

## REPORT ON CORPORATE GOVERNANCE

### I. MANDATORY REQUIREMENTS

#### 1. Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to make an earnest endeavor for increasing the level of transparency, accountability and equity in all its dealings with customers, suppliers, shareholders, lenders and employees. In widest sense we believe that it is our responsibility to adhere and enforce sound principles of Corporate Governance and your Company believes in the same

#### 2. Board of Directors

##### A) Composition

The Board of Directors of the Company are eminent and persons with professional expertise which includes vast knowledge in the fields of finance, taxation, law and management

The Board of Directors of the Company as on 31st March 2014 consists of 9 members comprising:

- Four Directors in the whole-time employment of the Company
- Five Non-Executive Directors out of which four are independent Directors, having experience in fields of business, finance, legal and management.
- The Chairman of the Board is a Non-Executive Director

##### B) The Composition and Category of the Directors are as under :

As on 31st March, 2014

Name of Director	Category of Director	Directorships held in other Companies*		Committee Memberships Held on other Companies**	
		As Director	As Chairman	As Member	As Chairman
Mr. Sajjan Jindal	Non-Executive	6	-	-	-
Mr. Saket Kanoria	Executive	-	-	-	-
Mr. K.K.Kanoria	Executive	-	-	-	-
Mr. Sudhir Merchant	Non-Executive	2	-	-	-
Mr. C.M.Maniar	Non-Executive	8	-	5	-
Mr. Atul Sud	Non-Executive	-	-	-	-
Mr. Pradip Kumar Khaitan	Non-Executive	14	-	4	-
Mr. Rishav Kanoria	Executive	-	-	-	-
Mr. S. G. Nanavati	Executive	-	-	-	-

\* Excludes Directorships held in Private Limited companies, Foreign Companies, Companies U/s 25 of the Companies Act, 1956 and Memberships of Managing Committees of various Chambers / Institutions.

\*\* Memberships/Chairmanships of Audit Committee and Shareholders' Grievance Committee have been considered.

##### C) Board Meetings held during the year :

During the Financial period ended 31st March 2014, four Board Meetings were held on 07.05.2013, 24.07.2013, 29.10.2013 and 30.01.2014.

##### D) Attendance of Directors at Board Meetings and last Annual General Meeting:

Name of Director	Board Meetings Attended	Attendance at last AGM 24th July 2013
Mr. Saket Kanoria	4	Yes
Mr. K.K. Kanoria	3	Yes
Mr. Sudhir Merchant	4	Yes
Mr. C.M. Maniar	4	Yes
Mr. Atul Sud	4	No
Mr. Pradip Kumar Khaitan	2	Yes
Mr. Rishav Kanoria	4	Yes
Mr. S. G. Nanavati	4	Yes

**E) Particulars of following Directors retiring by rotation and seeking re-appointment have been given in the Notice convening the 26th Annual General Meeting**

Sr. No.	Name of Directors	Remarks
1.	Mr. Sajjan Jindal	Retires by rotation and seeks for re-appointment.
2.	Mr. S. G. Nanavati	Retires by rotation and seeks for re-appointment.

**3 Audit Committee**

**A) Composition**

The Board of Directors of the Company constituted an Audit Committee comprising 3 Independent Non-Executive Directors viz. Mr. Atul Sud, Mr.C.M. Maniar and Mr.Sudhir Merchant. All the members of the Audit Committee are financially literate. Mr. Pravin Karambelkar is the Secretary of the Audit Committee.

Mr. Atul Sud is the chairman of Audit Committee

**B) Terms of Reference**

Broad terms of reference of the Audit Committee are to review with the Management and/or Internal Auditors and/or Statutory Auditors in the following areas:

- i) Overview of the Company's financial reporting process and financial information disclosures.
- ii) Review with Management, the annual financial statement before submission to the Board.
- iii) Review with Management, External and Internal Audit Reports, the adequacy of internal control systems.
- iv) Recommending the payment and remuneration of external auditors, fixation of Audit Fee and also approval for payment of any other services.
- v) Discussion with the Internal Auditors for any significant findings and follow up thereon
- vi) Significant adjustments made in the financial statements arising out of Audit findings.

