



2011-12

32nd ANNUAL REPORT



RUCHIRA PAPERS LIMITED

Regd. Office: Trilokpur Road, Kala -
Amb, Distt- Sirmaur.(H.P)-173030

BOARD OF DIRECTORS

Chairman cum Whole Time Director

Subhash Chander Garg

Co-Chairman cum Whole Time Director

Jatinder Singh

Managing Director

Umesh Chander Garg

Whole Time Director

Vipin Gupta

Independent Directors

Dalbir Singh

Surinder Gupta

Swatantar Kumar Dewan

Col(Retd) Avtar Singh Bajwa

Company Secretary

Vishav Sethi

Registered Office & Works

Trilokpur Road, Kala Amb,

Distt. Sirmour

Himachal Pradesh-173030

Administrative Office

21-22, New Professors Colony,

Yamuna Nagar-135001

Haryana

Auditors

J.L. Garg & Co.

Chartered Accountants

Head Office:

J-34, Lower Ground Floor

South Extension Part-1

New Delhi-110049

Branch Office:

Railway Road,

Jagadhri (Haryana)-135003

SENIOR EXECUTIVES

Deepan Garg VP (Technical)

Jagdeep Singh VP (Operations)

Daljeet Singh VP (Commercial)

Lucky Garg VP (Marketing)

Vaishali Jhaveri VP (Marketing)

Atul Garg VP (General Administration)

Bankers

Punjab National Bank

State Bank of Bikaner & Jaipur

Oriental Bank of Commerce

Registrar

Link Intime India Pvt. Ltd

C-13, Pannalal Silk

Mills Compound

LBS Road, Bandup (W)

Mumbai- 440078

Company's Website

www.ruchirapapers.com

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THE PAPER USED FOR PRINTING OF THIS ANNUAL REPORT IS MANUFACTURED BY YOUR COMPANY

NOTICE

Notice is hereby given that the 32nd ANNUAL GENERAL MEETING (AGM) of the Members of RUCHIRA PAPERS LIMITED will be held on Tuesday, the 25th Day of September, 2012 at 3.00 p.m. at Hotel Black Mango, Nahan Road, Kala-Amb, District Sirmour, Himachal Pradesh-173030 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Statutory Auditors' thereon.
2. To appoint a Director in place of Shri Dalbir Singh, who retires from the office by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Surinder Gupta, who retires from the office by rotation and being eligible, offers himself for re-appointment.
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 provisions of Section 224 and other applicable provisions of the Companies Act, 1956, M/S J.L. Garg & Co., Chartered Accountants (ICAI Reg. No. 004730N), who retire at the conclusion of this Annual General Meeting, be and are hereby re-appointed as Statutory Auditors of the Company till the conclusion of the next Annual General Meeting at a remuneration of Rs. 1,70,000/- (Rs. One Lac Seventy Thousand Only) Plus Service Tax and other out of pocket expenses as admissible as recommended by the Audit Committee."

SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any of the Companies Act, 1956 or any

statutory modification(s) or re-enactment thereof, Mr. Vipin Gupta, who was appointed as an Additional Director by the Board of Directors at their meeting held on 31st October 2011, pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT Shri Vipin Gupta, Director shall be designated as Whole Time Director of the Company and shall be paid remuneration as recommended by the Remuneration Committee.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 198, 269, 309, 310, 314, read with Schedule XIII and/or other applicable provisions, if any, of the Companies Act, 1956 and subject to the compliance of listing agreement, consent of the Shareholders be and is hereby accorded to the appointment of Mr. Vipin Gupta as Whole Time Director of the Company for the period of Five Years w.e.f 01.11.2011, with the liberty to the Board of Directors(hereafter referred to as "the Board", which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the power conferred by the resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof on the terms and conditions as set out below.

