



THE INDIAN WOOD PRODUCTS COMPANY LTD

CIN : L20101WB1919PLC003557

Regd Off : 9 Brabourne Road, 7th Floor, Kolkata – 700 001

Tel No.: +91 8232023820; Fax No.: +91 33 22426799; Email ID: iwpcal1@cal2.vsnl.net.in

Website : www.iwpkatha.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Member(s)

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the “Rules”) to seek approval of the shareholders of The Indian Wood Products Company Limited (the Company”) to the appended resolutions through Postal Ballot. The explanatory statements pertaining to the proposed resolutions setting out the material facts and the reasons thereof along with the Postal Ballot Form and postage pre-paid envelope are also enclosed hereto.

The Board of Directors of the Company (the “Board”) at its meeting held on December 30, 2017, has appointed Mr. Md. Shahnawaz, Practicing Company Secretary (ACS: 21427 CP: 15076) as the Scrutinizer for conducting the postal ballot and e-voiting process in a fair and transparent manner.

The Company, in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Act read with Rule 20 of the Rules, is pleased to provide the members with the facility to exercise their right to vote on the proposed resolutions as set out hereinafter by electronic means i.e. through e-voiting services provided by National Security Depository Limited (NSDL). Members desire to exercise their vote using e-voiting facility are requested to read carefully the notes/instructions for e-voting annexed to this notice. Members’ desire to exercise their vote through physical postal ballot form can send their assent (FOR) or dissent (AGAINST) in writing on the Postal Ballot Form attached herewith.

Members are requested to return the form duly completed and signed, in the attached self address business reply envelop so as to reach the Scrutinizer on or before the close of working hours i.e. by 5 p.m. on Wednesday, February 14, 2018. Please note that any postal ballot form(s) received after the said date and time will be treated as if reply from such member has not been received.

The Scrutinizer will submit his report to the Chairman or to any other Director of the Company as authorised by the Chairman, after the completion of the scrutiny. The result of postal ballot shall be declared on February 15, 2018 at 1.00 PM at the Registered Office of the Company and will be communicated to the Stock Exchange, the Depository and the Registrar and Share Transfer Agent and would also be displayed on Company’s website at www.iwpkatha.com. The resolutions, if approved, will be taken as passed on the date of declaration of results.

1. **Amendment in the Object Clause of the Memorandum of Association of the Company**

To consider and, if though fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013(the Act) and the rules framed thereunder including any statutory modification or re-enactment thereof, for the time being in force, and subject to necessary approvals, if any, as may be required in this regard from appropriate authorities, the consent of the members of the Company be and are hereby accorded to amend the Object Clause i.e. Clause 3 of the Memorandum of Association of the Company by inserting the following new sub-clause 2A after the existing sub-clause 2 in the Clause 3 of the Memorandum of Association of the Company.



2A. To carry on the business of purchase, sale, deal, trade, manufacture, export and / or import all kinds of food products, ingredients and all kind of spices including processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, condoles, lemon drops, chocolate, toffees, tinned fruits, chewing gum, bubble gum, detergents, tea and coffee, vegetables, fruits, jams, jelly, pickles, squashes, nutrient, health and diet foods / drinks, extruded foods, confectionery items, sweets, cereals products and any other food products in and outside India and to carry in India or elsewhere the business to process, prepare, disinfect, compound, mix, clean wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract refine, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, collaborator, stockists, liasioner, middleman, export house, job worker or otherwise to deal in all types and descriptions, of spices, foods, and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, squashes, pickles, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, cream, cheese, butter and all other items whether natural, artificial or synthetic.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper and expedient in this regard.”

2. Re-appointment of Mr. Krishna Kumar Mohta (DIN 00702306) as Whole Time Director designated as Chairman and 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** in accordance with the provision of Section 196, 197 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and are hereby accorded to the re-appointment of Mr. Krishna Kumar Mohta (DIN: 00702306) as Whole Time Director designated as Chairman and Managing Director of the Company, liable to retire by rotation, for a period of 3 (Three) years w.e.f. 1st April, 2018 to March 31, 2021 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the limits provided under this resolution as mentioned in the explanatory statement attached hereto and subject to the limits laid down in Section 197 of the Act read with Schedule V of the Act and subject to the approval of the Central Government, whenever necessary, and subject to the requisite approvals, if any, being obtained.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper and expedient in this regard.”