**C) Meetings and Attendance during the year :**

During the financial period ended 31st March 2014, 4 meetings were held on 07.05.2013, 24.07.2013, 29.10.2013 and 30.01.2014 and the attendance were as under:

Name of Director	Meetings Attended
Mr. Sudhir Merchant	4
Mr. C.M. Maniar	4
Mr. Atul Sud	4

**4. Remuneration Committee :**

**A) Composition**

The Remuneration Committee of the company comprises of three Independent Non-Executive Directors viz. Mr.C.M.Maniar, Mr. Atul Sud and Mr. Sudhir Merchant.

**B) Meetings and Attendance during the year**

During the period ended 31st March 2014 meeting was held on 7th May 2014.

The Chairman of the Remuneration Committee if be present at the Annual General Meeting of the Members then he shall answer the shareholders' queries, if any.

The remuneration paid to the Directors of the Company during the financial year ended 31st March 2014 is as under :

(₹ in lacs)

Name of the Directors	Sitting Fees	Salary	Perquisites	Bonus/ Ex-gratia	PF contribution	Commission	Total
Mr. Sajjan Jindal, Chairman	0.05	-	-	-	-	-	0.05
Mr. Saket Kanoria, Managing Director	-	42.00	2.07	4.32	5.04	15.00	68.43
Mr. K. K. Kanoria, Whole-time Director	-	33.00	11.32	3.24	3.96	10.00	61.52
Mr. Rishav Kanoria, Executive Director	-	11.76	3.15	1.15	1.41	5.00	22.47
Mr. Sudhir Merchant, Director	0.65	-	-	-	-	-	0.65
Mr. C. M. Maniar, Director	0.65	-	-	-	-	-	0.65
Mr. Atul Sud, Director	0.65	-	-	-	-	-	0.65
Mr. Pradip Kumar Khaitan, Director	0.15	-	-	-	-	-	0.15
Mr. S.G. Nanavati - Executive Director	-	24.13	2.55	1.02	1.07	-	28.77

The appointments of Managing Director, Whole-time Director & Executive Directors are governed by the resolution passed by the Board as per the recommendations of Remuneration Committee which covers the terms and conditions of such appointment, subject to final approval by the members. No severance fee is payable.

## 5. Shareholders' / Investors' Grievance Committee

### A) Composition

The Shareholders'/Investors' Grievance Committee comprises of three Independent Non-Executive Directors viz. Mr.C.M.Maniar, Mr. Atul Sud and Mr. Sudhir Merchant. The Committee looks into Redressal of shareholders / investors' complaints. Mr. S.G. Nanavati – Executive Director has been designated as the Compliance Officer.

### B) Meetings and Attendance during the year

During the financial period ended 31st March 2014 meetings were held on 07.05.2013, 24.07.2013, 29.10.2013 and 30.01.2014 and the Attendance were asunder:

Sr.No.	Name of Director	Meetings Attended
1	Mr. C.M.Maniar	4
2	Mr.Sudhir Merchant	4
3	Mr. Atul Sud	4

### C) Status of Transfers

During the year ended 31st March 2014, 15444 shares in physical form were processed for transfer. There were no pending shares for transfer as on 31st March 2014.

### D) Complaints

During the year ended 31st March 2014, the Company received 22 complaints from the shareholders which are relating to non-receipt of share certificates /dividend warrants/annual reports/change of address and non-receipt of duly transferred shares etc. and the same were duly redressed

## 6. General Body Meetings

### A) Particulars of last three Annual General Meetings :

AGM	Year Ended	Venue	Date	Time
25th	31st March 2013	Sunville Deluxe Pavilion 9, Dr.Annie Besant Road Worli, Mumbai 400018	24.07.2013	04.30 p.m.
24th	31st March 2012	Sunville Deluxe Pavilion 9, Dr.Annie Besant Road Worli, Mumbai 400018	27.07.2012	04.00.p.m
23rd	31st March 2011	Sunville Deluxe Pavilion 9, Dr.Annie Besant Road Worli, Mumbai 400018	30.06.2011	04.30.p.m

