

THE SIRPUR PAPER MILLS LIMITED

Registered Office: 5-9-22/1/1, 1st Floor, Ashoka Chambers, Adarshnagar,
HYDERABAD – 500 063 (Telangana) Tel: 040-23236301
E-mail: registeredoffice@sirpurpaper.com – Website: www.sirpurpaper.com

CIN: L21010TG1938PLC000591

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 and Rules made thereunder)

To,
The Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the “Act”), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions seeking consent of Members of the Company are proposed to be passed as special resolutions by way of Postal Ballot for the following special business. The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof are annexed hereto alongwith a postal ballot form (the “Form”) for your consideration. The Board of Directors of the Company (the “Board”) has appointed Mr. A. J. Sharma of M/s. A.J.Sharma & Associates, Practicing Company Secretaries as the Scrutinizer for conducting the postal ballot process and also for the e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.30 p.m. on Monday, December 8, 2014.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/Director. The result of the postal ballot would be declared by the Company on Wednesday, December 10, 2014 by placing it, along with the Scrutinizer's Report on the Company's website: www.sirpurpaper.com.

SPECIAL BUSINESS:

1. Consent to the Board of Directors under Section 180(1)(a) of the Companies Act, 2013 to create mortgage/charge on the assets of the Company:

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

“RESOLVED THAT in supersession of the resolution passed by Members of the Company through postal ballot on 21st January 2013, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Ordinary Shares/ and/or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached (hereinafter collectively referred to as “Loans”) provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs.600 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

2. Payment of remuneration to Shri Devashish Poddar, Vice-Chairman & Managing Director for the period from April 1, 2014 upto the end of his present term of appointment i.e. July 31, 2015:

To consider and, if thought fit, to pass with or without modification, if any, the following resolution as a Special Resolution: -



"RESOLVED THAT pursuant to sections 197, 198, Schedule V of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company and subject to such consent, approval(s) and permission(s) as may be necessary in this regard, consent of the Members of the Company be and is hereby accorded for the payment of the remuneration to Shri Devashish Poddar (DIN: 00457349), Vice-Chairman & Managing Director of the Company, and keep it within the limits as previously approved by Central Government i.e. total salary of Rs.1,22,00,000/- per annum, from April 1, 2014 upto the end of his present term of appointment i.e. July 31, 2015 with having no change in the terms and conditions from the last approved remuneration in the Remuneration Committee and the Board Meetings held on May 13, 2013 and confirmed by the Members in the Annual General Meeting held on September 30, 2013, as set out in the explanatory statement which forms part of this resolution.

RESOLVED FURTHER THAT in the event of absence of profits or inadequacy of profits in any financial year, the salary, perquisites etc and statutory benefits not exceeding Rs.1,22,00,000/- (as set out in the explanatory statement which forms a part of this resolution) be paid as minimum remuneration to Shri Devashish Poddar, Vice-Chairman and Managing Director, subject to the approval of Central Government, where required.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof of the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

By order of the Board
For The Sirpur Paper Mills Limited,
Dinesh Lata
Company Secretary.

Registered Office:
5-9-22/1/1, 1st Floor,
Ashoka Chambers, Adarshnagar,
HYDERABAD – 500 063 (Telangana)

CIN: L21010TG1938PLC000591

Date: 25-10-2014.

NOTES:

1. An explanatory statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed special resolutions at Item Nos. 1 to 2 above, are appended herein below along with Form for your consideration.

2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on Friday, October 31, 2014.

3. In compliance with the provisions of Section 110 of the Companies Act, 2013 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and pursuant to Clause-35B of the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically. E-voting is optional.

4. As per Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot with physical Postal Ballot Form through Registered/Speed Post/courier. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through postal ballot form can seek duplicate Form (along with Business reply envelope) from the Office of the Registrars and Share Transfer Agents of the Company M/s.Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharath Nagar, Hyderabad -500 018, and send the duly filled and signed Form by post to the Scrutinizer, which should reach him not later than the December 8, 2014.