3. Re-appointment of Mr. Bharat Mohta (DIN 00392090) Whole Time Director designated as CEO of the Company

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

“RESOLVED THAT in accordance with the provision of Section 196, 197 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and are hereby accorded to the re-appointment of Mr. Bharat Mohta, (DIN: 00392090) as Whole Time Director designated as Chief Executive Officer of the Company, liable to retire by rotation, for a period of 3 (Three) years w.e.f. 1st April, 2018 to March 31, 2021 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the limits provided under this resolution as mentioned in the explanatory statement attached hereto and subject to the limits laid down in Section 197 of the Act read with Schedule V of the Act and subject to the approval of the Central Government, whenever necessary, and subject to the requisite approvals, if any, being obtained.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper and expedient in this regard.”

4. Re-appointment of Mr. Krishna Kumar Damani (DIN 01385252) as Whole Time Director designated as 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 in accordance with the provision of Section 196, 197 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (Including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the company be and are hereby accorded to the re-appointment of Mr. Krishna Kumar Damani, (DIN: 01385252) as Whole-Time Director designated as Executive Director of the Company, liable to retire by rotation, for a further period of 3 (Three) years w.e.f. April 15, 2018 to April 14, 2021 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to vary, alter, increase, enhance or widen the terms and conditions of appointment and the remuneration payable to the appointee, from time to time, as they may in their discretion deem fit within the limits provided under this resolution as mentioned in the explanatory statement attached hereto and subject to the limits laid down in Section 197 of the Act read with Schedule V of the Act and subject to the requisite approvals, if any, being obtained.



RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper and expedient in this regard.”

**By Order of the Board
For The Indian Wood Products Co. Ltd.
Sd/-
Anup Gupta
Company Secretary**

**Place: Kolkata
Date: 30.12.2017**

NOTES:

1. The explanatory statements pursuant to section 102 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder in respect of the businesses set out above are annexed hereto.
2. The Board of Directors of the Company has appointed Mr. Md. Shahnawaz, Practicing Company Secretary (ACS 21427 CP: 15076), 16A Abdul Hamid Street, 5th Floor, Room No. 501, Kolkata - 700069 as Scrutinizer for conducting the Postal Ballot/E-voting process in a fair and transparent manner.
3. The Postal Ballot Notice is being sent to the Members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories on December 29, 2017 and 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 December 29, 2017. The Postal Ballot Notice is being sent in electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Members.
4. The business set out in the Notice may be transacted through electronic voting system. The Company is pleased to provide you the facility of voting through electronic means in terms of the provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) amendment Rules, 2015 and as per Regulation 44 of LODR 2015.
5. Member(s) desirous of exercising vote through electronic means are requested to carefully follow the instructions given in this Postal Ballot Notice. The voting through electronic means will commence on Tuesday, January 16, 2018 at [9:00 A.M. IST] and will end on Wednesday, February 14, 2018 at [5:00 P.M. IST]. The members will not be able to cast their vote electronically beyond the date and time mentioned above.
6. Member(s) desirous of exercising vote by Postal Ballot Form is requested to carefully read the instructions printed on the Postal Ballot Form. The duly completed Postal Ballot Form is to be sent in the self-addressed Business Reply Envelope to the Scrutinizer not later than the close of working hours on Tuesday, February 14, 2018 at [5:00 P.M. IST]. All Postal Ballot Forms received after this date will be treated as if reply from such Member has not been received. Also no other Form or photocopy thereof is permitted. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent at the expense of the registered member will also be accepted.
7. Members can opt for only one mode of voting i.e. either Postal Ballot or e-voting. In case any Member votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
8. The Scrutinizer will submit the report to the Chairman after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman or anyone of the Directors of the Company, as may be



authorised by the Chairman on February 15, 2018 at the Registered Office of the Company. The results along with the Report will be posted on the website of the Company www.iwpkatha.com besides communicating to the Stock Exchanges where the shares of the Company are listed. The date of declaration of Postal Ballot results will be taken to be the date of passing the resolutions.

9. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to the Company Secretary, The Indian Wood Products Co. Ltd, 9, Brabourne Road, 7th Floor, Kolkata 700 001 or at email : iwpcal1@cal2.vsnl.net.in or any query pertains to electronic voting may be addressed to Mr. Rajiv Ranjan, Assistant Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013 or at email: rajivr@nsdl.co.in.
10. The Resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Forms or e-voting. The Scrutinizer's decision on the validity of a Postal Ballot form shall be final.
 - I. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder – Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of "The Indian Wood Products Co Ltd".
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csmdshah@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - i. User ID and Initial password is provided at the bottom of the Postal Ballot Form enclosed herewith with this Notice.



- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- ii. The Postal Ballot Notice shall be available on the website of the Company i.e. www.iwpkatha.com.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- iv. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- v. The period for e-voting starts at 9.00 a.m. on January 16, 2018 and ends at 5.00 p.m. on February 14, 2018, e-voting will be disabled by NSDL at 5.00 p.m. on February 14, 2018. During the period shareholder of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date December 29, 2017 may cast their vote electronically.
- vi. The Scrutinizer shall within a period not exceeding 48 hours from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit his report to the Chairman of the Company.

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

Item no. 1

The Company at present is engaged in the business of manufacturing of Katha & Cutch at Bareilly, (U.P.). The main raw material for manufacturing of Katha is Gambier. A significant portion of Company's Gambier requirement is being imported from Indonesia since last 15 years. Over these years, it has been experienced by the Company that Indonesia is also rich in various types of spices such as cardamom, clove, cinnamon, turmeric, chilly etc. which have a very good demand and market in India. Based on these understandings, a detailed feasibility study has been undertaken and it has been considered that the Company should diversify its activities in the trading of spices in local / overseas market including Indonesia by importing from Indonesia. The proposed amendment is in the interest of the Company and its shareholders.

The Board of Directors of the Company has approved the amendment in the Object Clause 3 of the existing Memorandum of Association (MOA) of the Company to include the business activities relating to dealing in spices. The Company presently deals in Katha which is an agro based products, and that spices are also agro produce. Thus, there will not be any change in the nature of Company's business.

A copy of the existing and proposed MOA would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours upto February 14, 2018.

The Board of Directors of the Company accordingly recommends, the Special Resolution regarding amendment in the Object Clause 3 of the existing Memorandum of Association as set out at Item No. 1 of the accompanying Postal Ballot Notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise in the resolution set out at item no. 1 of the Postal Ballot Notice.

Item no. 2

The Board of Directors of the Company has appointed Mr. Krishna Kumar Mohta (DIN 00702306) as Whole time Director designated as Chairman and Managing Director of the Company for a period of 1 year which will expire on 31st March, 2018.



Mr. Krishna Kumar Mohta is associated with the Company Since 1980. He is the main driving force in the Company's growth to the present level. Under his supervision, the Company has achieved new heights with better performance year after year. In order to retain and create enduring guidance for the Company, the Board of Directors, based on recommendation of Nomination and Remuneration Committee, at their meeting held on December 30, 2017 has approved re-appointment of Mr. K. K. Mohta as Chairman and Managing Director of the Company for a further period of 3 (Three) years i.e. with effect from April 1, 2018 to March 31, 2021, on terms and conditions, as contained in the agreement entered into between the Company and Mr. Krishna Kumar Mohta, and as mentioned hereunder:

(A) Salary - Rs. 10, 75,000/- per month.

In the scale of Rs. 10, 75,000/- - Rs.2,00,000/- - Rs. 3,00,000/- - Rs. 15, 75,000/-

(B) Perquisites:

Category A:

1. Housing: House Rent Allowance at the rate of 30% of salary.
2. Medical Reimbursement and Leave Travel Assistance, for self and family as per the rules of the Company and same shall be reimbursed to the extent of 15% of the Salary towards such expenses. However the amount so reimburse shall be subject to Income Tax Rules, 1962.
3. Personnel Accident Insurance – Of an amount the premium of which shall not be exceeding Rs. 35,000/- Per Annum.
4. Club Fees - Fees of two club. This will not include admission and life member fees.

Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity shall be as per the rules of the Company.
- Encashment of leave as per the rules of the Company.

Category C:

- Car, telephone at residence and mobile phone for use on Company's business.
- The Chairman will also be entitled reimbursement of entertainment expenses, on actual basis, incurred in the legitimate course of business of the Company subject to a ceiling of Rs.3,00,000/- per annum.

Mr. Krishna Kumar Mohta so long as he functions as Chairman and Managing Director shall not be paid any sitting fees for attending meeting of the Board of Directors or Committees thereof.

