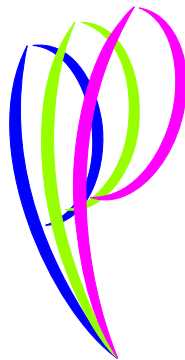


PUDUMJEE PULP & PAPER MILLS LIMITED



PUDUMJEE

Annual Report 2014 - 2015

PUDUMJEE PULP & PAPER MILLS LIMITED

DIRECTORS :

A.K. JATIA (Executive Chairman w.e.f. 01.06.2014)
V.O. SOMANI (Expired on 19.06.2015)
V.P. LEEKHA
S.K. BANSAL
B.C. DALAL
V.K. BESWAL
GAUTAM KHAITAN
NANDAN DAMANI
MS. PREETI MEHTA (w.e.f. 1.11.2014)
DR. ASHOK KUMAR (w.e.f. 2.03.2015)

BANKERS :

STATE BANK OF INDIA
IDBI BANK LIMITED
BANK OF INDIA
ING VYSYA BANK LTD.
(NOW, KOTAK MAHINDRA BANK LTD.)

SOLICITORS :

KANGA & COMPANY

AUDITORS :

KHARE & COMPANY

REGISTERED OFFICE :

THERGAON, PUNE 411 033.

REGISTRAR & TRANSFER AGENTS :

KARVY COMPUTERSHARE PVT. LTD.,
UNIT : PUDUMJEE PULP & PAPER MILLS LTD.,
KARVY SELENIUM TOWER B, PLOT NO 31 & 32
GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA,
SERILINGAMPALLY, **HYDERABAD – 500 032.**

DEMAT STOCK CODE :

INE606A01024

EQUITY SHARES ARE LISTED AT :

BSE LTD. & NATIONAL STOCK EXCHANGE OF INDIA LTD.

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTICE

The Fiftieth Annual General Meeting of the Shareholders of Pudumjee Pulp & Paper Mills Limited will be held at the Registered Office of the Company at Thergaon, Pune 411 033 on Saturday, the 19th day of September, 2015 at 12.00 noon (ST) to transact the following business :

- 1) To receive, consider and adopt the Audited standalone and consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015 comprising the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Ved Prakash Leekha (DIN: 00048568), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To declare a dividend on equity shares of the Company for the year 2014-2015.
- 4) To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the appointment of Messrs Khare & Co., Chartered Accountants (FRN 105100W), the Auditors of the Company from the conclusion of this meeting till the conclusion of 51st Annual General Meeting of the Company be and is hereby ratified on such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee”.

SPECIAL BUSINESS

- 5) To appoint a Director in place of Ms. Preeti Mehta who was appointed as an Additional Director of the Company with effect from 1st November, 2014 pursuant to Section 161 of Companies Act, 2013 and Article 126 of the Articles of Association and holds office only upto the date of this Annual General Meeting by reason of the provisions of Section 161 of the Companies Act, 2013 and being eligible offers herself for reappointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature to the office of a Director in accordance with the provisions of the Section 160 of the Companies Act, 2013 and if thought fit, to pass the following Resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Ms. Preeti Mehta (DIN: 00727923), who submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for reappointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) year with effect from 19th September, 2015 to 18th September, 2020”.

- 6) To appoint a Director in place of Dr. Ashok Kumar, who was appointed as an Additional Director of the Company with effect from 2nd March, 2015 pursuant to Section 161 of the Companies Act, 2013 and Article 126 of the Articles of Association and holds office only upto the date of this Annual General Meeting by reason of the provision of Section 161 of the Companies Act, 2013 and being eligible offer himself for reappointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature to the office of a Director in accordance with the provisions of the Section 160 of the Companies Act, 2013 and if thought fit to pass the following Resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or

re-enactment thereof for the time being in force), Dr. Ashok Kumar (DIN : 07111155) be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

