

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of Sonal Adhesives Limited will be held on Thursday, the September 28, 2017 at the Registered Office of the Company at Plot No. 28/1A, Takai-Adoshi Road, At PO Khopoli, Tal Khalapur, Dist Raigad, Khopoli – 410 203 at 2.00 p.m. (route map to the Venue of AGM is annexed with the Notice) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017 and the Statement of Profit / Loss Account for the year ended on that date and the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Mridu Sandeep Arora (DIN: 07260461), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider ratification of appointment of Auditor of the Company and, if thought fit, to pass without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and as recommended by Audit Committee of the Company, the appointment of M/s. Rohan Agrawal & Co., Statutory Auditors of the Company, who holds office until the conclusion of the 29th Annual General Meeting to be held in the year 2020, be and is hereby ratified by the members of the Company for the financial year 2017-2018 at such remuneration as may be determined by the Board of Directors of the Company.”

Special Business:

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

“RESOLVED THAT pursuant to Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and as recommended by Nomination & Remuneration Committee, the consent of the Members of the Company be and is hereby accorded for re-appointment and payment of remuneration of Mr. Sandeep Mohanlal Arora (DIN: 00176939) as Managing Director of the Company for a further period of three years w.e.f. June 01, 2017 at a remuneration of Rs. 75,000/- p.m. in the salary grade of Rs. 75,000/- p.m. to Rs. 3,00,000/- p.m. (all inclusive) with an authority to the Board of Directors to consider and give increment from time to time or on yearly basis within the grade as specified here above and on such other terms and conditions as the Nomination & Remuneration Committee or Board of Directors may decide and approve during the tenure of his re-appointment, subject to requisite approval as required under Schedule V Part II Section II B of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as the case may be necessary for the aforesaid purpose.”

For and on behalf of the Board
Sandeep Arora
Chairman & Managing Director
DIN: 00176939

Registered Office:

Plot No.28/1A, Takai-Adoshi Road
At PO Khopoli Tal, Khalapur
Dist Raigad, Khopoli - 410203
CIN: L02004MH1991PLC064045
Khopoli, August 11, 2017.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or member. Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.
2. The Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of special business as mentioned under item No. 4 in the above Notice is annexed hereto.

3. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 of person seeking appointment/ re-appointment as Director under Item No. 2 & 4 of this notice are also annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed for the purpose of Annual General Meeting (AGM) from Friday September 22, 2017 to Thursday, September 28, 2017 (both days inclusive).
5. Corporate Members are requested to send a duly certified copy of the Board resolution authorising their representatives to attend and vote at the AGM.
6. Members are requested to notify any change in their addresses to their Depository Participants in respect of their electronic share holding quoting Client ID no to the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt Ltd., at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra in respect of their physical shares, quoting folio Number.
7. Please note that your Company's Shares are compulsorily traded in Electronic Form. Your Company has already entered in the agreement with the National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL). Members who hold shares in physical form and desirous to convert them in De-materialized form may send letters along with the De-materialized Request Form (s) through the concerned Depository participant.
8. The Members who have not claimed Dividend / encashed their Dividend Warrants for the Dividend declared for the financial year 2009-10, 2010-11 & 2011-12 are requested to write/return the time barred dividend warrant to the Company for revalidation or issue of duplicate dividend warrant.
9. The Ministry of Corporate Affairs ("MCA") had issued Circulars stating that the service of notice / document by a company to its members can now be made through electronic mode for prompt receipt of communication, apart from helping avoid losses / delays in postal transit.

In view of the above, The Members who have not register their email addresses are requested to provide their valid e-mail id along with their folio no. / DP ID No & Client ID No and their residential address as under:-

(I) Through post at below addresses :-

- a) The Registrar and Transfer agent of the Company i.e. M/s. Link Intime India Pvt Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.

OR

- b) The Registered Office of the Company at Plot No.28/1A, Takai-Adoshi Road, At PO Khopoli Tal, Khalapur Dist, Raigad, Khopoli – 410203, Maharashtra.

