



## Emami Paper Mills Limited

687, Anandapur, E.M.Bye Pass, Kasba-Golpark  
Kolkata – 700 107

### NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of EMAMI PAPER MILLS LIMITED will be held on Thursday, the 11th August, 2011 at 11.00 a.m. at 687, Anandapur, E. M. Bye Pass, Kasba-Golpark, Kolkata – 700107 to transact the following business :

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March 2011 and the reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended on 31st March, 2011.
3. To appoint a Director in place of Shri U. G. Bhat who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A. V. Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri R. S. Goenka who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri H. M. Marda who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors and Unit Auditors (Kolkata Unit) of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

#### SPECIAL BUSINESS

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

#### AS SPECIAL RESOLUTION :

“RESOLVED THAT, pursuant to Sections 198,269,309,310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 including any statutory modification(s) or re-enactment thereof for the time being in force and subject to the approval of the Central Government and such other consents, approvals or permissions as may be necessary, the Agreement approved by the Board of Directors of the Company at their meeting held on 30th May, 2011 containing the remuneration and other terms and conditions relating to the re-appointment w.e.f.1st April, 2011 for a period of three years and remuneration for that period of Shri R. S. Goenka, Executive Chairman of the Company as set out in the

Explanatory Statement annexed to this Notice convening the meeting, be and is hereby approved.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 198 of the Act, and subject to the approval of the Central Government, as and when required, the remuneration as contained in the said Agreement(including annual increments, if any) be paid to Shri R. S. Goenka as minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in Part II of Schedule XIII of the Companies Act, 1956.”

“RESOLVED FURTHER THAT Shri P. S. Patwari, Executive Director and Shri G. Saraf, Vice President(Finance) & Secretary of the Company be and are hereby severally authorized to do all such act, deeds and things and furnish such information/clarifications/declaration, certificate and other Papers as may be required in this regard, to file any e-forms as may be required and to authorize any other person to represent before the Central Government in this regard.”

#### SPECIAL BUSINESS

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

#### AS SPECIAL RESOLUTION :

“RESOLVED THAT subject to the approval of Central Government and pursuant to section 309(5B) of the Companies Act, 1956, consent of the Members of the Company be and is hereby accorded to waive the excess remuneration paid to Shri R. S. Goenka, Executive Chairman of the Company over and above the limit prescribed under section 309(3) read with in Schedule XIII of the Companies Act, 1956 for the financial year 2008-09 & 2009-10 due to inadequacy of profit.”

“RESOLVED FURTHER THAT Shri P. S. Patwari, Executive Director and Shri G. Saraf, Vice President(Finance) & Secretary of the Company be and are hereby severally authorized to do all such act, deeds and things and furnish such information/clarifications/declaration, certificate and other Papers as may be required in this regard, to file any e-forms as may be required and to authorize any other person to represent before the Central Government in this regard.”

#### SPECIAL BUSINESS

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

#### AS SPECIAL RESOLUTION :

“RESOLVED THAT, pursuant to Sections 198,269,309,310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 including any statutory modification(s) or

re-enactment thereof for the time being in force and subject to the approval of the Central Government and such other consents, approvals or permissions as may be necessary, the Agreement approved by the Board of Directors of the Company at their meeting held on 30th May, 2011 containing the remuneration and other terms and conditions relating to the re-appointment w.e.f.1st April, 2011 for a period of three years and remuneration for that period of Shri P. S. Patwari, Executive Director of the Company as set out in the Explanatory Statement annexed to this Notice convening the meeting, be and is hereby approved."

"RESOLVED FURTHER THAT pursuant to the provision of Section 198 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, subject to the approval of Central Government, it may pay remuneration to Shri P.S.Patwari by way of salary and perquisites as Minimum remuneration notwithstanding that such remuneration is in excess of the limits specified in Part II of Schedule XIII of the Companies Act, 1956 or any modification thereof from time to time.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the composition/elements to the remuneration payable to Shri P. S. Patwari within the overall limits as setout above."

"RESOLVED FURTHER THAT Shri Manish Goenka, Director, and Shri G. Saraf, Vice President(Finance) & Secretary of the Company be and are hereby severally authorized to do all such act, deeds, and things and furnish such information/clarifications/declarations, certificate and other papers as may be required in this regard, to file any e-forms as may be required and to authorize any other person to represent before the Central Government in this regard."

