <sup>th</sup> Sept 2020

### (d) Listing on Stock Exchanges and ISIN No.

The Company's equity now stands as 9,000,000 equity shares, which are presently listed on Bombay Stock Exchange Ltd. The Company has paid annual listing fees of Bombay Stock Exchange for the financial year 2018-19. Scrip code 502407 BSE ISIN No. INE776A01017

### (e) Stock Market Price Data

Month	High Price	Low Price	Month	High	Low
Apr-2018	54.00	41.00	Oct-2018	70.00	50.35
May-2018	49.00	36.00	Nov-2019	82.40	59.10
Jun-2018	45.00	32.00	Dec-2018	85.00	67.00
Jul-2018	53.90	36.20	Jan-2019	92.00	63.10
Aug-2018	74.00	42.00	Feb-2019	76.95	51.50
Sep-2018	88.40	51.00	Mar-2019	71.50	60.00

Source-BSE web site: [www.bseindia.com](http://www.bseindia.com)

### (f) Category of Shareholders as on 31.03.2019

Category	No. of Shares (Issued equity)	Percentage
Promoters	7354170	81.71
Indian Financial Institutions / Banks / Mutual Funds	119443	1.33
Foreign Institutional Investors /NRIS'	10927	0.06
Others	1515460	16.90
<b>Total</b>	<b>9000000</b>	<b>100.00</b>

**(g) Registry and Transfer activity**

As per SEBI guidelines the Registry and share transfer activities is being handled by M/s. Big Share Services Private Limited. The Share Transfer requests received in physical form are normally registered within 30 days from the date of receipt, provided all the documents are valid and complete in all respect. Company has arrangement with National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL) for demat facilities. The Demat status of the equity shares as on 31.03.2019 is as follows:

Shares in Demat mode with NSDL: 7844554  
Shares in Demat mode with CDSL: 955719  
Shares in physical mode : 199727

**(h) Address for Investor Correspondence**

<b>Registered Office:</b> Nath Pulp & Paper Mills Limited Nath House Paithan Road Aurangabad Maharashtra-431003	<b>Plant Location:</b> Nath Pulp & Paper Mills Limited Nath Nagar (North) At,Post: Wahegaon Taluka-Paithan Dist: Aurangaabad-Maharashtra
<b>Registrar and Share Transfer Agent:</b> Big Share Services Pvt. Ltd. 1 <sup>st</sup> Floor, Bharat Tin Works Building Opp.Vasant Oasis, Makwana Road, Marol, Andheri (E) Mumbai-Maharashtra-400059	<b>DEMAT ISIN Number in NSDL &amp; CDSL for Equity Shares:</b> Scrip code 502407 BSE ISIN No. INE776A01017

**(i) Compliance Certificate of The Auditors**

Certificate from the Company's Auditors, M/s. Gautam N Associates, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated in Chapter IV of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges, is attached to this Report.

**(j) CEO and CFO Certification**

The Executive Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulations, 2015. The annual certificate given by the Executive Director and the Chief Financial Officer is attached to this Report.

**(k) Compliance with Code of Conduct**

As Stipulated under the provisions of Regulation 34(3) read with Part D of Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended on March 31, 2019.

**For and on behalf of the Board**

**Place: Aurangabad  
Date: 31<sup>st</sup> August 2019**

**Ashu Jain  
Director  
DIN No: 00243310**