

**PUDUMJEE PULP & PAPER MILLS LTD.****Regd. Office:** Thergaon, Pune 411033. **CIN:** L21012MH1964PLC013058**Phone :** 020-3061 3333 **Fax:** 020-30613388 **E-mail :** sk@pune.pudumjee.com**NOTICE**

Notice is hereby given that an Extra Ordinary General Meeting of the shareholders of Pudumjee Pulp & Paper Mills Limited will be held at the Registered Office of the Company at Thergaon, PUNE 411 033 on Saturday, the 20th day of December, 2014 at 9.00 A.M. (ST) to transact the following business:

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

"RESOLVED THAT pursuant to section 188 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and pursuant to clause 49(VII) of the Listing Agreement(s) entered into with the Stock Exchanges as applicable and any amendments thereto as are made from time to time, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract(s)/transactions with Pudumjee Industries Limited (PIL), a related party within the meaning of the aforesaid law, on such terms and conditions as may be mutually agreed upon, to purchase or sell or supply of any material/capital goods/power AND availing of/ rendering of services like processing of pulp, paper, steam and waste paper or provision of any services, the value of which either singly or all taken together may exceed ten per cent of the turnover of the Company subject, however, to that the value of transactions aforesaid during any financial year shall not exceed in aggregate Rs. 60 crores, and

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all acts, deeds and things as may be necessary in this regard".

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

"RESOLVED THAT pursuant to Clause 49(VII) of the Listing Agreement(s) entered in to with Stock Exchanges and applicable provisions of the Companies Act, 2013 and the Rules made thereunder and any amendments thereto as are made from time to time, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract(s)/transactions with Pudumjee Industries Limited (PIL) and Pudumjee Investment & Finance Company Limited, (PIFCO) --- related parties within the meaning of the aforesaid law, to advance loans, inter corporate deposits on such terms and conditions as the Board or committee thereof, may think fit the value of which either singly or all taken together may exceed ten per cent of the annual consolidated turnover of the

Company as per the last audited financial statements of the Company subject, however, to that the value of transactions aforesaid / the amounts remaining outstanding during any financial year shall not exceed in aggregate Rs. 100 crores, and

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all acts, deeds and things as may be necessary in this regard".

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

A person can act as proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than ten per cent of the total share capital of the Company. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/ authority, as applicable.

2. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.

3. Members are requested to address all correspondence, including dividend matters, to the Registrar & Share Transfer Agents, M/s Karvy Computershare Pvt. Ltd., Vittalrao Nagar, Madhapur, 414, Hyderabad 500 081.

4. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 which sets out details relating to the special business at the Meeting is annexed hereto.

5. In compliance of the provisions of section 108 of the Companies Act, 2013 and the Rules framed there under, the Company is pleased to provide the members a facility to cast their votes electronically, through e-voting services provided by Karvy Computershare Pvt. Limited (KARVY), on the Resolutions set forth in this Notice.

The instructions for e-voting are as under:

**A In case of a member receives an e-mail from Karvy (for members whose e-mail addresses are registered with the Company/ Depositories):**

i) Open the e-mail and also open PDF file namely "PPPM E VOTING PDF"/ "https://

www.evoting@karvy.com" with your client ID or folio no. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

- ii) Open the internet browser and type the following URL "https://www.evoting@karvy.com"
- iii) Click on shareholder - login
- iv) If you are already registered with Karvy for e-voting then you can use your existing user ID and password.
- v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with e mail as initial password.
- vi) The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii) Once the e voting page opens, click on e-voting>Active Voting Cycles.
- viii) Select "EVEN" (E Voting Event Number) of KARVY. Now you are ready for e voting as Cast Vote page opens.
- ix) Cast your vote by selecting appropriate option and click on 'submit' and also 'confirm' when prompted.
- x) Upon confirmation, the message 'vote cast successfully' will be displayed.
- xi) Once the vote on resolution is cast, the members shall not be allowed to change it subsequently.
- xii) Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e mail to savitajyoti@yahoo.com with a copy marked to evoting@karvy.com
- xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) - shareholders and e-voting user manual-shareholders, available at the downloads section of www.evoting.karvy.com

**B. In case a member receives physical copy of the Notice of EOGM (for members whose email address are not registered with company/depositories)**

- i) Initial password is provided in the enclosed form: EVEN (E-Voting Event Number), User

ID and Password.