#### SPECIAL BUSINESS

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

#### AS ORDINARY RESOLUTION :

"RESOLVED THAT the Company hereby accord its approval for appointment of M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, Kolkata -700001, as Registrar and Share Transfer Agents of the Company for providing depository related services for the shares held in Demat mode and also to act as the Share Transfer Agents for the Shares held in physical segment in place of M/s.Niche Technologies Pvt.Ltd.D-511, Bagree Market, 71, B.R.B.Basu Road, Kolkata -700001 which is acting as the Registrar and Share Transfer Agents at present.

#### SPECIAL BUSINESS

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

#### AS SPECIAL RESOLUTION :

"RESOLVED that pursuant to the provisions of proviso to Section 163 of the Companies, Act, 1956('the Act') the Company hereby accord its approval that the Register of Members, the index of members, registers and index of debenture holders and copies of all the annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act or any one or more of them and other related documents such as original transfer deeds, specimen signature cards, mandates, powers of attorney etc. be kept at the office of Company's Registrar and Share Transfer Agents M/s.Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, Kolkata -700001 instead of being kept at the Registered Office of the Company."

Registered Office :

687, Anandapur  
E.M.Bye Pass, Kasba Golpark  
Kolkata – 700 107

Dated 30th May, 2011

By order of the Board

G. SARAF

*Vice President (Finance) &Secretary*

#### NOTES :

1. A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY FORM IN ORDER TO BE VALID SHOULD REACH THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM 9TH AUGUST, 2011 TO 11TH AUGUST, 2011 (BOTH DAYS INCLUSIVE).
3. EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE BUSINESS UNDER ITEM NO.8, 9, 10, 11 & 12 AS SET OUT ABOVE ARE ANNEXED HERETO AS ANNEXURE - I.
4. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-

APPOINTMENT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE(S) ARE ANNEXED HERETO AS ANNEXURE – II.

5. DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2011, 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 TUESDAY, 9TH AUGUST, 2011, AND FOR THE SHARES HELD IN PHYSICAL FORM, WHOSE NAMES APPEAR IN THE REGISTER OF MEMBERS ON THE DATE OF THE ANNUAL GENERAL MEETING.
6. 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 TUESDAY, 9TH AUGUST, 2011 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.

7. 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.

8. THOSE MEMBERS WHO HAVE NOT ENCASHED DIVIDEND WARRANT FOR THE FINANCIAL YEARS 2003-04 TO 2009-10 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, KOLKATA-700 001 FOR ISSUE OF DUPLICATE DIVIDEND WARRANT.

9. PURSUANT TO THE PROVISIONS OF SECTION 205A OF THE COMPANIES ACT, 1956, AS AMENDED, DIVIDEND FOR THE FINANCIAL YEAR 2003-04 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 205C OF THE COMPANIES ACT, 1956. UNCLAIMED EQUITY DIVIDEND FOR THE FINANCIAL YEAR 2003-04 WILL FALL DUE FOR TRANSFER TO THE SAID FUND ON 21ST JULY, 2011.

#### IMPORTANT COMMUNICATION

The Ministry of Corporate Affairs, vide its Circular No.18/2011 dated 29th April, 2011, clarify that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report(i.e. documents listed in section 219(1) of the Companies Act, 1956) is sent through e-mail. To support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s. Maheshwari Datamatics Pvt.Ltd., 6, Mangoe Lane, Kolkata-700 001 by filling the form available on the Company's website and also update the e-mail address as and when there is any change.

#### ANNEXURE - I TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 TO THE ITEM NO. 8,9,10,11,12

##### ITEM NO.8

The Board of Directors of your Company at their meeting held on 30th May, 2011 on the recommendation of the Remuneration Committee unanimously approved the re-appointment of Shri R. S. Goenka, as Executive Chairman, subject to the approval by the members and Central Government for a further period of 3 (three) years w.e.f.1st April, 2011 at such Salary and Perquisites as set out herein below. The appointment, if approved will be in conformity with the requirement under 198,269, 309 read with Schedule XIII of the Companies Act, 1956.