OR

(II) Through email at:- investor@sonal.co.in

10. The facility for voting, either through electronic voting system or Ballot paper or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
11. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
12. Members can opt for only one mode of voting, i.e., either by polling paper or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
13. Members are requested to bring their attendance slip sent herewith duly filled for attending the meeting and copy of Annual Report to the Meeting.
14. **Voting through electronic means:**

In terms of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide its members the facility to exercise their votes on the items of business given in the notice through electronic voting system, to members holding shares as on Friday, the September 22, 2017 being the cut-off date ("Record date" for the purpose of said Rules) fixed for determining voting rights of members entitled to participate in the e-voting process through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The e-voting rights of the members/beneficiary owners shall be reckoned on the equity shares held by them as on Friday, the September 22, 2017.

A. The instructions for members voting electronically are as under:

- (i) The remote e-voting period commences on Monday, September 25, 2017 (9.00 a.m. IST) and ends on Wednesday, September 27, 2017 (5.00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, the September 22, 2017; may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the member casts the vote on a resolution, the member shall not be allowed to change it subsequently.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The members should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Members.
- (v) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat members as well as physical members) <ul style="list-style-type: none"> • 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.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • 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 (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant viz. Sonal Adhesives Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Members 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. Apple and Windows phone users can download the

app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Members and Custodians**

- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 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 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.

(xxi) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. General Instructions:

- The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, September 22, 2017.
- Mr. Prashant Diwan, Practising Company Secretary (Membership No. FCS 1403) has been appointed by the Company as the Scrutinizer to scrutinize the remote e-voting process and voting through ballot at the AGM in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, 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 make, within forty eight hours of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.sonal.co.in and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”) where the shares of the Company are listed.

15. The route map from Khopoli Bus Stand to Takai Adoshi Road is given hereunder. The prominent landmark for Takai Adoshi Road is Sanjivani Hospital.



EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013
Item No. 4:

The members of the Company at the Annual General Meeting held on September 29, 2014, had unanimously appointed Mr. Sandeep M. Arora as Managing Director of the Company for a period of three years i.e., from June 01, 2014 to May 31, 2017 and approved the payment of remuneration for the said period.

Further, the existing tenure of Mr. Sandeep Mohanlal Arora as Managing Director of the Company expired on May 31, 2017. Mr. Sandeep Arora has been associated with the day to day affairs of the Company. The Board of Directors at its meeting held on May 30, 2017 has re-appointed Mr. Sandeep Arora as Managing Director of the Company for a further period of three years with effect from June 01, 2017 to May 31, 2020 at a remuneration of Rs. 75,000/- p.m. in the salary grade of Rs. 75,000/- p.m. to Rs. 3,00,000/- p.m. (all inclusive) with an authority to the Board of Directors to give an increment from time to time or on yearly basis and on such terms and conditions as the Nomination & Remuneration Committee or Board of Directors may decide and approve during the tenure of his re-appointment and in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Act, 2013 subject to requisite approval as required under Schedule V Part II Section II B of the Companies Act, 2013.

The Board of Directors recommends this Special Resolution for your approval.

The brief profile of Mr. Sandeep Mohanlal Arora is annexed in the notice.

Except Mrs. Mridu Arora being a relative of Mr. Sandeep Arora, none of the Directors and/or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

STATEMENT AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V
I. GENERAL INFORMATION

1)	Nature of Industry	The Company's main business is of manufacturing adhesive tapes, plastic ropes, emulsions (adhesives)	
2)	Date or expected date of commencement of commercial production	Company started production in 1991	
3)	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.	
4)	Financial performance based on given indicators	Particulars	Year ended 31.03.2017 (Rs. in Lakhs)
		Total Revenue	2723.64
		Profit / (Loss) before Interest, depreciation and Tax	(360.79)
		Financial Expenses	3.38
		Depreciation & Amortization	76.23
		(Loss)/ Profit Before Tax	(440.40)
		Taxation for the year	(91.54)
		(Loss)/ Profit After Tax	(348.86)
		Deferred Tax Adjustment	-
		Net (Loss) Profit after Deferred Tax Adjustment	-
		Profit/(Loss) brought forward from previous year	87.57
		Balance carried forward	(261.29)
5)	Foreign investments or collaborators, if any	N.A.	

