



emami* paper mills limited

687, Anandapur, E.M.Bypass, Kolkata - 700 107
(Landmark - Near Ruby Hospital)
CIN : L21019WB1981PLC034161

NOTICE

Notice is hereby given that the Thirty Fourth Annual General Meeting of the members of **EMAMI PAPER MILLS LIMITED** will be held on Wednesday, the 10th August, 2016 at 11.00 A.M. at 687, Anandapur, E. M. Bypass, Kolkata – 700107 (Landmark- Near Ruby Hospital) 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, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity and Preference Shares for the year ended 31st March, 2016.
3. To appoint a Director in place of Shri P. S. Patwari having Directors' Identification Number - 00363356, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A. V. Agarwal having Directors' Identification Number - 00149717, who retires by rotation and being eligible, offers himself for re-appointment.
5. To ratify the appointment of the Auditors and Unit Auditors (Kolkata Unit) of the Company and to fix their remuneration and for this purpose to consider and if thought fit and proper to pass with or without modification(s) the following resolution as an **Ordinary Resolution** thereof :

“RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the Annual General Meeting held on August 11, 2014, the appointment of M/s. S. K. Agrawal & Co., Chartered Accountants, (Registration No.306033E) as the Auditors of the Company and the appointment of M/s. Salarpuria Jajodia & Co., Chartered Accountants,(Registration No.302111E) as unit Auditors (Kolkata Unit) to hold office till the conclusion of the 35th AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March,31,2017 as may be determined by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors.”

SPECIAL BUSINESS

6. To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2017 and in this regards 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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Company be and is hereby accorded for the appointment of M/s.V. K. Jain & Co., Cost Auditors to conduct the Audit of the Cost Records of the Company for the financial year ending 31st, March, 2017, with a remuneration of ₹ 1,00,000/- (Rupees One lac only) per annum plus Service Tax as applicable.”
“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
7. To approve variation of the remuneration of Shri M. B. S. Nair, (DIN.03086056) as Whole-Time Director designated as Director (Operations) and in this regards 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 Sections 196,197 & 203 read with Part II of Schedule V and all other applicable provisions of the Companies Act, 2013 and the Company's (Appointment and Remuneration of Managerial Personnel) Rules , 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), subject to such sanction as may be necessary, approval and sanction of the Company be and is hereby

accorded to the variation in the payment of remuneration to Shri M. B. S. Nair (DIN. 03086056), Whole-Time Director, designated as Director (Operations) with effect from 1st November, 2015, for the residuary period of his employment i.e. upto 25th April, 2017 on the terms and conditions including remuneration, other perquisites, benefits and amenities, as set out in the Explanatory Statement annexed to this Notice convening this meeting, with a liberty to the Board of Directors(hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment and/or remuneration as it may deem fit and as may be acceptable to within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof."

"RESOLVED FURTHER THAT pursuant to the provision of Section 197 of the Act, where in any financial year during currency of the terms of office, the Company has no profits or its profits are inadequate, it may pay remuneration to Shri M. B. S. Nair by way of salary and perquisites as Minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in Schedule V of the Companies Act, 2013 or any modification thereof from time to time."

"RESOLVED FURTHER THAT Shri Manish Goenka, Shri P. S. Patwari, Directors and Shri G. Saraf, Vice President(Finance) & Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient, usual or proper to give full effect to this resolution."

Registered Office :
Emami Tower, 4th Floor
687, Anandapur E.M.Bypass,
(Near Ruby Hospital)
Kolkata - 700 107
Email : emamipaper@emamipaper.in
Website : www.emamipaper.in
Phone : 033-6613-6264, Fax : 033-6613-6400
Dated : 24th May, 2016

By order of the Board

G.SARAF
Vice President (Finance) & Secretary

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty 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 shareholder.
2. Additional information pursuant to Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of variation in the payment of remuneration, other perquisites, benefits and amenities to Shri M. B. S. Nair, Director (Operations) at the Annual General Meeting are furnished and forms a part of the Notice.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Company has notified closure of Register of members and Share Transfer Books of the Company from Wednesday, 3rd August, 2016 to Wednesday, 10th August, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity shares and Preference shares, if declared at the meeting.
5. Explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting under Item No.6 to 7 is Annexed hereto.
6. The Members/Proxies are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. The Members, desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