### B) Particulars of last three Extra-ordinary General Meetings

Purpose	Venue	Date	Time
a) Issue of Warrants on preferential allotment basis	Shiv Smriti, 49, Dr.Annie Besant Road, Worli, Mumbai 400018.	06.12.2010	10.30 am
a) Increase in Authorized Share Capital from ₹ 8.50 crores to ₹10.00 crores.	Sunville Deluxe Pavilion 9, Dr.Annie Besant Road, Worli, Mumbai 400018	30.11.2009	10.30 am
b) Issue of Warrants on preferential allotment basis.			
a) Issue of Equity Shares on preferential allotment basis.	Sunville Deluxe Pavilion 9, Dr.Annie Besant Road, Worli, Mumbai 400018	24.09.2007	11.30 am
b) Increase in Authorized Share Capital from ₹ 7.50 crores to ₹8.50 crores.			

### C) Particulars of Special Resolution passed at last three Annual General Meetings.

AGM	Date	Matter
25th	24.07.2013	(i) Reappointment of Managing Director and increase his remuneration (ii) Reappointment of Whole-time Director and increase his remuneration (iii) Appointment of Executive Director and fix his remuneration
24th	27.07.2012	(i) No Special Resolution was passed
23rd	30.06.2011	(i) Allotment of 550000 Warrants to Promoters/Promoter Group (ii) Conversion of 700000 Warrants and allotment of shares of in lieu thereof

### D) Voting by Postal Ballot

At the ensuing AGM, no resolution is proposed to be passed through the postal ballot.

## 7. Disclosures

- A) The Company did not have any materially significant related party transactions, which may have potential conflict with the interest of the Company.
- B) During the period ended 31st March 2014, the Company has transferred ₹2,32,433/- being the amount of unclaimed dividend for the year 2005-2006 to Investors Education and Protection Fund.
- C) While preparation of the financial statements, no accounting treatment, which is different from the prescribed in an Accounting Standard, was followed.
- D) The Company has laid down the procedure to inform the Board Members about the risk assessment and minimization procedures.
- E) During the year ended 31.3.2014, there were no transactions with any of the Non-Executive Directors except for the payment for attending Board Meetings and other Committee Meetings.
- F) There was no material, financial and commercial transaction where the Senior Management of the Company had personal interest that may have potential conflict with the interests of the company at large.

## 8. Means of Communication

The Quarterly, Half Yearly and Yearly Financial Results of the Company are sent to the Stock Exchanges immediately after their approval at the Board Meetings. These Results were published in leading financial/non-financial newspapers on 09/05/2013, 26/07/2013, 31/10/2013 & 01/02/2014. These results are simultaneously posted on the Website of the Company at [www.tcpl.in](http://www.tcpl.in)

## 9. Code of Conduct

The Company has adopted a Code of Conduct for Board Members and Senior Management Executives with effect from 31st December 2005. The same is applicable to all Directors and Senior Executives of the Company in the grade of Sr. Vice Presidents, General Managers, Functional Heads (Senior Management Executives). The same has been posted on the Web-site of the Company.

Management Discussions and Analysis is separately given and forms part of the Report.

## 10. General Shareholder information

### A) Annual General Meeting

Date : 1st August, 2014

Time : 4.30 p.m.

Venue : Sunville Deluxe Pavilion, 9, Dr. Annie Besant Road, Worli, Mumbai 400018

### B) Financial Calendar 2014-15

First quarter results : By 14.08.2014

Second quarter results : By 15.11.2014

Third quarter results : By 14.02.2015

Annual results for the year ending on 31st March 2015 : By 30.05.2015

Annual General Meeting for the year 2014-15 : By 30.09.2015

**C) Book Closure**

From 21.07.2014 to 01.08.2014 (both days inclusive). Dividend, if declared at the AGM, will be paid on or after 06.08.2014.

**D) Listing of Shares & Other Securities**

Company's shares are presently listed at the Stock Exchange, Mumbai and Ahmedabad. The Company has paid the listing fees to these exchanges.

