

**PUDUMJEE
PAPER PRODUCTS
LIMITED**



PUDUMJEE

**ANNUAL REPORT
2018 - 2019**

PUDUMJEE PAPER PRODUCTS LIMITED

DIRECTORS :

A. K. JATIA (Executive Chairman w.e.f. 01-08-2018)
V. P. LEEKHA (Managing Director upto 30-04-2019)
S. K. BANSAL
V. K. BESWAL
NANDAN DAMANI
MRS. MADHU DUBHASHI
DR. ASHOK KUMAR (Executive Director)
B. K. KHAITAN

BANKERS :

STATE BANK OF INDIA
IDBI BANK LIMITED
YES BANK LIMITED
THE SARASWAT CO-OPERATIVE BANK LIMITED
AXIS BANK LIMITED

AUDITORS :

J. M. AGRAWAL & CO.

REGISTERED OFFICE :

THERGAON, PUNE 411 033.

REGISTRAR & TRANSFER AGENTS :

KARVY FINTECH PVT. LTD.,

UNIT : PUDUMJEE PAPER PRODUCTS LIMITED

KARVY SELENIUM TOWER B, PLOT NO. 31 & 32,
GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA,
SERILINGAMPALLY, **HYDERABAD – 500 032.**

DEMAT STOCK CODE :

INE865T01018

EQUITY SHARES ARE LISTED AT :

BSE LTD. AND NATIONAL STOCK EXCHANGE OF INDIA LTD.

NOTICE

The **Fifth** Annual General Meeting of the Shareholders of **Pudumjee Paper Products Limited** will be held at the Registered Office of the Company at Thergaon, Pune 411 033 on Saturday, the 27th day of July, 2019 at 3.00 p.m. (ST) to transact the following business :

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 comprising the Audited Balance Sheet as at 31st March, 2019 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 Dr. Ashok Kumar (DIN: 07111155), 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 2018-2019.
- 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 the provision of 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 M/s. J. M. Agrawal & Co., Chartered Accountants (Firm Registration No. 100130W), the Auditors of the Company made vide Shareholders’ Resolution passed in 3rd Annual General Meeting held on 22nd July, 2017 from the conclusion of this meeting till the conclusion of next 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 consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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/arrangements already entered into or to be entered into and further authorized to deal in related party transaction(s) as under :

PUDUMJEE PAPER PRODUCTS LIMITED

Sr. No.	Name of the Related Party	Nature of Transactions	Aggregate Amount (₹)	Duration of Agreement/ Contract
1	AMJ Land Holdings Limited (formerly known as Pudumjee Pulp & Paper Mills Limited)	Purchase of Renewable Energy Certificate (REC) or payment in lieu thereof.	Aggregate Consideration not exceeding ₹ 100 Lakhs per Financial Year.	Continuous Arrangement
		Arrangement/Contract/Agreement for Accepting/ Providing Inter Corporate Deposits.	Amount remaining outstanding during any financial year shall not exceed ₹ 4,000 Lakhs Rate of Interest: Upto 10.00% p.a. but not less than 9.00% p.a.	Repayable On Demand Continuous Arrangement
		Arrangement/Contract/Agreement for Sale of tissue papers, Napkins, Towels, etc. at Market based rates.	About ₹ 10 Lakhs for each financial year.	Continuous arrangement.
		Arrangement for providing the Common Services (such as telephone, electricity, Computer etc.).	About ₹ 15 Lakhs for each financial year on cost basis.	Continuous arrangement.
2	3P Land Holdings Limited (formerly known as Pudumjee Industries Limited)	Arrangement/Contract/Agreement for Accepting/ Providing Inter Corporate Deposits.	An amount remaining outstanding during any financial year not exceed ₹ 4,000 Lakhs. Rate of Interest: Upto 10.00% p.a. but not less than 9.00% p.a.	Repayable On Demand Continuous Arrangement
		Arrangement for providing the Common Services (such as telephone, electricity, Computer etc.).	About ₹ 5 Lakhs for each financial year on cost basis	Continuous arrangement.
3	Thacker and Company Limited	Arrangement/Contract/Agreement for Accepting/ Providing Inter Corporate Deposits.	An amount remaining outstanding during any financial year not exceed ₹ 4,000 Lakhs. Rate of Interest: Upto 10.00% p.a. but not less than 9.00% p.a.	Repayable On Demand Continuous Arrangement
4	Chem Mach Private Limited	Arrangement/Contract/Agreement for Accepting/ Providing Inter Corporate Deposits.	Amount remaining outstanding during any financial year shall not exceed ₹ 4,000 Lakhs Rate of Interest: Upto 10.00% p.a. but not less than 9.00% p.a.	Repayable On Demand Continuous Arrangement
5	Pudumjee Plant Laboratories Limited	Arrangement/Contract/Agreement for Accepting/ Providing Inter Corporate Deposits.	Amount remaining outstanding during any financial year shall not exceed ₹ 4,000 Lakhs Rate of Interest: Upto 10.00% p.a. but not less than 9.00% p.a.	Repayable On Demand Continuous Arrangement

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”.