7. In 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. Relevant documents referred in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, (except Saturdays, Sundays and public holidays) during business hours up to the date of Meeting. This Notice and the Annual Report will also be available on the Company's website i.e. www.emamipaper.in for download.
9. Dividend on Equity and Preference Shares for the Financial year ended 31st March, 2016, if declared at the Annual General Meeting, shall be paid to those members whose names (in case of shares held in electronic form) appear as beneficial owners as at close of business hours on 2nd August, 2016 and for the shares held in physical form, whose names appear in the Register of Members on the date of the Annual General Meeting.
10. In order to provide protection against fraudulent encashment of dividend warrants, the members holding shares in physical form are requested to provide, if not already provided, their bank account number, name and address of the Bank and Branch latest by 25th July, 2016 to enable the Company to incorporate the same in the dividend warrants.
In case the shares are held in dematerialized form, the above intimation, along with any request for effecting changes in the details provided earlier, should only be forwarded to the respective depository participant.
11. Members are requested to immediately notify to the Company their change of Address, Mandate Bank Particulars etc. to ensure prompt action. Members are requested to clearly mention their Registered Folio Number in every correspondence with the Company. In case the shares are held in dematerialized form, the above mentioned intimation is to be forwarded to the respective depository participant.
12. Those members who have not encashed their dividend warrant for the Financial years 2008-09 to 2014-15 may return the time barred dividend warrant or write to the Company's Share Transfer Agents, M/s Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 for issue of duplicate dividend warrant.
13. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, dividend for the Financial Year 2008-09 and thereafter which remain unclaimed for a period of 7(Seven) years will be transferred to the Investor Education and Protection Fund (The Fund) constituted by the Central Government under Section 125 of the Companies Act, 2013. Unclaimed Equity Dividend for the Financial Year 2008-09 will fall due for transfer to the said fund on 13th August, 2016. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 11th August, 2015 (Date of last Annual General Meeting) on the website of the Company (www.emamipaper.in) as also on the website of the Ministry of Corporate Affairs.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar, M/s Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata-700 001. Phone : 033-2243 5029/5809, Fax : 033 2248 4787, Email : mdpldc@yahoo.com.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, M/s Maheshwari Datamatics Pvt. Ltd. 6 Mangoe Lane, 2nd Floor, Kolkata-700 001, for consolidation into a single folio.
16. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
17. Non-Resident Indian Members are requested to inform M/s Maheshwari Datamatics Pvt. Ltd. Registrar and Transfer Agent of the Company immediately regarding:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account, maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.
19. **VOTING OPTIONS**
 - i. Pursuant to Section 108 of the Companies Act, 2013, Companies (Management & Administration) Rules, 2014 and provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the

shareholders can vote on all the business to be transacted at the Annual General Meeting by way of any one of the following methods:

- a) Remote e-voting i.e. the facility of casting votes by a member using an electronic voting system from a place other than venue of the Annual General Meeting
 - b) Voting through ballot
 - c) Voting at venue of the Annual General Meeting through e-voting facility or poll, as will be provided by the Company.
- ii. A shareholder can opt for only one mode of voting. In case a shareholder votes through remote e-voting as well as sends his/her vote through ballot form, the vote cast through remote e-voting shall be considered and the voting through physical ballot shall not be considered by the scrutinizer
- The shareholders who have cast their votes either through remote e-voting or ballot shall be entitled to attend the meeting, however, shall not be allowed to cast their vote again at the venue of the Annual General Meeting.
- iii. The Company has signed an agreement with the Central Depository Services (India) Limited (CDSL) for facilitating e-voting.
- iv. The shareholders as on the cut-off date viz. Wednesday, 3rd August, 2016 shall only be eligible to vote on the resolutions mentioned in the Notice of Annual General Meeting.
- v. The shareholders shall have one vote per equity share held by them. The facility of voting would be provided once for every folio / client id, irrespective of number of joint holders.
- vi. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of the Annual General Meeting and holding shares as on the cut-off date i.e. 3rd August, 2016 may obtain the Login ID and password by sending a request at e-voting@cdsl.co.in. However, if a person is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.
- vii. The Company has appointed Mr. Sandip Kumar Kejriwal, practicing company secretary #332, 3rd floor, Martin Burn House, 1, R. N. Mukherjee Road, Kolkata-700001 as the scrutinizer for conducting the voting process in a fair and transparent manner.
- viii. The scrutinizer will submit his final and consolidated report to the Chairman of the Company within three days after the conclusion of Annual General Meeting. The scrutinizer's decision on the validity of all kinds of voting will be final.
- ix. The results of Annual General Meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company after the Annual General Meeting within the prescribed time limits.
- x. The results of voting will also be placed at the website of the Company viz. www.emamipaper.in and on CDSL website viz. www.cdslindia.com.