- a) Duration : 3 years with effect from 1st April, 2011.
- b) Salary: Rs.8,00,000/-(Rupees Eight Lacs) per month with the Annual increment of Rs.2,00,000/-(Rupees Two lacs only) per month
- c) Commission: Such remuneration by way of Commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular year, as may be determined by the Board of Directors of the Company at the end of each financial year, but not exceeding 2%, 3% and 4% for the financial year 2011-12, 2012-13 and 2013-14 respectively.
- d) Perquisites & allowance :
  - i) Leave Travel Allowance for self and family once in a year as per Rules of the Company.
  - ii) Medical expenses actually incurred by him and his family.
  - iii) Club Membership fees subject to the maximum of two clubs.
  - iv) Provision for use of car for official business-personal long distance calls will be billed to the Chairman.
- e) The Company will make suitable contribution towards Provident Fund, Superannuation Fund and Annuity Fund.
- f) Gratuity will be payable as per Rules of the Company.
- g) Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.
- h) Where in any financial year during the currency of the tenure as the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay to the Director, remuneration by way of Salary, benefits, perquisites allowances, etc as Minimum Remuneration in terms of Part C of Schedule XIII of the Act or any modifications therein from time to time.
- i) The Remuneration Committee is authorized to make such changes in remuneration, if such changes are required to be made in terms of the provisions of the said Act.

The proposed remuneration shall be the minimum remuneration payable to Shri R. S. Goenka notwithstanding the fact that the Company has no profits

or its profits are inadequate during any year during the currency of his tenure subject to the provisions of Schedule XIII of the Act.

The proposed amendment supersedes previous resolution passed by your Company vide resolution number 8 passed in the general meeting dated 30/07/2000, to the extent the same pertains to the period on or after 1st April, 2011, as the existing agreement with Shri R. S. Goenka dated 17/09/2009 is being pre-terminated.

The Resolution set out in Item No.8 of the accompanying Notice is intended to obtain the consent of the shareholders relating to remuneration payable to Shri R. S. Goenka.

Information pursuant to Schedule XIII of the Companies Act, 1956 is annexed to this Notice.

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

Shri R. S. Goenka may be deemed to be concerned or interested in the Resolution. No other Director has any concern or interest therein this resolution, except Shri Manish Goenka, being relative of Shri R. S. Goenka.

The Agreement entered into with Shri R. S. Goenka 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.

#### ITEM NO.9

The managerial remuneration paid to Shri R. S. Goenka exceeded the limit prescribed under section 309(3), as well as the limits laid down in, Part C of Schedule XIII of the Companies Act, 1956 due to inadequacy of profits, but was within the limits approved by the members of the Company. The excess remuneration paid to Shri R. S. Goenka for the financial year 2008-09 and 2009-10 amounted to Rs.52.25 lacs.

Shri R. S. Goenka was re-appointed as the Chairman of the Company with effect from 1st September, 2009 at the Board Meeting held on 16th September, 2009 for a period of 5 years on the terms and conditions contained in the Board Resolution and in the Agreement executed with him. The remuneration paid to him during the tenure of his appointment was approved by the Remuneration Committee in their meeting held on 16th September, 2009. The appointment and remuneration so fixed was also approved by the Shareholder in 28th Annual General Meeting held on 30th July, 2010.

However, due to unfavourable business circumstances that were hopefully transient, the remuneration paid to Shri R. S. Goenka exceeded 5% of the profits for the company for the year 2008-09 and the year 2009-10.

Shri R. S. Goenka, being Chairman of the Company is devoting his full time for the development and growth of the Company and his contribution in foundation, development and growth of the Company is immense and valuable.

As the remuneration paid has exceeded the eligible limits under Section 309(3) read with Part C of the Schedule XIII of the Companies Act, 1956, Company is required to make an application to the Central Government under section 309(5B) of the Companies act, 1956 as per the recommendation from Board of Directors and the approval from the Shareholders as per the following table, and accordingly made the separate application to them.

Financial Year	Remuneration Paid	Eligible Remuneration as per section 198,309, 310 read with Schedule XIII	Excess Remuneration (Rs.in lacs)
2008-09	180.64	178.29	2.35
2009-10	120.65	70.75	49.90
<b>Total :</b>	<b>301.29</b>	<b>249.04</b>	<b>52.25</b>

The Board of Directors at their meeting held on 30th May, 2011 have ratified, confirmed and approved, subject to the approval of the Shareholders and of the Central Government, the payment of remuneration to the managerial personnel in excess of the limits prescribed under Schedule XIII of the Act, and authorized Company Secretary to file an application to the Central Government for seeking its approval for payment of excess remuneration and waiver from recovery of the same.