**E) Stock Code:**

(a) Trading Symbol at Stock Exchange, Mumbai (Physical Segment) - 23301

Stock Exchange, Mumbai (Demat Segment) - 523301

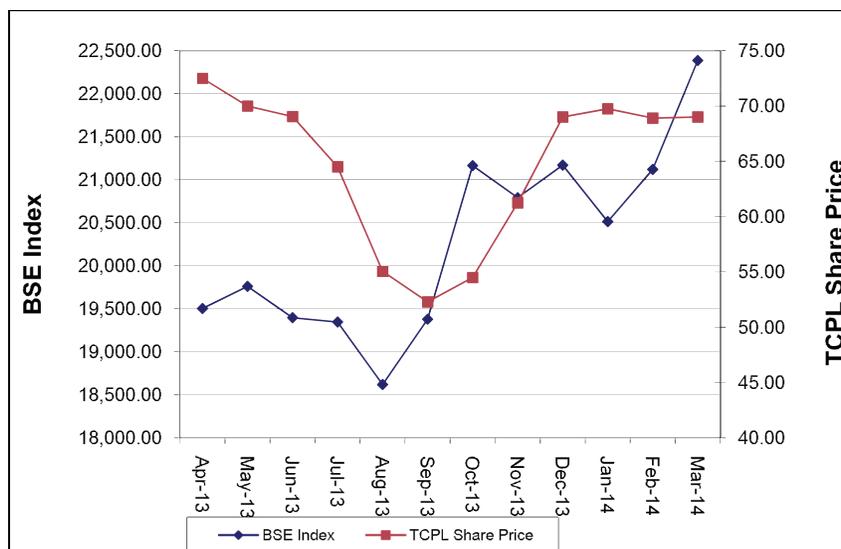
Stock Exchange, Ahmedabad - 61990

(b) Demat ISIN number in NSDL & CDSL Equity Shares INE822C01015

**(F) Market Price Data:**

The details of high/low market price of the shares at the Stock Exchange, Mumbai are as under:

Month	Highest			Lowest	
	Year	Rate (₹)	Date	Rate (₹)	Date
April	2013	76.70	08.04.2013	65.00	11.04.2013
May	2013	75.00	30.05.2013	68.00	22.05.2013
June	2013	74.80	03.06.2013	66.25	14.06.2013
July	2013	73.90	12.07.2013	59.00	31.07.2013
August	2013	67.70	01.08.2013	53.25	16.08.2013
September	2013	57.95	10.09.2013	51.65	23.09.2013
October	2013	56.70	10.10.2013	51.70	10.10.2013
November	2013	69.00	27.11.2013	54.50	01.11.2013
December	2013	69.00	31.12.2013	61.30	01.12.2013
January	2014	73.50	23.01.2014	66.25	20.01.2014
February	2014	72.45	13.02.2014	65.00	06.02.2014
March	2014	73.00	14.03.2014	65.00	19.03.2014



### G) Share Transfer Agents

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S.Marg, Bhandup (W),  
Mumbai 400078.  
Tel: +91 22-25963838 Fax: +91 22-25946969  
Email :mumbai@linkintime.co.in

### H) Share Transfer System

The Company's shares are traded in the stock exchanges compulsorily in demat mode. The transfer of shares in physical mode are processed by the Registrar and Transfer Agents and subject to exercise of option under compulsory transfer-cum-demat procedure, the share certificates are either dematerialized or returned within the time, prescribed by authorities. In case of objections, the share certificates along with the transfer deeds are returned within the time, prescribed by authorities. In case of objections the share certificates along with the transfer deeds are returned within two weeks. The Company conducts through competent professionals, periodical audit of share transfer system and securities issued.