Basic Salary:

Rs. 95,000/- Per Month (from 01.11.2011 to 31.05.2012)

Rs. 1,30,000/- Per Month (from 01.06.2012 to 31.05.2013)

Perquisites:

1. HRA @ 15% of Basic Salary per month
2. Telephone: Mobile and Telephone Facility as per the Company's Rules.
3. Leave Encashment as per the Company's Rules.
4. Reimbursement of expenses incurred for the business of the company as per the rules of the Company.
5. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.

6. Gratuity: Payable at a rate not exceeding half a month's Salary for each completed year of service as per the rules of the Company.

Where in any financial year, the Company has no profits or its profits are inadequate during the term of his office, the aforesaid annual remuneration shall be continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

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 Section 198, 269, 309, 310, 311, 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and subject to Central Government approvals, permissions and sanctions, and subject to the compliance of Listing Agreement as may be necessary, the consent of the shareholders be and is hereby accorded to the payment of increased remuneration to Shri Subhash Chander Garg, Chairman cum Whole-Time Director, with effect from September 01, 2012 for the period of Three years on the terms and conditions, as set out below:

- a. Salary: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
- b. House Rent Allowance @ 20 % of Salary per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs.1,00,000/- in a year.
- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose.

In addition to the above remuneration, he shall also be entitled to the following benefits

Provident Fund: Company's Contribution towards Provident Fund as per the provisions of the Act.

Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during the term of his office, the aforesaid remuneration shall be continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration Committee be and is hereby further authorized to revise, alter and vary the terms and conditions and remuneration of Sh. Subhash Chander Garg, Chairman cum Whole Time Director of the Company from time to time, subject to the applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary 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 Section 198, 269, 309, 310, 311,314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and subject to Central Government approvals, permissions and sanctions, and subject to the compliance of Listing Agreement as may be necessary, the consent of the shareholders be and is hereby accorded to the payment of increased remuneration to Shri Umesh Chander Garg, Managing Director of the Company, with effect from September 01, 2012 for the period of Three years on the terms and conditions, as set out below:

- a. Salary: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
- b. House Rent Allowance @ 20 % of Salary per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs. 1,00,000/- in a year.

- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose.

In addition to the above remuneration, he shall also be entitled to the following benefits

Provident Fund: Company's Contribution towards Provident Fund as per the provisions of the Act.

Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during the term of his office, the aforesaid remuneration shall be continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration Committee be and is hereby further authorized to revise, alter and vary the terms and conditions and remuneration of Sh. Umesh Chander Garg, Managing Director of the Company from time to time, subject to the applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary 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 Section 198, 269, 309, 310, 311, 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and subject to Central Government approvals, permissions and sanctions, and subject to the compliance of Listing Agreement as may be necessary, the consent of the shareholders be and is hereby accorded to the payment of increased remuneration to Shri Jatinder Singh, Co-Chairman cum Whole-Time Director, with effect from

September 01, 2012 for the period of Three years on the terms and conditions, as set out below:

- a. Salary: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
- b. House Rent Allowance @ 20 % of Salary per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs. 1,00,000/- in a year.
- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose.

In addition to the above remuneration, he shall also be entitled to the following benefits

Provident Fund: Company's Contribution towards Provident Fund as per the provisions of the Act.

Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during the term of his office, the aforesaid remuneration shall be continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration Committee be and is hereby further authorized to revise, alter and vary the terms and conditions and remuneration of Sh. Jatinder Singh, Co-Chairman cum Whole Time Director of the Company from time to time, subject to the applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary 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 pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any,

of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force , the consent of the shareholders be and is hereby accorded for the revision in the remuneration, perquisites and other allowances payable to Mr. Deepan Garg, Vice-President (Technical) of the Company being Son of Mr. Umesh Chander Garg, Managing Director, w.e.f **01st September 2012** as detailed below:

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Deepan Garg.