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

Shri R. S. Goenka may be deemed to be concerned or interested in the Resolution. No other Director has any concern or interest therein, except Shri Manish Goenka, being relative of Shri R. S. Goenka.

#### ITEM NO.10

Shri P. S. Patwari was re-appointed as the Executive Director of the Company for a period of 5 years w.e.f. 1st August, 2006 with the approval of the Shareholders in the Annual General Meeting held on 28th September, 2007.

Further the Board of Directors of your Company("the Board") at its meeting held on 30th May, 2011 on the recommendation of the Remuneration Committee, unanimously approved the re-appointment of Shri P. S. Patwari as Executive Director, subject to the approval of the members and Central Government for a period of 3 years w.e.f.1st April, 2011 at such Salary and Perquisites as set out in the Resolution No.9 of Notice convening the Annual General Meeting.

- a) SALARY : Rs.4,00,000/- (Rupees Four Lac) – Rs.1,00,000/-(Rupees One Lac) – Rs.6,00,000/- (Rupees Six Lac) per month.

Annual increment, per month effective from 1st April, each year will be decided by the Chairman of the Company in his absolute discretion and on the basis of merit.

- b) BONUS: As per rules of the Company.

- c) PERQUISITES :

- House Rent Allowance : House Rent Allowance of Rs.1,00,000/- per month as per the basic Salary.
- Special Allowance : Special Allowance of Rs.8400/- (Rupees Eight Thousand Four Hundred only) per month.
- Reimbursement of medical expenses for self and family and Leave Travel concession as per the rules of the Company.
- Use of Company's Car for official purposes and telephone at residence (including payment for local calls and long distance official calls.)
- Shri P.S.Patwari shall also be eligible to the following perquisites which shall not be included in the computation to the ceiling on remuneration.

A) 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) Gratuity payable at a rate not exceeding half a month's salary of each completed year of service, and

C) Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.

D) The above remuneration shall be subject to the ceiling prescribed under Section 198, 269, 309 read with schedule XIII of the Companies Act 1956 (hereinafter called the said Act) and the Remuneration Committee is authorized to make such changes in remuneration, if such changes are required to be made as per the said Act.

#### 4. MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure as the Executive Director, the Company has no profits or its

profits are inadequate, the Company will pay to the Director, remuneration by way of salary, benefits, perquisites, allowances, etc as Minimum remuneration in terms of the limits specified in Part C of Schedule XIII of the Act or any modifications therein from time to time.

The Remuneration Committee is authorized to make such changes in remuneration, if such changes are required to be made as per the provisions of the said act.

The Resolution set out in Item No.10 of the accompanying Notice is intended to obtain the consent of the shareholders relating to remuneration payable to Shri P. S. Patwari.

The proposed amendment supersedes previous resolution passed by your company vide resolution number 11 passed in the General Meeting dated 28/09/2007 and resolution No.9 passed in the General Meeting dated 26.09.2008, to the extent the same pertains to the period on or after 1st April, 2011, as the existing agreement with Shri P. S. Patwari dated 31/07/2006 & 09/01/2008 is being pre-terminated.

Information pursuant to Schedule XIII of the Companies Act, 1956 is annexed to this 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.

Shri P. S. Patwari may be deemed to be concerned or interested in the Resolution. No other Director has any concern or interest therein.

The Agreement entered into with Shri P. S. Patwari 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.

#### ITEM NO.11

M/s. Maheshwari Datamatics Pvt. Ltd., a SEBI authorized Category-I, Registrar and Share Transfer Agent has approached the Company to provide their services to act as Registrar and Share Transfer Agent of the Company.

In order to maintain the Group business synergy and also to provide the better services to its Shareholders the Board recommended the resolution as proposed in the notice for members approval.

None of the Directors of the Company is interested in the resolution.

#### ITEM NO.12

As per Section 163(1) of the Companies Act, 1956 certain Registers and Documents which are normally required to be kept at the Registered Office of the Company could be kept at a place other than the Registered Office of the Company, provided such other place has been approved by the Members by way of a Special Resolution.