- 7) To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the Act) and subject to such other approvals as may be necessary, Dr. Ashok Kumar (DIN: 07111155) be and is hereby appointed as an Executive Director of the Company for a period of Five (5) years with effect from 2nd March, 2015, AND THAT consent of the Company be and is hereby accorded to the following remuneration, payments, benefits and amenities for an initial period of 3 years and the terms of the appointment of Dr. Ashok Kumar, with a power to the Board of Directors to alter or vary from time to time at the discretion of Board of Directors, so however that they do not exceed the permissible limits laid down under Schedule V of the Act or any statutory modification(s) or re-enactment thereof for the time being in force, namely :

- a. He shall, subject to the supervision and control of the Board of Directors, perform such services and duties and exercise such powers as may from time to time be entrusted to him by the Board of Directors, Executives Chairman and Managing Director.
- b. Remuneration at the rate of ₹ 5,20,000/- per month including Dearness Allowance.
- c. Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of ₹ 1,65,000/- per month.
- d. Expenses of electricity, gas and water, furnishing, of the residential accommodation.
- e. Actual medical expenses including health insurance premium, hospitalization, nursing home charges, surgical charges, and travelling expenses incurred for himself, his wife and dependent children.
- f. Leave Travel Assistance to cover air and first class air conditioned railway fare for himself, his wife and dependent children once in a year to and from any place in India.
- g. Membership fees including entrance and other fees for any two clubs.
- h. Personal accident insurance premium.
- i. Participation in the Provident Fund and Pension/Superannuation Scheme.
- j. Gratuity as per the Company's rules applicable to its Executive staff members.
- k.
 - i) Annual leave with full pay and other benefits for a period of one month with benefit of encashment of unutilized leave at the end of the tenure.
 - ii) Sick and casual leave as per Company's rules applicable to its Executive staff members.
- l. Maintenance of telephone at his place of residence and Mobile Phones at the entire cost of the Company.
- m. Exclusive free use of a motor car for the business of the Company as well as for his personal use with full maintenance charges in respect thereof such as Chauffeur's salary, garage rent, fuel, repairs, insurance, taxes, overhauling, charges, etc. at the entire cost of the Company.

Provided that in the event of absence or inadequacy of profits in any year the said remuneration as stated in clause (b) above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year”.

- 8) To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :

PUDUMJEE PULP & PAPER MILLS LIMITED

“RESOLVED THAT in partial modification of special resolution passed at 49th Annual General Meeting held on 13th September, 2014 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the payment of following revised remuneration to Mr. Arunkumar Mahabirprasad Jatia (DIN : 01104256), Whole-time Director, designated as Executive Chairman with effect from 1st July, 2015 for the remaining period of his tenure upto 31st May, 2019 :

- (a) Remuneration at the rate of ₹ 6,50,000/- per month including Dearness Allowance.
- (b) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of ₹12,00,000/- per month.
- (c) Expenses on electricity, gas, water and furnishing of the residential accommodation.
- (d) Actual medical expenses including health insurance premium, hospitalization, nursing home charges, surgical charges in India or abroad and travelling expenses incurred for himself, his wife and dependent children.
- (e) Leave Travel Assistance to cover air or first class air-conditioned railway fare for himself, his wife and dependent children once in a year to and from any place in India and abroad.
- (f) Membership fees including entrance and other fees for any two clubs.
- (g) Personal accident insurance premium.
- (h) Benefits and Amenities :
 - a) Company's contribution to Provident Fund and Pension / Superannuation Fund as per Company's Rules;
 - b) Gratuity as per the Company's rules applicable to its Executive Staff Members.
- (i) (i) Annual leave with full pay and other benefits for a period of one month with benefit of encashment of unutilized leave.
- (ii) Sick and casual leave as per Company's rules applicable to its Executive staff members.
- (j) Maintenance of telephones at his place of residence and mobile phones at the entire cost of the Company.
- (k) Exclusive free use of a motor car for the business of the Company as well as for his personal use with full maintenance charges in respect thereof such as Chauffeur's salary, garage rent, fuel, repairs, insurance, taxes, overhauling charges, etc. at the entire cost of the Company.