INSTRUCTIONS FOR E-VOTING

E-Voting Process:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with Clause-35 B of the Listing Agreement, the Company is pleased to offer e-voting facility to the Members to cast their Votes electronically on all resolutions set forth in the Postal Ballot Notice dated 25th October, 2014. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility.

The E-voting facility is available at the link <https://www.evoting.nsdl.com>

The E-voting Event Number and period of E-voting are set out below:

EVEN (E-VOTING EVENT NUMBER)	COMMENCEMENT OF E- VOTING	END OF E-VOTING.
101364	07-11-2014 at 9.00 A.M.	05-12-2014 at 6.00 P.M.

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - i. Open email and open PDF file viz: "Sirpurpaper e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder – Login
 - iv. Type use ID and password as initial password/PIN noted in step (i) above. Click Login.

- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of The Sirpur Paper Mills Limited.
 - viii. 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 you have voted on the resolution, you will not be allowed to modify your vote.
 - 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 authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to scrutiniserajsharma@gmail.com with a copy marked to info@vccipl.com
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below /at the bottom of the Attendance Slip for the AGM: EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps (from Sl.No. (i) to (xii)) as mentioned above, to cast your vote.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsdl.com.
- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsdl.com
 - II. If you already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
 - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IV. The e-voting period commences on November 7, 2014 (9.00AM) and ends on December 5, 2014 (6:00PM). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31st October, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - V. The Voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of October 31, 2014.
 - VI. Mr. A. J. Sharma of M/s. A.J.Sharma & Associates, Practicing Company Secretaries (Membership No. FCS 2120, CP-2176) has been appointed as the Scrutinizer to scrutinize the e-voting process and also the Postal Ballot process in a fair and transparent manner.
 - VII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of the least two (2) 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 Chariman of the Company.
 - VIII. The Result shall be declared on December 10, 2014. The Results declared along with Scrutinizer's Report shall be placed on the Company's website www.sirpurpaper.com and the website of NSDL within two (2) days of passing the resolution and communicated to the Stock Exchanges.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as the "Act"))

Background to the explanatory statements under Item Nos. 1 and 2:

Item No. 1: Consent to the Board of Directors under Section 180(1)(a) of the Companies Act, 2013 to create mortgage/charge on the assets of the Company

In terms of Section 293(1)(a) of the Companies Act, 1956 the Members had passed requisite resolution by way of Ordinary Resolution on January 21, 2013 through Postal Ballot process. The Board of Directors was duly delegated powers for creating mortgage(s) and or charge(s) on all or any of the immovable and/or movable properties of the Company, both present and future, or otherwise.

The Central Government has since enacted the Companies Act, 2013 in place of Companies Act, 1956 and the provisions of new law has come into force.

In terms of Section 180(1)(a) of the Companies Act, 2013, the consent by Members for the aforesaid purposes shall require to be given by way of Special Resolution. Ministry of Corporate Affairs, by General Circular No.04/204, dated March 25, 2014 has clarified that the resolutions passed under Section 293(1)(a) of the Companies Act, 1956 prior to September 12, 2013 will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the said notification date.

It has thus, become necessary for the Company to revalidate the sanction already accorded by passing a fresh resolution by way of a Special Resolution.

Further, pursuant to Clause (a) of Sub-section (1) of Section 110 of the Companies Act, 2013 read with Sub-rule 16(i) of Rule 22 of the Companies (Management and Administration) Rules, 2014, the said item of business has been specified under Sub-clause (a) of sub-section (1) of Section 180 shall be transacted only by means of voting through a Postal Ballot.

The proposed borrowings of the Company, though within the limits approved by the Members, may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities/ trustees for the holders of the said securities as mentioned in the Resolution at Item No. 1. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/mortgages/ hypothecations for an amount not exceeding Rs.600 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board recommends the Resolution at Item No.1 of the Notice for approval of the Members by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 1 of the Notice.