- ii) Please follow all steps from SI No (ii) to (xiii) above to cast vote.

**C. Other Instructions:**

- i) the e-voting period commences on Monday, the 15th December, 2014 (9.00AM) ST and ends on Tuesday, the 16th December, 2014 (6.00 PM) ST. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on 14th November, 2014 may cast their vote electronically. The e-voting module shall be disabled by Karvy Computershare Pvt. Ltd. for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii) Mrs. Savita Jyoti, practicing company secretary has been appointed as the scrutinizer to scrutinize the e voting process in a fair and transparent manner.
- iii) The scrutinizer shall, within a period not exceeding three working days from the conclusion of the e voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- iv) The results declared along with the Scrutinizer's report will be placed on the Company's website www.pudumjee.com and on the website of KARVY www.evoting@karvy.com within two days of passing of the resolutions and communicated to BSE Limited and National Stock Exchange of India Ltd. and Pune Stock Exchange Ltd. where the Company's shares are listed.
- v) Those shareholders who do not have access to e voting facility may write to Registrar & Share Transfer Agent, M/s Karvy Computershare Pvt. Limited or to the company for ballot paper which after filling up should reach to the Scrutinizer Ms. Savita Jyoti c/o Karvy Computershare Pvt. Ltd. on or before 14th December, 2014.

By Order of the Board of Directors,

(R M Kulkarni)

COMPANY SECRETARY

**Registered Office:**

Thergaon, Pune 411 033

**Dated :** 1st November, 2014.

**ANNEXURE TO THE NOTICE****Explanatory Statement under section 102 of the Companies Act, 2013.**

**The following Explanatory Statement sets out all the material facts relating to items of business as mentioned in the Notice dated 1st November, 2014 convening the Extra-Ordinary General Meeting.**

**Resolution No. 1:**

The Companies Act, 2013, under section 188, inter alia, provides that no contract or arrangement or transactions for sale, purchase or supply of any goods or materials exceeding ten per cent of the turnover of the Company or Rs. 100 crores which ever is lower, availing/rendering of any services exceeding ten per cent of the turnover of the Company or Rs. 50 crores whichever is lower shall be entered into by the Company except with the prior approval of the Shareholders by a special resolution.

The Clause 49(VII) of the Listing Agreement entered into with the Stock Exchanges, inter alia, provides that related party transaction includes 'transfer of resources' regardless of whether price is charged. Further it says that all material related party transactions shall require approval through special resolution and the related parties shall abstain from voting on such resolution.

It is proposed to continue the existing arrangements by afresh entering into contracts/transactions for purchase/supply materials, goods/power in the ordinary course of business and availing and / or rendering services like processing steam, pulp and paper, waste paper with Pudumjee Industries Limited (PIL) a related party within the definition under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, in compliance with revised law. The aggregate value of such contracts/transactions for purchase or supply of goods or rendering or availing of services is likely to exceed the limits under section 188 read with the rules made thereunder. The transactions with PIL would be material transaction in terms of clause 49(VII)(C) of the Listing Agreement. It is therefore proposed to obtain approval of the members to enter into such transactions with M/s Pudumjee Industries Limited under section 188 of the Companies Act, 2013 and clause 49(VII) of the Listing Agreement by way of a special resolution.

The particulars of the contracts/transactions, pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

- 1 Name of the related party: Pudumjee Industries Limited (PIL).
- 2 Name of the director or Key managerial Person who is related: Mr. A K Jatia.

3 Nature of relationship: Pudumjee Industries Ltd. related party with respect to the Company and Mrs. Poonam Jatia, wife of Mr. A K Jatia is a director of Pudumjee Industries Limited. Mr. A K Jatia and Mrs. Poonam Jatia and their relatives hold 2800962 shares in Pudumjee Industries Ltd., Pudumjee Pulp & Paper Mills Limited holds 956725 Shares in Pudumjee Industries Limited and Pudumjee Industries Limited holds 3412850 shares of the Company.

4 Monetary value : Estimated aggregate contract value for the matters proposed in the Resolution will not exceed Rs. 60 Crores in any financial year

5 Nature, material terms and particulars of arrangement:

i) purchase/ sale of pulp, waste paper, colors, bought out chemicals, capital goods, packing material, DEPB Licences and machinery spares : at cost + 2%

ii) availing of/rendering of services like processing of paper, steam and waste paper, water recycling at cost +3%

iii) sale of wrapper paper at market price.

iv) sale of utilities such as wind power at a price of Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) Rate minus 10%.

v) provision of common services at proportionate cost.