The Company has appointed M/s. Maheshwari Datamatics Pvt. Ltd. in the place of M/s. Niche Technologies Pvt. Ltd., who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the members is sought in terms of Section 163(1) of the Companies Act, 1956 for keeping the aforementioned registers and documents at the office of the Depository/Registrar and Share Transfer Agent as stated in the resolution. Directors recommend the resolution as proposed in the Notice for Members approval.

None of the Directors of the Company is interested in the resolution.

### Common Information for Item No.8 Information pursuant to Schedule XIII of the Companies Act, 1956

#### I) GENERAL INFORMATION

- 1) Nature of Industry : Manufacturing and selling of 'PAPER' 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 :-

(Rs.in lacs)

	2010-11	2009-10	2008-09
a) Paid up Share Capital	1209.98	1209.98	1209.98
b) Reserve & Surplus (Excluding Revaluation Reserve)	14959.63	13995.00	13693.98
c) Sale/Income from operation	43218.24	39789.42	43497.46
d) Total Income	43332.15	39990.30	44386.50
e) Profit before Tax	1810.63	1177.85	3278.33
f) Profit after Tax	1386.52	698.94	2208.26

#### II) Information about the appointee :

- 1) Shri R. S. Goenka, is a Master degree holder in Commerce and L.L.B., Co founder of Emami Group of Companies, is an expert in taxation and master in strategic planning, corporate affairs and finance. Under his able guidance, Emami Group has become conglomerate of several business viz. paper, hospitals, writing instruments, bio-diesel, edible oil, realty, retail chain and cement. He has taken a major role in making Emami one of the most

renowned brand in India. He has always an excellent flavor of Public relation.

He is associated with various federation and social organization.

#### 2) Past Remuneration

(Rs.in lacs)

2010-11	2009-10	2008-09
101.05	120.65	180.64

#### 3) Recognition, Award & Achievements :

He was Honorary consul General of Republic of Poland.

#### 4) Job profile and his suitability :

Shri R. S. Goenka, being Chairman of the Company is devoting full time for the development and growth of the Company and his contribution in foundation, development and growth of the Company is immense. Under his stewardship as Executive Chairman and with a view to avail his corporate acumen, leadership qualities in strategic planning and decision for more focus growth of Company the Board recommend for re-appointment of Shri R.S.Goenka for a period of 3 years w.e.f. 1st April, 2011. As Executive Chairman he is always been in the forefront of the improved performance and all around progress of the Company.

#### 5) Remuneration Proposed :

- a) Salary: Rs.8,00,000/-(Rupees Eight Lacs) per month with the Annual increment of Rs.2,00,000/-(Rupees Two lacs only) per month
- b) Commission: Such remuneration by way of Commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in

a particular year, as may be determined by the Board of Directors of the Company at the end of each financial year, but not exceeding 2%, 3% and 4% for the financial year 2011-12, 2012-13 and 2013-14 respectively.

- c) Perquisites & allowance :
- Leave Travel Allowance for self and family once in a year as per Rules of the Company.
  - Medical expenses actually incurred by him and his family.
  - Club Membership fees subject to the maximum of two clubs.
  - Provision for use of car for official business-personal long distance calls will be billed to the Chairman.
- d) The Company will make suitable contribution towards Provident Fund, Superannuation Fund and Annuity Fund.
- e) Gratuity will be payable as per Rules of the Company.
- f) Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.
- g) Where in any financial year during the currency of the tenure as the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay to the Director, remuneration by way of Salary, benefits, perquisites allowances, etc as Minimum Remuneration in terms of Part C of Schedule XIII of the Act or any modifications therein from time to time.
- h) The Remuneration Committee is authorized to make such changes in remuneration, if such changes are required to be made in terms of the provisions of the said Act.

#### MINIMUM REMUNERATION :

To be paid by way of Salary, Perquisites and allowances, notwithstanding that such remuneration is in excess of the limits specified in Part-II of Schedule-XIII of the Companies Act, 1956 or any modification thereof from time to time.

- 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 Executive Chairman 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 corporate financial year, during the currency of tenure of service of the Executive Chairman, the payment of Salary, perquisites and

other allowances shall be governed by the limits prescribed under Schedule XIII of the Companies Act, 1956 and the Remuneration Policies of the Company.