RESOLVED FURTHER THAT Mr. Deepan Garg shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided 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 the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the

time being in force , the consent of the shareholders be and is hereby accorded for the revision in the remuneration, perquisites and other allowances payable to Mr. Jagdeep Singh, Vice-President (Operations) of the Company being Son of Mr. Jatinder Singh, Co- Chairman cum Whole Time Director of the Company w.e.f **01st September 2012** as detailed below.

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Jagdeep Singh.

RESOLVED FURTHER THAT Mr. Jagdeep Singh shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

11. 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 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, the consent of the shareholders

be and is hereby accorded for the revision in the remuneration, perquisites and other allowances payable to Mr. Daljeet Singh, Vice-President (Commercial) of the Company being Son of Mr. Jatinder Singh, Co- Chairman cum Whole Time Director of the Company w.e.f **01st September 2012** as detailed below.

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Daljeet Singh.

RESOLVED FURTHER THAT Mr. Daljeet Singh shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

12. 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 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force , the consent of the shareholders be and is hereby accorded for the revision in the

remuneration, perquisites and other allowances payable to Mr. Lucky Garg, Vice-President (Marketing) of the Company being Son of Mr. Umesh Chander Garg, Managing Director, w.e.f **01st September 2012** as detailed below.

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M.
- b. HRA @ 15% per month of Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Lucky Garg.

RESOLVED FURTHER THAT Mr. Lucky Garg shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

13. 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 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force , the consent of the shareholders be and is hereby accorded for the revision in the remuneration, perquisites and other allowances payable to Mrs. Vaishali Jhaveri, Vice-President

(Marketing) of the Company being daughter of Mr. Subhash Chander Garg, Chairman cum Whole Time Director, w.e.f **01st September 2012** as detailed below.

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company.

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mrs. Vaishali Jhaveri.

RESOLVED FURTHER THAT Mrs. Vaishali Jhaveri shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

14. 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 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force , the Consent of the shareholders be and is hereby accorded for the appointment of Mr. Atul Garg, as Vice-President (General Administration) being Son of Mr. Umesh Chander Garg, Managing Director w.e.f **01st**

September, 2012 and fix the remuneration, perquisites and other allowances as detailed below.

- a. Basic Salary Rs 1,85,000/- (Rs. One Lac Eighty Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility as per the Company's rules.
- d. Leave encashment as per the rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per the rules of the Company

RESOLVED FURTHER THAT the Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Atul Garg.

RESOLVED FURTHER THAT Mr. Atul Garg shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

Regd. Office: **By order of the Board**
Trilokpur Road, For Ruchira Papers Limited

Kala-Amb.
Distt: Sirmour (HP)

Place: Kala-Amb (HP) **Vishav Sethi**
Date : 11.08.2012 **(Company Secretary)**

Notes:-

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO

APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. In order to be effective, the proxy form duly completed and stamped must reach the registered office of the company not later than 48 hours before the time of holding the meeting. The proxy so appointed shall not have any right to speak at the meeting. The blank proxy form is appended with the attendance slip.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 19TH September, 2012 to Tuesday, the 25th September, 2012 (both days inclusive).
4. Documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M. to 1.00 P.M. upto the date of the Annual General Meeting.
5. Members desirous of getting any information on Accounts or other items of the Agenda are requested to forward his/her queries to the Company at least Seven working days prior to the date of the Annual General Meeting so as to enable the Management to keep the information ready.
6. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In the case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members are requested to intimate the Registrar and Share Transfer Agents of the Company - Link Intime India Private Limited, Mumbai, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DP's) in respect of equity shares held in dematerialized form.

9. Members/ Proxies attending the Meeting are requested to bring their copy of the Annual Report with them at the meeting as the same will not be distributed at the meeting. The enclosed attendance slip duly filled up may kindly be delivered at the entrance of the meeting hall.
10. Information pursuant to Clause 49 of the listing agreement regarding appointment and re-appointment of directors is annexed herewith.
11. The Register of Contracts, Maintained under Section 301 of the Companies Act, 1956, will be available for inspection by the members at the registered office of the Company.
12. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA) has by its Circulars, permitted companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we are also sending documents to the email address provided by you with your depositories. We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email account.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM No. 05.