Item Nos. 2: Payment of remuneration to Shri Devashish Poddar, Vice-Chairman & Managing Director for the period from April 1, 2014 upto the end of his present term of appointment i.e. July 31, 2015:

Shri Devashish Poddar had been re-appointed as the Vice-Chairman & Managing Director of the Company for a period of two years with effect from August 1, 2013 in the Annual General Meeting held on September 30, 2013 alongwith a remuneration for the

said period from August 1, 2013 to July 31, 2015 and the same was confirmed by the Members in the Annual General Meeting held on September 30, 2013, subject to approval of Central Government, where required.

The Central Government vide its letter No.SRN B86035623/3/2013-CL.VII dated August 14, 2014 approved the re-appointment of Shri Devashish Poddar as Managing Director of the Company for a period of two (2) years w.e.f. August 1, 2013 upto July 31, 2015 and approved the remuneration of Rs.1.22 crore per annum payable to Shri Devashish Poddar for the period from August 1, 2013 to March 31, 2014.

The Members in their Annual General Meeting held on September 30, 2013 have already approved the remuneration from April 1, 2014 upto the end of present term of appointment, i.e. July 31, 2015, of Shri Devashish Poddar. Now, in terms of Circular No.32/2014 issued by the Ministry of Corporate Affairs (MCA) dated July 23, 2014, the Company is proposing the payment of same remuneration, not exceeding Rs.1,22,00,000/- to Shri Devashish Poddar for Members' approval under the provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 197, Schedule V and all other applicable provisions, if any, of the Companies Act 2013, the Board of Directors in its meeting held on September 29, 2014, approved the payment of remuneration to Shri Devashish Poddar, Vice-Chairman and Managing Director for the remaining tenure from April 1, 2014, as recommended by the Nomination and Remuneration Committee in its meeting held on September 28, 2014.

The remuneration payable to Shri Devashish Poddar, Vice-Chairman and Managing Director, for the remaining period from April 1, 2014 to July 31, 2015, as follows:

1. Remuneration:

- a) Salary: Rs. 4,40,000/- (Rupees four lakh forty thousand) per month.
- b) Performance bonus: 1% of profit before tax.
- c) Perquisites: The perquisites shall be as follows:
 - i. Housing:
 - a. Free furnished accommodation.
 - b. If no accommodation is provided by the Company, he shall be entitled to a house rent allowance equal to 60% of the salary.
 - c. Furniture and fixtures at residence and other amenities such as Gas, electricity, water.

Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.

- ii. Medical reimbursement, leave, leave travel concession, bonus/ex-gratia, personal accident insurance and long service award as per rules of the Company.
- iii. Club fees: Fee of clubs subject to maximum of two clubs. This will not include admission and life membership fees.
- iv. Conveyance: Free use of Company's car with driver for official work as well as for personal purpose.
- v. Telephone and computer: Free telephone and computer facility at residence.
- vi. Company's contribution to Provident Fund, Superannuation Fund or any annuity fund as per rules of the Company.
- vii. Gratuity as per rules of the Company.

Note:

Provision of car for use in the Company's business and telephone and computer at residence will not be considered in computing the value of perquisites. The perquisites shall be valued as per Income tax rules, 1962. Personal long distance telephone calls shall be billed by the Company.

2. Duties and responsibilities:

- a. The Vice-Chairman and Managing Director shall act under the superintendence, control and directions of the Board of directors and have the powers of the management of the whole or substantially the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon him by the Board.
- b. The Vice-Chairman and Managing Director shall have control of overall Company's affairs.

3. Other major terms & conditions:

- a) The appointment may be terminated by either party by giving the other party three months' notice in writing.
- b) If at any time, the said appointee ceases to be a director of the Company for any cause whatsoever, he shall cease to be Vice-Chairman and Managing Director.
- c) The Vice-Chairman and Managing Director shall not supplement his earnings by any buying or selling commission. He shall not also become interested or otherwise concerned directly or indirectly or through his wife and/or minor children in any selling or buying agency of the Company.
- d) Sitting Fee: No sitting fee shall be paid to Vice-Chairman and Managing Director for attending the meetings of Board of directors or a Committee thereof of the Company.