- 7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :

Excepting the payment of remuneration for his service as Executive Chairman as detailed hereinabove, he has no other direct or indirect interest in any contract by or with the Company except to the extent of interest or concern with Shri Manish Goenka being his relative.

#### III) Steps taken for improvement

- 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 :
  - Continued efforts on reduction of cost of production with its special emphasis on the conservation of energy.
  - Redesign the financial structure of the Company to bring down the Interest Costs on its Term Loan and Working Capital.
  - Adopt flexibility in the product-mix in line with the customers' requirements.
  - 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).
- Steps proposed to be taken :
  - Continuous research on improvement of pulp yield of Waste Paper resulting in optimization.
  - Conduct studies on optimization of wet-end chemicals for writing and printing paper.
  - Conduct studies on optimization of de-inking and bleaching chemicals for newsprint and writing & printing pulp.
  - Studies on optimization of moisture in writing & printing paper.
  - Exploring new markets.

#### IV) Disclosures :

- a) The details of remuneration to Shri R. S. Goenka are given in the proposed resolution and the explanatory statements annexed herewith. This may be treated as an Abstract for the purpose of Section 302 of the Companies Act, 1956.

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.

### Common Information for Item No.9 Information pursuant to Schedule XIII of the Companies Act, 1956

#### I) GENERAL INFORMATION

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

	(Rs.in lacs)		
	2010-11	2009-10	2008-09
a) Paid up Share Capital	1209.98	1209.98	1209.98
b) Reserve & Surplus (Excluding Revaluation Reserve)	14959.63	13995.00	13693.98
c) Sale/Income from operation	43218.24	39789.42	43497.46
d) Total Income	43332.15	39990.30	44386.50
e) Profit before Tax	1810.63	1177.85	3278.33
f) Profit after Tax	1386.52	698.94	2208.26

## II) Information about the appointee :

- 1) Shri P.S.Patwari, B.Com, FCA aged about 56 years, joined the Company in the year 1984. He was elevated to the position of Executive Director on 01.12.1996. He has an extensive knowledge of Finance, Accounting, Marketing, Corporate Planning, Business Development, Strategy formulation and overall management. His brilliance, dedication and outstanding ability coupled with keen insight, tenacity and fair-sightedness, 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

(Rs.in lacs)

2010-11	2009-10	2008-09
45.77	58.94	40.26

### 3) Recognition, Award & Achievements :

Has been awarded "CA Business Achiever Award" in SME category for excellent management for the year 2010 by the Institute of Chartered Accountants of India.

### 4) Job profile and his suitability :

Being Executive Director, Shri P. S. Patwari is overall in-charge of Finance and other affairs of the Company 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 at Balasore, Orissa. Considering his overall performance and all round progress of the Company under his stewardship as Executive Director and with a view to avail his corporate acumen, leadership qualities in strategic activities and decision for more focused growth of the Company the Board of Directors of the Company reappointed him Executive Director of the Company for a period of 5 years w.e.f.1st August, 2006, with the approval of the Shareholders in the General Meeting of the Company. As Executive Director of the organization, he is always been in the forefront for the improved performance and all round progress of the Company. Keeping in view his expertise, dedication and experience the Board recommend for re-appointment of Shri P. S. Patwari for a period 3 years w.e.f. 1st April, 2011.

### 5) Remuneration Proposed :

- a) SALARY : Rs.4,00,000/- (Rupees Four Lac) – Rs.1,00,000/- (Rupees One Lac) – Rs.6,00,000/-(Rupees Six Lac ) per month.

Annual increment, per month effective from 1st April, each year will be decided by the Chairman of the Company in his absolute discretion and on the basis of merit.

- b) BONUS: As per rules of the Company.

#### c) PERQUISITES :

- House Rent Allowance : House Rent Allowance of Rs.1,00,000/- per month as per the basic Salary.
- Special Allowance : Special Allowance of Rs.8400/- (Rupees Eight Thousand Four Hundred only) per month.
- Reimbursement of medical expenses for self and family and Leave Travel concession as per the rules of the Company.
- Use of Company's Car for official purposes and telephone at residence (including payment for local calls and long distance official calls.)

- v. Shri P.S.Patwari shall also be eligible to the following perquisites which shall not be included in the computation to the ceiling on remuneration.