The Company shall remunerate Mr. Mohta by way of salary, perquisites or any other allowance as specified above as minimum remuneration during the term of his appointment, subject to the limit specified under Schedule V of the Companies Act, 2013, and with the approval from the Central Government as and when required.

The remuneration as aforesaid approved by the Board for 3 (Three) years is based on the recommendation of the Nomination and Remuneration Committee subject to the approval of Shareholders and shall be within the maximum limits as specified in Schedule V to the Companies Act, 2013, as amended from time to time till 31st March, 2019 and thereafter with the prior approval of Central Government. In case his remuneration is revised by the Board of Directors which requires approval of Central Government and the Central Government approval is not obtained / received, he shall be paid remuneration as approved hereby during his remaining tenure as minimum remuneration.

As Mr. Mohta has attained 70 years of age, his appointment is proposed through a Special Resolution as set out in item no. 2 in the notice seeking approval of the members for his re-appointment and payment of remuneration to him.

A brief resume and a statement as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, SS 2 - Secretarial Standard on General Meetings, and Section II, Part II of the Schedule V of the Companies Act, 2013, is attached herewith and marked as annexure A.

The agreement entered into for re-appointment of Mr. Krishna Kumar Mohta would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours upto February 14, 2018.

Mr. Krishna Kumar Mohta and Mr. Bharat Mohta are interested in the said Resolution. Except them, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

Item no. 3

The members are informed that on the recommendation of the Board the members had approved the appointment of Mr. Bharat Mohta, (DIN 00392090) as Whole time Director, on May 11, 2015 for a period of 3 (Three) years w.e.f. April 1, 2015. Further on April 13, 2017 again his remuneration and designation was revised for remaining period. Presently Mr. Bharat Mohta, Whole Time Director designated as CEO of the Company and his term will be expiring on March 31, 2018.

Mr. Bharat Mohta is associated with the Company Since 1995 and has contributed a lot in the Company's growth to the present level. Taking into consideration the increase in business activities of the Company and the responsibilities entrusted upon Mr. Bharat Mohta, the Board of directors based on recommendation of Nomination and Remuneration Committee at their meeting held on December 30, 2017 has approved re-appointment of Mr. Bharat Mohta as CEO of the Company for a further period of 3 (Three) years i.e. with effect from April 1, 2018 to March 31, 2021, on terms and conditions, as contained in the agreement entered into between the Company and Mr. Bharat Mohta and as mentioned here under:-

- a) Salary Rs. 9, 25,000/- per month
in the scale of Rs. 9,25,000/- - Rs. 2,25,000/- – Rs. 3,50,000/- ---- Rs. 15,00,000/-

(B) Perquisites:

Category A:

1. Housing: House Rent Allowance at the rate of 50% of salary.
2. Medical Reimbursement and Leave Travel Assistance, for self and family as per the rules of the Company and same shall be reimbursed to the extent of 15% of the Salary towards such expenses. However the amount so reimburse shall be subject to Income Tax Rules, 1962.
3. Personnel Accident Insurance – Of an amount the premium of which shall not be exceeding Rs. 35,000/- Per Annum.
4. Club Fees - Fees of one club. This will not include admission and life member fees.

Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity shall be as per the rules of the Company.
- Encashment of leave as per the rules of the Company.

Category C:

- Car, telephone at residence and mobile phone for use on Company's business.
- The CEO will also be entitled reimbursement of entertainment expenses, on actual basis, incurred in the legitimate course of business of the Company subject to a ceiling of Rs.3,00,000/- per annum.



Mr. Bharat Mohta so long as he functions as CEO shall not be paid any sitting fees for attending meeting of the Board of Directors or Committees thereof.

The Company shall remunerate Mr. Mohta by way of salary, perquisites or any other allowance as specified above as minimum remuneration, during the term of his appointment subject to the limit specified under Schedule V of the Companies Act, 2013 and with the approval from the Central Government as and when required.

The remuneration as aforesaid approved by the Board for 3 (Three) years is based on the recommendation of the Nomination and Remuneration Committee subject to the approval of Shareholders and shall be within the maximum limits as specified in Schedule V to the Companies Act, 2013, as amended from time to time till 31st March, 2019 and thereafter with the prior approval of Central Government. In case his remuneration is revised by the Board of Directors which requires approval of Central Government and the Central Government approval is not obtained / received, he shall be paid remuneration as approved hereby during his remaining tenure as minimum remuneration.