- 6) 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 Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and subject to such other approvals, permissions and sanctions including that of the Central Government as may be necessary, and subject to such conditions and modification(s) as may be required and which Mr. Arunkumar Mahabirprasad Jatia may accept, Mr. Arunkumar Mahabirprasad Jatia (DIN:01104256) be and is hereby appointed as “Whole-time Director” designated as “Executive Chairman” of the Company for a period of five years with effect from 1st August, 2018 AND THAT consent 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 the said Mr. Arunkumar Mahabirprasad Jatia with a power to the Board of Directors to alter or vary from time to time at its discretion, the remuneration and other terms so however that they do not exceed the permissible limits laid down under Schedule V to the Act and/or any statutory modification(s) or re-enactment thereof for the time being in force, namely :

- (a) The Executive Chairman shall, subject to the supervision and control of the Board of Directors, be in overall charge of the Company’s activities and shall perform such other duties and services and exercise such further powers as shall, from time to time, be entrusted to him by the Board of Directors.
- (b) Remuneration at the rate of ₹ 10,05,000/- 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.
- (d) Expenses on electricity, gas, water and furnishing of the residential accommodation.
- (e) 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.
- (f) 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.
- (g) Membership fees including entrance and other fees for any two Clubs.
- (h) Personal accident insurance premium.
- (i) 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.

With the benefits of transfer of his accumulated balances/contributions in Provident Fund and Superannuation Fund and accumulated service with AMJ Land Holdings Limited (formerly known as Pudumjee Pulp & Paper Mills Limited).
- (j)
 - (a) Annual leave with full pay and other benefits for a period of one month with benefit of encashment of unutilized leave.
 - (b) Sick and casual leave as per Company’s rules applicable to its Executive staff members.

- (k) Maintenance of telephone(s) at his place of residence and mobile phone(s) at the entire cost of the Company.
- (l) 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 (b) 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 authorized to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution”.

- 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 Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and subject to such other approvals, permissions and sanctions including that of the Central Government as may be necessary and with further reference to the Special Resolution passed at 02nd Annual General Meeting held on 17th September, 2016, the consent of the Shareholders of the Company be and is hereby accorded to the following revised remuneration, payments, benefits and amenities, paid/payable to Mr. Ved P. Leekha, Managing Director of the Company, with effect from 01st April, 2018 till the 30th April, 2019 and the terms and conditions of his appointment, with a power to the Board of Directors to alter or vary from time to time at its discretion, the remuneration and other terms so however that they do not exceed the permissible limits laid down under Schedule V to the Act or any statutory modification(s) or re-enactment thereof for the time being in force, namely;

- (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.
- (c) Expenses of electricity, gas and water, furnishing, of the residential accommodation.
- (d) Actual medical expenses including health insurance premium, hospitalization, nursing home charges, surgical charges and travelling expenses incurred for himself, his wife and dependent children.
- (e) 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.
- (f) Membership fees including entrance and other fees for any two clubs.
- (g) Personal accident insurance premium.
- (h) (i) Participation in the Provident Fund.
(ii) Gratuity as per the Company's rules applicable to its Executive staff members.

- (iii) 1. Pension, by whatever named called, @ ₹ 1,45,000/- per month to Mr. Ved P. Leekha during his lifetime and thereafter to his spouse during her lifetime, from a date next following the date of his leaving the service of the Company i.e., 01st May, 2019.
2. Actual premium for Medical Insurance by whatever named called, for Mr. Ved P. Leekha and his spouse, during his lifetime and thereafter for his spouse during her lifetime, at a cost not exceeding ₹ 6,00,000/- per annum, from a date next following the date of his leaving the service of the Company i.e., 01st May, 2019.
- (i) 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.
- (j) Maintenance of telephone(s) at his place of residence and Mobile Phone(s) 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 authorized to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution".

8. 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 Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and subject to such other approvals, permissions and sanctions including that of the Central Government as may be necessary and with further reference to the Special Resolution passed at 02nd Annual General Meeting held on 17th September, 2016, consent of the Shareholders of the Company be and is hereby accorded to the following revised remuneration, payments, benefits and amenities, paid/payable to Dr. Ashok Kumar (DIN: 07111155), Executive Director of the Company, with effect from 01st April, 2018 till the remainder of his term of appointment, the other provisions of the said Special Resolution remaining unaltered:

- (a) Remuneration at the rate of ₹ 5,82,000/- 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 ₹ 1,85,000/- per month.

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 authorized to do all such acts, matters, deeds and things and to take such steps 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 Resolution as a Special Resolution:

“RESOLVED THAT the consent of the Shareholders 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 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”.

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

“RESOLVED THAT pursuant to Section 185 and other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder, the Board of Directors of the Company be and is hereby authorised:

- To advance any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the Director of the Company is interested (i.e. including any private Company of which any such Director is a Director or member, any body corporate at a general meeting of which not less than twenty-five percent of the total voting power may be exercised or controlled by any such Director, Managing Director or Manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any Director or Directors, of the lending Company), provide that such loans are utilised by the borrowing Company for its principal business activities and in particular to the following Companies in which one or more Director(s) may be deemed to be interested on the terms and conditions stated against their respective names:

Sr. No.	Name of the Company	Amount not exceeding of ₹	Rate of Interest p.a.	Commission for Corporate Guarantee p. a.	Term
1	Pudumjee Plant Laboratories Limited	₹ 40 Crores	Upto 10.00% p.a. but not less than 9.00% p.a.	Nil	Repayable on Demand
2	3P Land Holdings Limited (formerly known as Pudumjee Industries Limited)	₹ 40 Crores	Upto 10.00% p.a. but not less than 9.00% p.a.	Nil	Repayable on Demand
3	Thacker and Company Limited	₹ 40 Crores	Upto 10.00% p.a. but not less than 9.00% p.a.	Nil	Repayable on Demand
4	AMJ Land Holdings Limited (formerly known as Pudumjee Pulp & Paper Mills Limited)	₹ 40 Crores	Upto 10.00% p.a. but not less than 9.00% p.a.	Nil	Repayable on Demand
5	Chem Mach Private Limited	₹ 40 Crores	Upto 10.00% p.a. but not less than 9.00% p.a.	Nil	Repayable on Demand