20. The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on 6th August, 2016 at 10.00 a.m.(IST) and ends on 9th August, 2016 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) i.e.3rd August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 (iv).

- (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 "Emami Paper Mills 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) Shareholders 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 on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (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.

21. The remote e-voting facility will be available during the following period :

Commencement of remote e-voting: From 10.00 a.m.(IST) on August 6, 2016.

End of remote e-voting: Up to 5.00 p.m.(IST) on August 9, 2016.

22. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date viz. Wednesday, 3rd August, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

23. INSTRUCTIONS FOR VOTING THROUGH BALLOT

- i. Members who hold shares as on the cut-off date viz. Wednesday 3rd August, 2016 and do not have access to remote e-voting facility may send duly completed ballot form in the postage pre-paid envelope with their assent or dissent in writing in respect of the resolutions as set out in this notice.
- ii. The envelope containing ballot form, if sent by courier or by registered post or by speed post at the expense of the registered member will also be accepted. The ballot form may also be deposited personally at the address mentioned on the self-addressed postage pre-paid envelope. The ballot form should reach the scrutinizer by Tuesday, 9th August, 2016 before 5.00 p.m. The ballot forms received after the said date and time will be treated as if no reply from the shareholder has been received.
- iii. A shareholder may request for a duplicate ballot form, if so required by writing to the registrar and transfer agent at their email id: mdpldc@yahoo.com. However, the duly completed duplicate ballot form should reach the scrutinizer before the above mentioned date and time.
- iv. Detailed instructions for voting are provided in the ballot form.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

ITEM NO.6

The Board in their meeting held on 24th May, 2016, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. V. K. Jain & Co., as Cost Auditor to conduct the audit of cost records of the Company for the financial year ending March, 31, 2017 at a remuneration of ₹ 1,00,000/- (Rupees One lac) per annum.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice.

ITEM NO.7

Shri M. B. S. Nair was appointed as Director (Operations) of the Company for a period of 3 years at the Board Meeting held on 25th April, 2014 and the approval of the Shareholders was accorded at the Annual General Meeting of the Company held on 11th August, 2014.

Further, the Board of Directors of the Company (“the Board”) at its meeting held on 28th October, 2015 has, subject to approval of the Members in the Annual General Meeting of the Company, approved the variation in the payment of remuneration, perquisites, benefits and amenities to Shri M. B. S. Nair, Director (Operations) w.e.f.1st November, 2015 for the residuary period of the employment i.e. upto 25th April, 2017 as approved by the Audit Committee and Nomination and Remuneration Committee (“the Committee”) of the Board.

It is proposed to seek the members approval for variation in the Payment of remuneration, perquisites, benefits and amenities to Shri M. B. S. Nair, Whole Time Director, designated as Director(Operations) in terms of the provisions of the act.

Broad particulars of the remuneration payable to Shri M. B. S. Nair, as Whole Time Director, designated as Director(Operations) are as under:-

REMUNERATION :