Mr. Bharat Mohta is looking after the overseas business for procurement of Gambier from Indonesia, which is the main raw material of the Company. Since, he joined the Company, the Company, is regularly getting quality raw material at competitive price resulting in decrease in cost of production and increase profitability of the Company. As such it is felt that the company should pay him suitably within the overall permissible limit as prescribed under the Companies Act, 2013, as amended and the period where the payments are above the permissible limits will be paid with the prior approval from the Central Government. The proposed Special Resolution set out in item no. 3 in the notice seeking approval of the members for the re-appointment and payment of remuneration to him

A brief resume and a statement as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SS 2 - Secretarial Standard on General Meetings, and Section II, Part II of the Schedule V of the Companies Act, 2013, is attached herewith and marked as annexure A.

The agreement entered into for re-appointment of Mr. Bharat Mohta would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours upto February 14, 2018.

Mr. Bharat Mohta and Mr. Krishna Kumar Mohta are interested in the said Resolution. Except them, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

Item no. 4

The Board of Directors of the Company has appointed Mr. Krishna Kumar Damani (DIN 01385252) as Whole Time Director designated as Executive Director of the Company for a period of 1 year which will expire on 14th April, 2018.

Mr. Krishna Kumar Damani is associated with the Company Since 1998. He is also one of the main driving force in the Company's growth to the present level as he is entrusted with the overall production and improvement in the quality of Katha at plant level. Under his supervision, the Company has achieved a robust growth in terms of production year after year. During his tenure cost of production and other expenses reduced which in turn contributed to the profit of the Company. He has also contributed in maintaining harmony and peace with the workers at plant level. In order to retain and create enduring guidance for the Company at plant level, the Board of Directors, based on recommendation of Nomination and Remuneration Committee, at their meeting held on December 30, 2017 has approved re-appointment of Mr. K. K. Damani as Executive Director of the Company for a further period of 3 (Three) years i.e. with effect from April 15, 2018 to April 14, 2021, on terms and conditions, as contained in the agreement entered into between the Company and Mr. Krishna Kumar Damani, and as mentioned hereunder:



(A) Salary Rs. 6,25,000/- per month
in the scale of Rs. 6,25,000/- - Rs. 30,000/- – Rs. 35,000/- ---- Rs.6,90,000/-

(B) PERQUISITES:

Category A:

1. House- The Company will provide full furnished accommodation in the factory premises of the Company situated at Izatnagar, Bareilly (U.P.)
2. The expenditure incurred by the Company on Housing, electricity, water and furnishings will be evaluated as per the Income Tax Rules, 1962 subject to a ceiling of 10% of the Salary of the Executive Director.
3. Bonus: In accordance with the Rules of the Company.
4. Medical Reimbursement and Leave Travel Assistance, for self and family as per the rules of the Company and the same shall be reimbursed to the extent of 15% of the Salary towards such expenses. However the amount so reimburse shall be subject to Income Tax Rules, 1962.
5. Club Fees - Fees of one club. This will not include admission and life member fees.
6. Personnel Accident Insurance – Of an amount the premium of which shall not be exceeding Rs. 20,000/- Per Annum.

Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity shall be as per the rules of the Company.
- Encashment of leave as per the rules of the Company.

Category C:

Car, telephone at residence and mobile phone for use on Company's business.

Mr. Krishna Kumar Damani so long as he functions as Executive Director shall not be paid any sitting fees for attending meeting of the Board of Directors or Committees thereof.

The Company shall remunerate Mr. Damani by way of salary, perquisites or any other allowance as specified above as minimum remuneration during the term of his appointment, subject to the limit specified under Schedule V of the Companies Act, 2013.

The remuneration as aforesaid approved by the Board for 3 (Three) years is based on the recommendation of the Nomination and Remuneration Committee subject to the approval of Shareholders and shall be within the maximum limits as specified in Schedule V to the Companies Act, 2013, as amended from time to time.

As Mr. Damani is attaining the age of 70 years during the tenure, his appointment is proposed through a Special Resolution set out in item no. 4 in the notice seeking approval of the members for his re-appointment and payment of remuneration to him.

A brief resume and a statement as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SS 2 - Secretarial Standard on General Meetings, and Section II, Part II of the Schedule V of the Companies Act, 2013, is attached herewith and marked as annexure A.

The agreement entered into for re-appointment of Mr. Krishna Kumar Damani would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours upto February 14, 2018.