- 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,
- Gratuity payable at a rate not exceeding half a month's salary of each completed year of service, and
- Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.

### MINIMUM REMUNERATION :

To be paid by way of Salary, Perquisites and allowances, notwithstanding that such remuneration is in excess of the limits specified in Part-II of Schedule-XIII of the Companies Act, 1956 or any modification thereof from time to time.

- 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 Executive 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 corporate 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 XIII of the Companies Act, 1956 and the Remuneration Policies of the Company.

- 7) Pecuniary relationship directly or indirectly with the Company, or relationship with the 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 the 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 :

- Continued efforts on reduction of cost of production with its special emphasis on the conservation of energy.
- Redesign the financial structure of the Company to bring down the Interest Costs on its Term Loan and Working Capital.
- Adopt flexibility in the product-mix in line with the customers' requirements.
- 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 :

- Continuous research on improvement of pulp yield of Waste Paper resulting in optimization.
- Conduct studies on optimization of wet-end chemicals for writing and printing paper.
- Conduct studies on optimization of de-inking and bleaching

chemicals for newsprint and writing & printing pulp.

- d) Studies on optimization of moisture in writing & printing paper.  
e) Exploring new markets.

IV) Disclosures :

- a) The details of remuneration to Shri P. S. Patwari are given in the

proposed resolution and the explanatory statements annexed herewith. This may be treated as an abstract for the purpose of Section 302 of the Companies Act, 1956.

- b) 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

### Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr.U.G.Bhat	Mr.A V. Agarwal	Mr.R.S.Goenka	Mr.H.M.Marda
Date of Birth	15/04/1938	06/01/1975	05/01/1947	01/01/1943
Date of Appointment	26.09.2003	23.10.2000	01.09.1994	27.01.2009
Expertise in Specific Functional areas	A well known Technocrat professional and a reputed project consultants in paper industry with rich and varied experience in setting up of project.	Well known Industrialist. Rich and varied experience in marketing, Corporate Planning, Business Development, Strategy formulation and overall management.	An Industrialist of repute with 44 years experience in Strategic Planning, Finance, Legal and Corporate affairs. Major role in making Emami one of the most renowned brand in India.	An Industrialist with extensive business experience over 3 decades in the area of Accounting, Corporate Planning, Strategy formulation and overall management.
Qualification	B.Sc, B.E.	B.Com.	M.Com, L.L.B.	B.Com, ACA .
Chairman/Director of other Companies.	- SPB Project and Consultancy Ltd. - Shree Sakthi Paper Mills Limited	-Emami Limited -CRI Limited -T.M.T.Viniyogan Ltd. -AMRI Hospitals Ltd. -Emami Group of Companies(P) Ltd. -Suntrack Commerce Pvt.Limited -Merchants Chamber of Commerce -Emami Biotech Limited -Emami (Bangladesh) Ltd. -Emami(U.K.) Ltd. -Emami International FZE. -Bengal Emami Infrastructure & Developers Limited -Ajanta Suppliers Pvt.Ltd. -Emami Infrastructure Ltd. -Emami Chisel Art Pvt.Ltd. -Emami International Pvt.Ltd.	-Emami Limited -Emami Group of Companies Pvt.Ltd. -South City Project (Kolkata) Ltd. -AMRI Hospitals Ltd. -Suntrack Commerce Pvt.Ltd. -Merchant Chamber of Commerce. -Bhanu Vyapaar Pvt.Ltd. -Pro-sports Management Ltd. -Suraj Viniyog Pvt. Ltd. -Emami Realty Ltd. -Bengal South City Matrix Infrastructure Ltd. -Bengal Anmol South City Infrastructure Ltd. -Roseview Developers Pvt.Ltd. -Ajanta Suppliers Pvt.Ltd -Bengal Emami Housing Ltd. -South City Recreation Pvt.Ltd. -Maa Gou Products Pvt. Ltd. -South City International School	- Chandramukhi Impex Pvt.Ltd. - Prabhu Polycolor Pvt.Ltd. - Prabhu Poly Pipes Pvt.Ltd. - Prabhu Sponge Pvt. Ltd. - Frontier Garment Pvt.Ltd. -Emami Infrastructure Ltd. -Zandu Realty Ltd.
Equity shares held in the Company	NIL	119750	1317500	2150