Period of contract : continuous transactions on an ongoing basis.

Aggregate Value of contracts with PIL is not likely to exceed Rs. 60 crores in any financial year.

6. Any other information relevant or important for the members to make a decision on the proposed transaction: The extra capacity available with the Company is proposed to be utilized by making it available to PIL for processing of steam, pulp, waste paper, etc. without compromising on its own manufacturing needs.

The memorandum of terms and conditions of the transactions to be entered into with Pudumjee Industries Limited is available for inspection on all working day at the registered office of the Company except on Saturday and Sunday.

Mr. A. K. Jatia and his relatives who in aggregate holds 7781957 shares of the Company are concerned and interested in the Special Resolution at item no 1 of the accompanying notice.

None of the other directors and Key managerial personnel or their relatives are in any way concerned or interested in the resolution. The Board of Directors recommend the special resolution set forth in the Notice for the approval of members.

**Resolution No. 2:**

The Clause 49(VII) of the Listing Agreement entered in to with the Stock Exchanges, inter alia, provides that related party transaction includes transfer of resources regardless of whether price is charged. Further it says that all material related party transactions shall require approval through special resolution and the related parties shall abstain from voting on such resolution. It is proposed to enter into contracts/transactions with Pudumjee Industries Limited (PIL) and Pudumjee Investment & Finance Company Limited (PIFCO), a wholly owned subsidiary of this Company, the related parties with respect to the Company, for advancing of loan(s), inter corporate deposits on such terms and conditions as the Board or committee thereof, may think fit, the value of which all taken together may exceed ten per cent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company, subject to however that the value of transactions of loans / inter corporate deposits (principal amount plus interest thereon) aforesaid during any financial year and the amounts remaining outstanding at any one time shall not exceed in aggregate Rs. 100 crores.

The particulars of the contracts/transactions, pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1. Name(s) of the related party:
  - (a) Pudumjee Industries Limited (PIL)
  - (b) Pudumjee Investment & Finance Company Ltd.(PIFCO)
2. Name of the director or Key managerial Person who is related: Mr. A.K.Jatia in both companies
3. Nature of relationship : Pudumjee Industries Ltd. related party with respect to the Company and Mrs. Poonam Jatia , wife of Mr. A K Jatia is a director of the Pudumjee Industries Limited who hold together with relatives 2800962 shares in Pudumjee Industries

Limited. Pudumjee Pulp & Paper Mills Limited holds 956725 shares in Pudumjee Industries Limited and Pudumjee Industries Limited holds 3412850 of the Company.

Pudumjee Investment & Finance Co. Ltd. is a related party with respect to the Company as it is a wholly owned subsidiary of this Company and Mr. AK Jatia is common director in both the companies. Mr. S K Bansal, director is also a director of PIFCO.

4. Monetary value : Estimated aggregate contract value/ amount, remaining outstanding at any one time for the matters proposed in the Resolution will not exceed Rs. 100 Crores in any financial year
5. Nature, material terms and particulars of arrangement:
  - (i) Repayable on demand or for such term as may be mutually agreed upon
  - (ii) Rate of Interest : 12.50 per cent per annum subject to any revision in line with market trend.
  - (iii) Period of contract : continuous
  - (iv) Aggregate Value of loan(s)/Inter corporate deposits or any amount remaining outstanding at any one time shall not exceed Rs. 100 crores in any financial year.
6. Any other information relevant or important for the members to make a decision on the proposed transaction: The surplus/spare money available with the Company is proposed to be utilized by making it available to PIL/PIFCO for their requirements without compromising on the Company's own needs.

Mr. A.K. Jatia and his relatives who holds in aggregate 7781957 shares of the Company are concerned and interested in the proposed special resolution. Mr. S K Bansal, director of the Company is also a director of PIFCO.

None of the other directors, key managerial personnel or their relatives is concerned or interested in the proposed special resolution. The Board of Directors recommend the special resolution set forth in the Notice for the approval of members.

**By Order of the Board of Directors,**

**(R M Kulkarni)**

**COMPANY SECRETARY**

**Registered Office:**

Thergaon, Pune 411 033

**Dated** : 1st November, 2014.