Except Mr Krishna Kumar Damani, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution.

By Order of the Board
For The Indian Wood Products Co. Ltd.
Sd/-
Anup Gupta
Company Secretary

Place: Kolkata
Date: 30.12.2017

ANNEXURE –A

(A) Brief resume of the Directors seeking appointment or re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SS 2 - Secretarial Standard on General Meetings.

Name of the Director	Mr. Krishna Kumar Mohta	Mr. Bharat Mohta	Mr. Krishna Kumar Damani
Date of Birth	24.01.1948	14.02.1975	17.08.1949
Date of Appointment	29.05.1980	30.10.2005	15.04.1998
Qualification	Bachelor of Science from Calcutta University	Bachelor of Commerce from Kolkata University & Business Diploma from ICFAI	B. Tech (Hons)
Relationship with Directors	Father of Shri Bharat Mohta	Son of Sri K. K. Mohta	Nil
Specialized Expertise	Mr. Mohta is an Industrialist and having 37 years experience in the Katha industry and has a quality of sound vision and leadership in the industry.	Mr. Mohta having a 12 year experience and expertise in the field of agricultural products and also vast experience in commercial and financial dealing	Chemical Engineer having an experience and expertise knowledge in the field for more than 41 years
No of Shares held in the Company	176320	758900	Nil
Chairman/Member of the Committee of the Board of Directors as on March 31, 2017	1(Chairman)	2 (Member)	1(Member)
Directorship in other Companies	1. Arvind Engineering Works Ltd. 2. Security Co. Ltd 3. Indian Glass & Electricals Ltd	1. Arvind Engineering Works Ltd. 2. Security Co. Ltd. 3. Indian Glass & Electricals Ltd.	Nil



(B) Statement as required Under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution at Item No. 2,3 & 4 of the Notice

I. General Information:

1. Nature of Industry: Pioneer manufacturer of Katha & Cutch.
2. Date or expected date of commencement of commercial production: Existing Company in operation since 1919.
3. In case of new companies, expected date of commencement of activities as per project approval by financial institution appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

(Rs. In Lacs)

Sl. No.	Particulars	2016 – 17 (12 Months)	2015 – 16 (12 Months)	2014 – 15 (12 Months)
1.	Turnover	17,971.70	11929.94	10147.27
2.	Profit/(Loss)before tax	1,771.73	490.11	393.96
3.	Net Profit/(Loss) after tax	1,105.98	371.17	262.58
4.	Paid-up share capital	640.03	160.23	137.13
5.	Reserves & Surplus	2846.31	2220.13	1773.07

5. Export performance and net foreign exchange collaboration: The export market of the company is not consistent and favourable for Katha. Cutch is fully exported either by the company or through third parties but the earning is not significant. The company is regularly importing Gambier which is the main raw material for its products. The earning is NIL and outgo of the same for the year 2016-17 was at Rs.68.33 crores.

II Information about i) Mr. Krishna Kumar Mohta ii) Bharat Mohta iii) Krishna Kumar Damani

1) Background details:

- i) Mr. Krishna Kumar Mohta is the promoter of the Company and is about 70 years. He possesses a bachelor degree in Science from Calcutta University. He joined the board in 1980 and in 1995 he was appointed and designated as Chairman of the company and w.e.f. 12th April, 2017 he was re-designated as Chairman and Managing Director of the Company. He is looking after the regular workings of company. He has work experience in the field of agricultural products, manufacturing of quality Katha and management. Presently he is whole time director designated as Chairman and Managing Director of the Company.
- ii) Mr. Bharat Mohta is also one of the promoters of the Company and is related to Mr. Krishna Kumar Mohta. He is about 42 years age and possesses a bachelor degree in Commerce from Calcutta University and having diploma in business administration from ICFAI. He joined the board in 2005. Since 2007 he was looking after the overseas business for procurement of Gambier from Indonesia, which is the main raw material of the company. With the increased in turnover and production the import of Gambier increased considerably and also his involvement in procuring better quality Gambier at competitive price. As such in 2017 the company decided to appoint him as Chief Executive Officer of the company. He is also entrusted to look after the joint ventures business of the Company along with supervising and giving guidance in commercial and financial dealing with banks. He has work experience in the field of agricultural products, procuring of quality raw material, information technology, and financial matters. Presently he is whole time director designated as CEO of the company.