Minimum Remuneration : In the absence or inadequacy of profits in any financial year, the remuneration as stated in (a) above together with perquisites, benefits and amenities shall nevertheless be paid as minimum remuneration notwithstanding the fact that such remuneration is or may be in excess of the limits prescribed under the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorised to do all such acts, matters, deeds and things and to take such step as expedient or desirable to give effect to this Resolution.”

- 9) To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution :

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the provisions of Clause 49(VII) of the Listing Agreement, the consent of the shareholders 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 any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to the undernoted subsisting contracts already entered into and further authorized to deal in related party transaction(s) as under :

Sr. No.	Name of the Related Party	Nature of Transaction	Aggregate Amount of transaction in a year	Duration of Agreement
1	Pudumjee Hygeine Products Limited	Leave and License Agreement to provide office premises.	₹ 58000/- per Month.	2 Years w.e.f. 1 st October, 2014
2		Agreement for Purchase of tissue papers, Napkins, Towels, etc. at Market based rates	About ₹ 10 lacs for each financial year	Continuous arrangement.
3	Thacker & Company Limited	Leave and License Agreement to provide office premises	₹ 15000/- per Month.	5 Years w.e.f. 18 th December, 2013

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, deem necessary, and to execute all necessary documents”.

10) To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to Sections 73(2) and 76 of the Companies Act, 2013 (‘the Act’ which term includes any amendment or modification or re-enactment thereof) and other applicable provisions of the said Act or other laws, and subject to the conditions laid down in those provisions and the Companies (Acceptance of Deposits) Rules, 2014, to invite and accept deposits from the members of the Company and from the public in general, on such terms and conditions as the Board may decide, so however that the borrowing by way of fixed deposits, as above, shall not exceed the limits laid down under the Companies (Acceptance of Deposits) Rules, 2014 in force and as amended from time to time”.

11) To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby approves the remuneration of ₹1,35,000/- to Messrs Y.R. Doshi & Co., Cost Accountants in Practice (FRN 000003), who have been appointed by the Board of Directors of the Company as the Cost Auditors of the Company, to conduct the audit of the Cost Records of the Company relating to “PAPER” for the Financial Year ending 31st March, 2016.”

12. To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and subject to such approvals, sanctions as may be necessary, and in partial modification of the Special Resolution passed by the Shareholders at their Annual General Meeting held on 13th September, 2014, consent of the Company be and is hereby accorded to following revised remuneration payable to Mr. Ved Prakash Leekha (DIN : 00048568), the Managing Director of the Company, with effect from 01st April, 2015 till 31st March, 2017, the other provisions of the said Special Resolution remaining unaltered :

PUDUMJEE PULP & PAPER MILLS LIMITED

- (a) Remuneration at the rate of ₹ 6,45,000/- per month including Dearness Allowance;
- (b) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of ₹ 2,30,000/- per month.

AND THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year.”

13. To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution :

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and subject to such approvals, sanctions as may be necessary, and in partial modification of the Special Resolution passed by the Shareholders at their Annual General Meeting held on 13th September, 2014, consent of the Company be and is hereby accorded to following revised remuneration payable to Mr. S. K. Bansal (DIN: 00031115), the Whole-time Director of the Company, with effect from 01st April, 2015 till 31st March, 2017, the other provisions of the said Special Resolution remaining unaltered :

- (a) Remuneration at the rate of ₹ 5,20,000/- per month including Dearness Allowance;
- (b) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of ₹ 1,65,000/- per month.

AND THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year.”