The Nomination and Remuneration Committee of the Board and the Board of Directors at their meeting held on September 28, 2014 and September 29, 2014, respectively accorded their approvals to the above and in the interest of the Company and have recommended the aforesaid resolution as set out in this Notice for approval of the Members. The Resolution is proposed as a Special Resolution for the purpose of Part II of Schedule V and the provisions of Section 197 of the Act.

The Board recommends the Resolution at Item No.2 of the Notice for approval of the Members by a Special Resolution.

Shri Devashish Poddar being the receipt of remuneration and Shri Ranjan Kumar Poddar being relative are interested in the Resolution. None of the other Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested in the Resolution mentioned at Item No.2 of the Notice.

By order of the Board
For The Sirpur Paper Mills Limited,

Dinesh Lata
Company Secretary.

Registered Office:
5-9-22/1/1, 1st Floor,
Ashoka Chambers, Adarshnagar,
HYDERABAD – 500 063 (Telangana)
CIN: L21010TG1938PLC000591

Date: 25-10-2014.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT.

I. General Information

1. Nature of Industry : Manufacture of Pulp, Paper and Paper Board and generation of power.
2. Date or 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 institutions appearing in the prospectus : Not Applicable
4. Financial performance based on given indicators : The key performance indicators of the Company during the previous three years are given under:

Particulars	2011-12	2012-13	2013-14
Sales & Other Income	40023	36520	43059
Operating Profit (EBIDT)	4979	(2854)	(1392)
Profit before depreciation & Tax	792	(7342)	(6214)
Net Profit/(Loss) before tax	(2207)	(10269)	(9098)

Note: For further details please refer Annual Report and Financial Highlights.

5. Foreign investments or collaborations, if any : Amba Investments Private Limited, a foreign company, invested in 37,90,067 ordinary shares of Rs.10 each of the Company, constituting 22.31% of the paid up capital of the Company and there is no foreign collaboration.

II. Information about the Appointee

1. Background details

- i. Age
- ii. Academic Qualifications
- iii. Experience

41 Years

B.B.A. from London

Over 14 years of experience in Pulp & Paper industry in almost all the fields of operations like production, technical, commercial, project, administration etc.

- iv. Particulars of previous employment

Appointed as Whole-time Director designated as Director (Corporate Planning) from August 1, 1999 to July 31, 2005 for 2 terms of three years each. He has been re-appointed as Whole-time Director designated as Chief Operating Officer for 2 terms of two years each from August 1, 2005 to July 31, 2009. He has also been re-appointed as Vice-chairman & Managing director from August 1, 2009 to July 31, 2011 and August 1, 2011 to July 31, 2013.

He was re-appointed as Vice-chairman & Managing director, by the Members of the Company at the annual general meeting held on September 30, 2013 for a further period of two years with effect from August 1, 2013 to July 2015. Central Government approval is received.

- v. Date of approval of last re-appointment

Not Applicable

- vi. Approval for increase in remuneration, if any

2. Past Remuneration: For the financial year 2013 - 14

- i. Salary,
- ii. Allowances/ Perquisites

Salary: Rs. 4,40,000/- per month.

HRA at 60% of salary, performance bonus at 1% of PBT, gas, electricity, water and furnishings valued as per Income Tax Rules, 1962.

LTC, leave, Medical reimbursement, contribution to PF, superannuation fund, gratuity, club fee subject to maximum of two clubs, personal accident insurance premium, encashment of leave as per rules of the Company.

- iii. Remuneration payable in case of inadequacy of profits in any year

Same as above.

3. Recognition and awards:

During the year 2013, the Company in appreciation of its achievements in energy conservation in the paper & pulp sector, has been awarded second time consecutively the First Prize by Ministry of Power, Government of India. This prestigious National Award has been received by Shri Devashish Poddar, Vice-Chairman & Managing Director from the Hon'ble President of India, Shri Pranab Mukherjee, in the presence of Hon'ble Minister for Power, Government of India and other distinguished guests on December 16, 2013.