- iii) Mr. Krishna Kumar Damani is a B. Tech. He is having more than 41 years of experience in the field of Chemical Engineering, manufacturing and management. He joined the board in 1998 and appointed as Whole Time Director designated as Executive Director of the Company. Since then he look after the day to day activities in Bareilly factory. His guidance and innovative ideas help in production process which resulting in increase in turnover of the Company. Presently he is whole time director designated as Executive Director of the company.

2) Past remuneration (Amount in Rs)

Financial Year	Mr. Krishna Kumar Mohta	Mr. Bharat Mohta	Mr. Krishna Kumar Damani
2016 – 17	82,43,072*	57,73,570*	18,49,633*
2015 – 16	70,52,144*	54,00,000*	15,18,733*
2014 – 15	20,83,320*	15,87,200*	14,00,233*

*excluding retiral benefits (PF and Gratuity)

- 3) Recognition and awards – Nil
- 4) Job Profile and suitability –
- Mr. Krishna Kumar Mohta, Chairman having entrusted with substantial powers of the management of business and affairs of the company. He has over 37 years experience in Katha industries and the business of his associates company. The company has been substantially benefited by his vision and professional knowledge. Mr. Krishna Kumar Mohta plays a major role in providing leadership and strategic inputs to the company.
 - Mr. Bharat Mohta, Whole Time Director also entrusted with powers to procure quality raw material and financial management of the company. He has over 12 years experience in the business of the company and the company has been suitably benefited by his professional knowledge and managerial expertise. He had played a major role in procuring finance for the working capital requirement of the company from banks and by his strategic planning the company was able to meet its financial requirement.
 - Mr. Krishna Kumar Damani also entrusted with power to look after all the activities in plant level. His innovative idea help in production process resulting in increased turnover year after year. He has 41 year experience in manufacturing process and the company has been suitably benefited by his professional knowledge and managerial expertise. He had played a major role in company's growth.
- 5) Remuneration proposed: - As stated in the explanatory statement to the special resolution at item no. 2, 3 & 4 in the notice.
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person – Since there is no organized sector in the industry and your company is the only company in the corporate sector. Hence comparative remuneration and profile are not available.
- 7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: - Mr. Krishna Kumar Mohta is the promoter director holding 176320 equity shares individually and 4488052 Equity shares through his relative and associates comprising 70.164 % of total paid up share capital of the company. Mr. Bharat Mohta individually holds 758900 equity share comprising 11.863% of total paid up share capital of the company Mr. Krishna Kumar Mohta and Mr. Bharat Mohta are the father and son respectively.



III Other Information

1. Reason of Loss or inadequate profit
 - A. The company is regularly making profit and paying dividend. However due to restriction imposed by the various state governments on sale of Gutka/Pan Masala industries for whom our product is the major raw material, the turnover of the company may effected which may be the main reason of inadequate profit.
 - B. As the availability of Khair wood in India is not sufficient to meet the growing demand. Moreover the sale of khair wood is done by state forest corporations which prefer the sale of the khair wood to their local units only which is also disadvantageous to the company's growth.
2. Step taken or proposed to be taken for improvement: The Company has been taking all measures within its control to maximize efficiencies and optimized cost to lower the cost of production. The Company has chalked out a road map to increase the profitability by reduction of cost, maximized the production and to increase sales by approaching new customers. By expanding the retails segment the company will become less dependent on the Pan Masala manufactures. Company has also taken a drive to approach retailers to increase its turnover. The company is also hopeful to contain or lower the financial cost by negotiating its bankers to reduce interest rates and thereby improving profitability.
3. Expected increased in productivity and profits in measurable terms:- The step have been undertaken or proposed to undertake to modernize and extension of plant capacity to increase the production which will certainly accelerate the growth and profitability of the company.
4. To overcome the disadvantage of not being located in Khair wood growing areas, the company is planning to import extracted Gambier from Indonesia through joint venture Company, where by the quality will substantially improve and cost will be optimized to a great extent. Gambier happens to one of the major raw material currently.

In view of the facts stated above it is difficult to forecast the productivity and profitability in measurable terms.

IV Disclosure

All the specified disclosure as required under this head in Section B of Schedule V of the Companies Act, 2013 shall be made in the Corporate Governance section of the Board report in the next Annual Report.

**By Order of the Board
For The Indian Wood Products Co. Ltd.**

Sd/-

Anup Gupta

Company Secretary

Place: Kolkata

Date: 30.12.2017