II. INFORMATION ABOUT THE APPOINTEE

Sr. No	Particulars	Mr. Sandeep Arora
1)	Background details	Mr. Sandeep Arora has a Bachelors degree in Business Administration (NYU).
2)	Past Remuneration	Rs. 75,000/- p.m.
3)	Recognition or awards	NIL
4)	Job Profile and suitability	He is having over 24 years of experience of business in manufacturing of adhesive tapes and plastic ropes.
5)	Remuneration proposed	Rs.75, 000/-p.m.
6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration compares favorably with that being offered to similarly qualified and experienced persons from industry and the professionals with an entrepreneurial background. The remuneration being proposed is considered to be appropriate, having regard to factors such as past experience, position held, their contribution as Managing Director to the growth of the Company, its business and its profitability and age and merits of both.
7)	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Sandeep Arora and Mrs. Mridu Arora are the promoters of the Company. They are related to each other as spouses. Mrs. Mridu Arora does not draw any remuneration from the Company.

III. Other Information

1)	Reasons of loss or inadequate profits	The ever changing domestic and international market conditions, high cost of materials and other manufacturing, selling & Administration expenses has resulted the Company into losses. New avenues of growth and production are continuously researched by the management.
2)	Steps taken or proposed to be taken for improvement	
3)	Expected increase in productivity and profits in measurable terms	

For and on behalf of the Board

Sandeep Arora
Chairman & Managing Director
 DIN: 00176939

Registered Office:

Plot No.28/1A, Takai-Adoshi Road
 At PO Khopoli Tal, Khalapur
 Dist Raigad, Khopoli - 410203
 CIN: L02004MH1991PLC064045
 Khopoli, August 11, 2017.

Details of Directors seeking appointment/ re-appointment furnished pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2.:

Name of Director	Mrs. Mridu Sandeep Arora	Mr. Sandeep Arora
Date of Birth	24/07/1976	23/09/1969
Age	41 Years	47 years
Date of Appointment	12/08/2015	14/09/2006
Qualifications	M.A.	Bachelors degree in Business Administration
Experience	more than 6 years	more than 24 years
Expertise in specific functional areas	Designing	Business & Administration
Terms and condition of appointment / re-appointment along with remuneration to be drawn	Retire by rotation: <ul style="list-style-type: none"> • Liable to retire by rotation. Duties: <ul style="list-style-type: none"> • To adhere as provided under Section 166 of the Act. Code of Conduct: <ul style="list-style-type: none"> • Abide by the Code of Conduct devised by the Company. 	Duties: <ul style="list-style-type: none"> • To adhere as provided under Section 166 of the Act. Code of Conduct: <ul style="list-style-type: none"> • Abide by the Code of Conduct devised by the Company. Remuneration: Remuneration paid was Rs. 75000 p.m. in the salary grade of Rs. 75,000/- p.m. to Rs. 3,00,000/- p.m. (all inclusive) w.e.f. June 01, 2017 to May 31, 2020
Relationship with other Directors, Manager and other KMP	Wife of Mr. Sandeep Arora, Managing Director of the Company	Husband of Mrs. Mridu Arora, Director of the Company
No. of Board meeting attended during the year	7	7
Directorships held in other companies (excluding foreign companies)	NIL	4
Memberships / Chairmanships of Committees of the Company	Member of Nomination and Remuneration Committee and Member of Stakeholder Relationship Committee of Sonal Adhesives Limited	Member of Audit Committee and Member of Stakeholder Relationship Committee of Sonal Adhesives Limited
Memberships / Chairmanships of Committees of the other Company	NIL	NIL
Number of shares held in the Company	NIL	NIL