The Company has been declared consecutively the winner of the 'First Prize' for Energy Conservation in Small and Medium Scale Industry Category for 2012-13 by New & Renewable Energy Development Corporation of Andhra Pradesh Limited, and the award was received at a function held on December 20, 2013 at Hyderabad.

4. Job profile and his suitability

: He currently oversees the future strategies and growth path of the Company. He has considerable experience and knowledge of business management and administration and specialized knowledge in management systems.

5. Remuneration proposed

: Not exceeding the Remuneration of Rs.1,22,00,000/- in the following manner:

Salary: Rs. 4,40,000/- per month.

HRA at 60% of salary, performance bonus at 1% of PBT, gas, electricity, water and furnishings valued as per Income Tax Rules, 1962.

LTC, leave, Medical reimbursement, contribution to PF, superannuation fund, gratuity, club fee subject to maximum of two clubs, personal accident insurance premium, encashment of leave as per rules of the Company.

Minimum remuneration in the event of loss or inadequacy of profit:

Vice-Chairman & Managing Director shall be paid and entitled to remuneration; salary, performance bonus, perquisites and statutory benefits as minimum remuneration.

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

: The details of remuneration available as per published accounts of a few companies for the year ended March 31, 2014 are given below and their involvement, contribution in the growth of the Company may not be same and comparable:

a. Ballarpur Industries Limited:

Managing Director and Executive Vice-Chairman: Rs.214.03 Lakhs (for the year ended June 30, 2013);

b. Orient Paper & Industries Limited:

Managing Director Rs.282.23 Lakhs;

c. International Paper APPM:

Managing Director & CEO Rs.242.80 Lakhs;

d. J.K. Paper Mills Limited:

Vice-Chairman & Managing director Rs.304.84 Lakhs.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Shri Devashish Poddar does not hold any shares in the Company. Shri Ranjan Kumar Poddar holds 2330 ordinary shares of the Company and M/s. Aravali Securities & Finance Ltd holds 4107000 ordinary shares as Promoter of this Company in which Shri Devashish Poddar is director and Shri Ranjan Kumar Poddar is the managing director. M/s. Amba Investment Pvt. Ltd., a Foreign Company and Promoter holds 3790067 ordinary shares in which Smt. Chendralekha Poddar is a Director. Except the above and his employment with the Company, he does not have any other pecuniary relationship directly or indirectly. He is son of Shri Ranjan Kumar Poddar, Chairman of the Company, and Smt. Chendralekha Poddar.

III. Other Information

1. Reasons of loss or inadequate profits

: The severe power cut by the state grid continued during the year till July 2013 resulting in forced shut down of one paper machine leading to lower production. The rise in cost of major inputs continued during the year and affected working of the company. The availability of prime raw material i.e. wood declined further during the year resulting in increase in price by 42% over & above to increase by 40% over last year. Coal price also increased by 12% during the year besides steep increase in prices of major chemicals ranging from 10% to 70%.

2. Steps taken or proposed to be taken for improvement

: Efforts are already put in for improving the productivity for improvement further; minimizing the input consumption in terms of per ton of paper; developing new price remunerative paper varieties; and controlling the input costs and wastages.

3. Expected increase in productivity and profits.

: Barring unforeseen circumstances, the capacity utilisation is expected to improve by 10 to 12%, with corresponding improvement in profitability.

IV. Disclosures

1. Remuneration Package of the Managerial Personnel and also of all the Directors

: The required disclosures have been made in the Corporate Governance Section in the Annual Report.

2. Details of fixed component and performance linked incentives along with by the performance criteria

: Performance Bonus not exceeding 1% of PBT

3. Service contracts, notice period, severance fees

: The re-appointment is contractual which can be determined by one month notice by either party.

Except above no other severance fees is payable.

4. Stock option details, if any, and whether the same been issued at a discount as well as the period over which accrued and over which exercisable

: Not issued so far.