- | | | |
|-------------------------------|---|--|
| (i) Basic Salary | : | ₹ 4,65,785/- (Rupees Four lac sixty five thousand seven hundred and eighty five only) per month effective from 1st November, 2015 |
| (ii) Special Allowance | : | ₹ 1,64,045/- (Rupees One lac sixty four thousand and forty five only) per month; Further annual increment will be allowed by the Chairman of the Company effective from the month of April, 2016 on the basis of merit and other relevant factors, subject to a monetary ceiling of 15% per annum. |
| (iii) Exgratia | : | ₹ 4,00,000/- (Rupees Four Lac) per annum. |
| (iv) Period | : | 1st November, 2015 to 24th April, 2017. |
| (v) PERQUISITES | : | |
| A. Provident Fund | : | Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. |
| B. Leave | : | As per rules of the Company including encashment of unavailed leave as per the rules of the Company. |
| C. Gratuity | : | Gratuity payable at a rate not exceeding half a months' salary of each completed year of service. |
| D. Medical Reimbursement | : | Expenses incurred for the Director (Operations) and his family members (Limited to spouse, children and dependent parents) as per the Company's policy in force from time to time. |
| E. Leave Travel Allowance | : | Reimbursement of Leave Travel Allowance for self and dependent family members (Limited to spouse, children and dependent parents) as per the Company's policy in force from time to time. |
| F. Bonus | : | As per rules. |

- G. House Rent : Rent free furnished, accommodation at Company's Colony.
- H. Provision of car : Provision of chauffeur driven car for official purpose.
- I. Other benefits : Such other benefits, amenities and facilities as per the Company's rules.
- J. The above remuneration shall be subject to the ceiling prescribed under Section 196,197 read with Schedule V of the Companies Act, 2013 (hereinafter called the said Act) and the Nomination and Remuneration Committee is authorized to make such changes in remuneration, if such changes are required to made as per the said Act.

(vi) **OTHER TERMS AND CONDITIONS :**

- a. Shri M. B. S. Nair, Whole Time Director, designated as Director (Operations) shall discharge duties and functions under the superintendence, direction and control of the Board of Directors from time to time.
- b. The Director (Operations) so long as he functions, as such undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- c. Shri M. B. S. Nair, Director (Operations) shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets and shall use his best endeavors to prevent any other person from doing so. However, such divulgence or disclosure by him to officers and employees of the Company and others for the purpose of business of the Company shall not be deemed to be a contravention of this clause.
- d. As long as Shri M. B. S. Nair acts as Whole Time Director, designated as Director (Operations), no sitting fees will be paid to him for attending the meeting of the Board of Directors or Committees thereof.
- e. The terms and conditions of the said variation may be further altered, amended, varied and modified from time to time by the Board of Directors or Committee thereof as it may be permissible and if deemed fit in terms of the Companies Act, 2013 or any amendments or modifications or re-enactments made thereto in consultation with Shri M. B. S. Nair.

(vii) **MINIMUM REMUNERATION**

Notwithstanding anything contained in this part where in any financial year during currency of the term of Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration by way of salary and perquisites as Minimum remuneration subject to the limit provided under Schedule- V of the Companies Act, 2013 or any modification thereof from time to time.

Shri M. B. S. Nair, Director (Operations) shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of the Director.

Shri M. B. S. Nair, Director (Operations) shall adhere to the Companies Code of Business Conduct and Ethics for Directors and Management Personnel.

Shri M. B. S. Nair, satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub-section(3) of Section 196 of the act and he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of variation in the remuneration of Shri M. B. S. Nair under Section 190 of the Act.

The Resolution set out in Item No.7 of the accompanying Notice is intended to obtain the consent of the shareholders relating to remuneration payable to Shri M.B.S.Nair.

MEMORANDUM OF CONCERN OR INTEREST OF DIRECTORS

Except Shri M. B. S. Nair none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board recommends the resolutions as set out in the accompanying Notice for your approval as Special Resolution in the interests of the Company.

The supplemental Agreement entered into with Shri M. B. S. Nair will be opened for inspection by the members at the Registered Office of the Company on all working days (except Saturday) between 10.00 a.m. to 5.00 p.m. up to the date of the Annual General Meeting.

The statement as per Section II (IV) of Part II of Schedule V to the Companies Act, 2013 for variation in the remuneration of Shri M. B. S. Nair, as Director (Operations), is set out as Annexure-I to this Explanatory Statement.