Notes:

- 1) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the above Items Nos. 5 to 13 is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
- 3) The Register of Members and Transfer Books of the Company will be closed from Tuesday, 8th September, 2015 to Saturday, 19th September, 2015 (both days inclusive).
- 4) The Dividend, when sanctioned, will be paid on and from 25th September, 2015 to those shareholders whose names stand on the Company's Register of members as holders of the shares on 19th September, 2015. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of the shares as at the close of business hours on 7th September, 2015 as per the details furnished by the Depositories for this purpose. The payment of Dividend will be subject to the provisions of Section 126 of the Companies Act, 2013.
- 5) Under the Companies Act, 1956 and 2013, dividends that are unclaimed for a period of seven years are required to be transferred to The Investor Education and Protection Fund (IEPF) administrated by

the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 13th September, 2014 (date of last Annual General Meeting) on the website of the Company (www.pudumjee.com), as also on the website of the Ministry of Corporate Affairs.

The unclaimed Dividend for the year 2007-08 will be deposited to IEPF on or before 28th September, 2015.

As such, shareholders, who have not so far encashed dividend warrants of earlier years are requested to, immediately, return the outdated warrants to the Company or write to us to enable the Company to issue duplicate warrants/demand drafts in lieu thereof.

- 6) Members are requested to write/intimate to Company's Registrar and Transfer Agents for the purpose of changes, in their registered addresses, profile details for sending future communication(s), any query in connection with claiming the unclaimed and unpaid dividends, etc.
- 7) Documents referred to in the notice and the explanatory statement shall be available for inspection by the members at the registered office of the Company on all working days (Monday to Saturday) from 2.00 p.m. to 4.00 p.m. except holidays, upto the date of the Meeting of the Company. The Register of Directors and Key Managerial Personnel and their Shareholdings and Register of Shareholders, are available for inspection at the Registered office of the Company.
- 8) As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
- 9) Further pursuant to Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Company needs to send the Notice, Annual Report electronically on the e-mail addresses as obtained from the Company/ Depositories/ Registrar and Share Transfer Agent to the members.

If you are holding the shares of the Company in dematerialized form and already registered your e-mail id, you would be receiving the Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode.

The members who hold shares in physical mode and have not registered their email id can request the Company to receive Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode by registering their valid email id with the Company / Registrar and Transfer Agents.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form) or with Karvy Computershare Pvt. Ltd (in case of Shares held in physical form).

- 10) Members/proxies are requested to bring the copies of annual reports to the meeting.

11) Voting through electronic means :

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on all resolutions set forth in this Notice through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Pvt. Ltd., appointed for the purpose by the Company as authorised agency. Remote e-voting is optional.

PUDUMJEE PULP & PAPER MILLS LIMITED

The detailed instructions for remote E-Voting are as under :

A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/Depositories) :

- i. Open the e-mail and also open PDF file namely “PPPM E-VOTING PDF”/“https://www.evoting@karvy.com” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL:<https://www.evoting@karvy.com>.
- iii. Click on Shareholder – Login.
- iv. if you are already registered with Karvy for e-voting then you can use your existing user ID and password.
- v. if you are logging in for the first time, please enter the user ID and password provided in the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
- viii. Select “EVEN” (E-Voting Event Number) of Karvy Computershare Pvt. Ltd. Now you are ready for 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 the vote on the resolution is cast, the Members shall not be allowed to change it subsequently.
- 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:- savitajyotiassociates05@gmail.com, with a copy marked to evoting@karvy.com.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.karvy.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email address are not registered with the Company/ Depositories) :

- i. Initial password is provided in the enclosed form : EVEN (E-voting Event Number), User ID and password.
- ii. Please follow all steps from Sl. No.(ii) to Sl. No.(xiii) above, to cast vote.

C. Other Instructions :

- i. The Remote e-voting period commences on Wednesday, the 16th September, 2015 (9.00 a.m. IST) and ends on Friday, the 18th September, 2015 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on **12th September, 2015**, may cast their vote electronically. The remote e-voting module shall be