### I) Distribution of Shareholding as on 31st March 2014

The shareholding distribution of Equity Shares as on 31st March 2014:

Shares Holding Range(s)		Holding		Equity Shares Held	
From	To	Number	Percentage	Number	Percentage
Up to	500	4819	90.82	709841	8.16
501	1000	226	4.26	176006	2.02
1001	2000	130	2.45	194065	2.23
2001	3000	38	0.72	98828	1.14
3001	4000	16	0.30	55042	0.63
4001	5000	15	0.28	68561	0.79
5001	10000	23	0.43	160080	1.84
10001	& above	39	0.73	7237577	83.19
<b>Total</b>		<b>5306</b>	<b>100.00</b>	<b>8700000</b>	<b>100.00</b>

### J) Shareholding Pattern as on 31st March 2014

	Folios	Percentage	Equity Shares	
			Number	Percentage
Promoters	14	0.26	4997624	57.44
Non-Resident Individuals	26	0.49	101328	1.17
Bodies Corporate	86	1.62	1161488	13.35
Mutual Funds	3	0.06	3600	0.04
HUF	22	0.41	15427	0.18
Clearing & Market Maker	15	0.28	6785	0.07
Others	5140	96.87	2413748	27.75
<b>Total</b>	<b>5306</b>	<b>100.00</b>	<b>8700000</b>	<b>100.00</b>

### K) Dematerialization of Shares:

94.09% (8185867 shares) of total equity shares of 87,00,000 are held in dematerialized form with NSDL & CDSL as on 31.03.2014

**L) Plant Locations**

- i. Plot No. 2D, 3A, 3B, 12, 13C, 13D, 17, 18, 21A, 22, 118 & 119 Government Industrial Estate, Masat, Silvassa, Union Territory of Dadra & Nagar Haveli 396230.
- ii. Plot No. 1 & 2, Sector 6A and Plot.No. 51 & 52, Sector 02, Integrated Industrial Estate, BHEL, Haridwar 249403.
- iii. Shed No. 1, 2 & 3 Plot No 124 to 127A, Kundaim Industrial Estate, Kundaim, Goa – 403115.
- iv. Plot No. 19, Industrial Growth Centre, Chayagoan, Village Chatabari, Dist. Kamrup Rural, Assam 781123.

**M) Investor Correspondence :****TCPL Packaging Ltd.**

Shiv Smriti Chambers  
49, Dr.Annie Besant Road  
Worli, Mumbai 400018  
Phone: +9122 66606006  
Fax: +9122 24935893  
Email: info@tcpl.in

**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (W) Mumbai 400078  
Phone: +9122 25963838  
Fax : +9122 25946969  
Email : mumbai@linkintime.co.in

**N) Non-Mandatory Requirements****1. Expenses pertaining to the office of the Chairman of the Board**

The Company is not incurring any expenses for maintaining the Non-Executive Chairman's Office.

**2. Remuneration Committee**

The Company has a Remuneration Committee in place.

**3. Audit qualification**

The Company at present does not have any audit qualification pertaining to the financial statement.

**4. Shareholders' rights**

The Company is not sending half yearly declaration of financial performance including the summary of significant events in the last six months to the shareholders. However, the financial performance of the company is well placed and also displayed on Company's Website. The Company furnishes the quarterly and half yearly results on receipt of requests from the shareholders.

**5. Training of Board Members**

The Company at present does not have any facilities for training of Board Members in the Business Model of the Company as well as the Risk Profile of the business parameters of the Company, their responsibilities as directors, and the best ways to discharge them.

**6. Mechanism for evaluating non-executive Board Members**

The Company does not have any mechanism for evaluating the performance of Non-Executive Directors by a peer group.

**7. Whistle Blower Policy**

The Company has an effective Whistle Blower Policy.

**11. CEO/CFO Certification**

The Company is getting certification of the Board from the CEO/CFO in accordance with the provisions of Clause 49 (V) of the Listing Agreement. The aforesaid certificate duly signed by the CEO/CFO in respect of the Financial Year ended 31.3.2014 has been placed at the Meeting of Board of Directors held on 30.05.2014.

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## **INDEPENDENT AUDITORS' REPORT ON CORPORATE GOVERNANCE**

To the Members of TCPL Packaging Limited

We have examined the compliance of the conditions of Corporate Governance by **TCPL PACKAGING LIMITED** ("the Company"), for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **For SHAH GUPTA & CO**

Chartered Accountants  
Firm Registration No.: 109574W

Vipul K Choksi, Partner  
M. No.37606  
Place: Mumbai  
Date : 30th May, 2014