ANNEXURE I TO THE NOTICE OF ANNUAL GENERAL MEETING
STATEMENT OF INFORMATIONS FOR SHRI M.B.S.NAIR PROVIDED IN TERMS OF THE SECTION II(IV)
OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION :

- 1) **Nature of Industry :** Manufacturing and selling of 'PAPER' and Paper Board including 'Newsprint'
- 2) **Expected date of Commencement of Commercial Production :** Not applicable
- 3) **In case of new companies expected date of commencement of activities as per project approved by Financial Institution appearing in the prospectus.**
-Not applicable.
- 4) **Financial Performance/Key indicators during last three years :-** (₹ in lacs)

		2015-16	2014-15	2013-14
a)	Paid up Share Capital	7334.98	7334.98	5459.98
b)	Reserve & Surplus (Excluding Revaluation Reserve)	37619.58	35854.32	29973.50
c)	Sale/Income from operation	53880.49	52102.14	54656.51
d)	Total Income	54518.93	52870.03	54994.25
e)	Profit before Tax	1081.28	1728.96	2315.00
f)	Profit after Tax	2791.91	1216.62	1861.30

II. Information about the appointee :

- 1) Shri M.B.S.Nair, B.Sc(Che) and Paper Tech. from IPT – Saharanpur, aged about 65 years, joined the Company in the year 1999 and was elevated to the position of Director(Operations). He has about 42 years of extensive knowledge of Paper Technology and also setting up of New Paper Mill Project. He is the operational head of both the plants at kolkata and Balasore. His dedication, contribution during the critical phase of the unit and outstanding ability for efficient operation of the Paper unit soon made him the Senior Executive of the Company. He has always an excellent flavor of public relation.

He is associated with various federations and social organizations.

- 2) **Past Remuneration** (₹ in lacs)

2015-16	2014-15	2013-14
93,49,713/-	* 78,63,480/-	N.A.

* Appointed w.e.f. 25th April, 2014

- 3) **Recognition, Award & Achievements :**

He has been awarded by various chamber of commerce, National Safety Council for Environmental Best Practice, Safety Management and Environmental Protection.

- 4) **Job profile and his suitability :**

Being a Director (Operations), Shri M. B. S. Nair is overall in-charge of operation of Balasore Unit including newly set up Multi Layer Coated Board paper mill project subject to superintendence, control and direction of the Board of Directors of the Company.

He has contributed significantly to the consolidating the paper business during the critical integration phase before and after the merger of two units of the Company including commissioning of PM-III and commissioning of PM-IV for Multi Layer Coated Board Paper Project at Balasore, Odisha. Keeping in view his overall performance, contribution, expertise, dedication and experience towards running of the paper mills and all round progress of the Company the Board of Directors of the Company in their meeting held on 28th October, 2015 approved the variation in the payment of remuneration, perquisites and other benefits w.e.f. 1st November, 2015 for the residuary period of his employment i.e. upto 24th April, 2017, subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company

- 5) **Remuneration Proposed :**

- (i) **Basic Salary** : ₹ 4,65,785/- (Rupees Four lac sixty five thousand seven hundred and eighty five only) per month effective from 1st November, 2015.

- (ii) **Special Allowance** : ₹ 1,64,045/- (Rupees One lac sixty four thousand and forty five only) per month; Annual increment will be allowed by the Chairman of the Company effective from the month of April, 2016 on the basis of merit and other relevant factors, subject to a monetary ceiling of 15% per annum.
- (iii) **Exgratia** : ₹ 4,00,000/- (Rupees Four Lac) per annum.
- (iv) **Period** : 1st November, 2015 to 24th April, 2017.
- (v) **PERQUISITES :**
- A. **Provident Fund** : Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- B. **Leave** : As per rules of the Company including encashment of unavailed leave as per the rules of the Company.
- C. **Gratuity** : Gratuity payable at a rate not exceeding half a months' salary of each completed year of service.
- D. **Medical Reimbursement** : Expenses incurred for the Director (Operations) and his family members (Limited to spouse, children and dependent parents) as per the Company's policy in force from time to time.
- E. **Leave Travel Allowance** : Reimbursement of Leave Travel Allowance for self and dependent family members (Limited to spouse, children and dependent parents) as per the Company's policy in force from time to time.
- F. **Bonus** : As per rules.
- G. **House Rent** : Rent free furnished, accommodation at Company's Colony.
- H. **Provision of car** : Provision of chauffeur driven car for official purpose
- I. **Other benefits** : Such other benefits, amenities and facilities as per the Company's rules.

MINIMUM REMUNERATION :

Notwithstanding anything contained in this part where in any financial year during currency of the term of Office, the Company has no profits or its profits are inadequate, it may pay the aforesaid remuneration by way of salary and perquisites as Minimum remuneration subject to the limit provided under schedule- V of the Companies Act, 2013 or any modification thereof from time to time.