The Board of Directors of the Company at their meeting held on 31st October 2011, had appointed Mr. Vipin Gupta, as an Additional Director of the Company w.e.f November 01, 2011, Pursuant to Section 260 of the Companies Act, 1956 and article 80 of Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Mr. Vipin Gupta will hold office up to the date of ensuing AGM. The Company has received a notice in writing from a member along with a deposit of Rs.

500 proposing the candidature of Mr. Vipin Gupta for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Vipin Gupta is not disqualified from being appointed a Director in terms of Section 274(1)(g) of the Act. The Company has received requisite form DD-A from Mr. Vipin Gupta, in terms of Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

Further, the Board has also appointed, subject to the approval of the members in General Meeting, Mr. Vipin Gupta as Whole Time Director of the Company for a period of Five Years Commencing from November 01, 2011 on the terms and conditions as mentioned in the resolution.

A copy of the Abstract/Memorandum of interest has been sent to all the shareholders of the Company as per Section 302 of the Companies Act, 1956.

No director, except Mr. Vipin Gupta, to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution for approval of the members.

ITEM NO. 6,7,8.

Increase in job responsibilities of the Whole Time Directors/Managing Director, considering the rich experience, expertise and in recognition of valuable contribution to the company's growth and implementation of several expansion plans undertaken in the past, the Board of Directors of the Company in its meeting held on 15th May 2012 and as recommended by the Remuneration Committee, has increased the Remuneration payable to Mr. Subhash Chander Garg, Chairman Cum Whole Time Director, Mr. Umesh Chander Garg, Managing Director and Mr. Jatinder Singh, Co-Chairman cum Whole Time Director of the Company subject to the approval of the members at the ensuing General Meeting and the Central Govt. The company is in the process of securing the necessary permission of the Central Govt. to pay the above mentioned remuneration to Mr. Subhash Chander Garg, Chairman Cum Whole Time Director, Mr. Umesh Chander Garg, Managing Director, and Mr. Jatinder Singh, Co-Chairman cum Whole Time Director of the Company.

A copy of the Abstract/Memorandum of interest of Variations in the terms of Remuneration has been

sent to all the shareholders of the Company as per Section 302 of the Companies Act, 1956.

The Directors places before the members the aforesaid Special Resolutions pursuant to the provisions of Schedule XIII for their approval.

Save and except Shri Subhash Chander Garg and Shri Umesh Chander Garg, being brothers, none of the other Directors is deemed to be interested or concerned with Resolution No at Item No 6 and at Item No 7.

Save and except Shri Jatinder Singh, none of the other Directors is deemed to be interested or concerned with the Resolution at Item No 8.

ITEM NO. 09.

Mr. Deepan Garg had been appointed as Vice-President (Technical) of the Company on 25th October 2008 by the Board of Directors of the Company. Since then he is working with the Company. He is having a qualification of BE (Mechanical) and having experience of more than 15 Years in Paper Industry.

Now it is being proposed to increase the remuneration and other benefits payable to him as the experience and knowledge of Mr. Deepan Garg will be useful for the Company. The detail of increased remuneration is mentioned in the resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Umesh Chander Garg, Managing Director, being father, is deemed to be interested or concerned in the above resolution.

ITEM NO. 10.

Mr. Jagdeep Singh had been appointed as Vice-President (Operations) of the Company on 25th October 2008 by the Board of Directors of the Company. Since then he is working with the Company. He is having qualification of BE (Mechanical) and having a experience of More than 5 Years in Paper Industry.

Now it is being proposed to increase the remuneration and other benefits payable to him as the experience and knowledge of Mr. Jagdeep Singh will be useful for the Company. The detail of increased remuneration is mentioned in resolution.