THE SIRPUR PAPER MILLS LIMITED

Regd. Office : 5-9-22/1/1, First Floor, Ashoka Chambers, Adarshnagar, HYDERABAD - 500063
CIN: L21010TG1938PLC000591

POSTAL BALLOT FORM

Name and address of the first named Member:

SPECIMEN

Registered Follo No/ DP ID / Client ID No.	No. of Shares

I/We hereby exercise my/our vote in respect of Special Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company dated 25-10-2014 by conveying my/our assent or dissent to the said resolutions by placing a tick mark (✓) in the appropriate box below:

S.No.	Item No.	No. of Shares held by me	I assent to the resolution (FOR)	I dissent from the resolution (AGAINST)
1.	Special Resolution according consent to the Board of Directors under Section 180(1)(a) of the Companies Act, 2013 to create mortgage/charge on the assets of the Company.			
2.	Special Resolution according consent for payment of remuneration to Shri Devashish Poddar, Vice-Chairman & Managing Director for the period from April 1, 2014 upto the end of his present term of appointment i.e. July 31, 2015.			

Place :

Date :

(Signature of the Member)

Dear Member,

SUBJECT : E-VOTING

In terms of the provisions of Sections 108, 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is providing facility to exercise vote on the items of business given in the Postal Ballot Notice through electronic voting system.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password

Note : Please see instructions printed overleaf.



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

Commencement of e-voting	End of e-voting
November 7, 2014 at 9.00 A.M.	December 5, 2014 at 6.00 P.M.

Notes:

- 1) Please read the instructions printed below carefully before filling this Form and for e-voting. Please refer to the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.**
- 2) The last date for the receipt of Postal Ballot Forms by the Scrutinizer is December 8, 2014 upto 5.30 P.M.**

Instructions

- The Notice is being sent to all the Members by the prescribed mode under the Rules (and also electronically by email to those Members who have registered their email IDs with the Company), whose names appear in the Register of Members/ Record of Depositories (Specified Date) as on October 31, 2014.
- Members have the option either to vote through the E-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through postal ballot form can seek duplicate Form (along with Business reply envelope) from the Office of the Registrars and Share Transfer Agents of the Company M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharath Nagar, Hyderabad -500 018, and send the duly filled and signed Form by post to the Scrutinizer, which should reach him not later than the date specified at Sl.No.viii below.
- A Member desiring to exercise vote by postal ballot may complete this postal ballot form and send it to the Company in the attached self addressed business reply envelope. Postage will be borne and paid by the Company. (However, envelope containing postal ballot, if sent by courier at the expenses of the registered Members will also be accepted).
- The Board of Directors of the Company appointed Mr. A.J. Sharma of M/s. A.J. Sharma & Associates, Practicing Company Secretaries as Scrutinizer for conducting the postal ballot and electronic voting (e-voting) process. Self addressed business reply envelope bears the address of the Scrutinizer.
- This form should be completed and signed by the Members. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his absence, the next named Member.
- Incomplete, unsigned or incorrectly filled postal ballot form is subject to rejection by the Scrutinizer.
- Postal Ballot can not be exercised by proxies.
- Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours; i.e. **December 8, 2014 at 5.30 P.M.** Postal Ballot Form received after this date will be strictly treated as if the reply from the Member has not been received.
- Members who are holding shares in electronic form are requested to notify any correction/change in their name/ address/e-mail ID immediately to the depository participants. In the event of non-availability of Members latest address either in Company's records or in depository participants' records, Members are likely to miss notices and other valuable correspondence sent by the Company.
- In case of shares held by Companies, Trusts, Societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of Board Resolution/Authority.
- Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self- addressed business reply envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- A Member may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at Sl.No.viii above.
- Notice of the said Postal ballot together with the postal ballot form is kept at the Company's website www.sirpurpaper.com.
- The result of the postal ballot will be declared on Wednesday, December 10, 2014 by placing it, along with the Scrutinizer's report, on the website of the Company.