Shri M. B. S. Nair, Whole-Time Director shall act in accordance with the Articles of Association of the Company and shall abide by provisions contained in section 166 of the Act with regard to duties of the Director.

Shri M. B. S. Nair, Whole-Time Director shall adhere to the Companies Code of Business Conduct, Ethics for Directors and Management Personnel and code of Conduct for Prevention of Insider Trading in securities of the Company.

The Office of the Whole-Time Director may be terminated by the Company or the concerned Director by giving the other 3(three) month's prior notice in writing.

Shri M. B. S. Nair satisfy all the conditions set out in part 1 of schedule V to the Act as also conditions set out under sub-section(3) of section 196 of the act and he is not disqualified from being appointed as Director in terms of section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Shri M. B. S. Nair under section 190 of the Act.

Brief resume of Shri M. B. S. Nair, nature of his expertise in specific functional areas, names of the Companies in which he hold Directorship and Membership/ Chairmanship of Board and Committees, shareholding, attendance in Board Meetings and relationship amongst Directors inter- se are annexed.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :

Considering the size, complexity and nature of business the remuneration and other pecuniary benefits proposed to be paid to the Whole Time Director are commensurate with the increased job requirements, responsibilities and is in the line with other similar companies.

However, in the event of loss or inadequacy of profits in any financial year, during the currency of tenure of service

of the Executive Director, the payment of Salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013 and the Remuneration Policy of the Company.

7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the Directors and Key Managerial Personnel, if any :**

Excepting the payment of remuneration for his service as Executive Director as detailed hereinabove, he has no other pecuniary relationship with the Company or any relationship with other Directors and Key Managerial Personnel of the Company.

III. Steps taken for improvement

1) The Company has adopted the following strategy to restructure the Company thoroughly to make itself capable of handling the adverse market conditions in the present global competitive scenario :

- o Continued efforts on reduction of cost of production with its special emphasis on the conservation of energy.
- o Redesign the financial structure of the Company to bring down the Interest Costs on its Term Loan and Working Capital.
- o Adopt flexibility in the product-mix in line with the customers' requirements.
- o Concentrated efforts to improve its productivity, reduction of break-down, increase in efficiency at all level and creation of an atmosphere to build a profitable culture through involvement of 100% employees-simultaneously implementing Total Productive Maintenance (TPM).

2) **Steps proposed to be taken :**

- a) Continuous research on improvement of pulp yield of Waste Paper resulting in optimization.
- b) Conduct studies on optimization of wet-end chemicals for writing and printing paper, Newsprint and Multi layer coated Board Product.
- c) Conduct studies on optimization of de-inking and bleaching chemicals for Multi layer coated Board, newsprint and writing & printing pulp.
- d) Studies on optimization of moisture.
- e) Exploring new markets.

IV. Disclosures :

- a) The details of remuneration to Shri M. B. S. Nair are given in the proposed resolution and the explanatory statements annexed herewith. This may be treated as an abstract for the purpose of Section 190 of the Companies Act, 2013.

The remuneration Package and other terms applicable to the Directors shall be disclosed in the Corporate Governance Report forming part of the Annual Report of the Company.

ANNEXURE – II TO THE NOTICE OF ANNUAL GENERAL MEETING

ADDITIONAL INFORMATION ON DIRECTORS SEEKING VARIATION IN THE REMUNERATION AND OTHER TERMS AND CONDITIONS OF THE EMPLOYMENT

Name of Director	Shri M. B. S. Nair
Date of Birth	03.09.1951
Date of Appointment	25.04.2014
Expertise in Specific Functional areas	A renowned paper technologist with rich and varied experience of 42 years in Paper Industry. He is the operational head and unit in charge of Balasore Unit, varied experience in setting up of paper mill project.
Qualification	B.Sc.(Che) and Paper Technology from IPT Saharanpur.
Other Directorship/Membership/Chairmanship of Committees of other Board.	None.
Shareholding in the Company	1000
Number of Meetings of the Board attended during the year.	Meetings held – 5. Meetings attended – 5.

ROUTE MAP OF EMAMI TOWER

