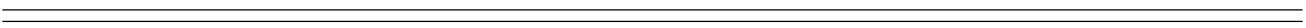


## **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

PPL believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholders' value. Thus PPL's philosophy on corporate governance is aimed at the attainment of highest level of transparency, accountability and compliance of laws in all facets of operations, leading to best standards of Corporate Governance.

It is PPL's belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards. The implementation of PPL's code of Insider Trading exemplifies this spirit of good ethics.

The company complies with the requirements regarding Corporate Governance as stipulated under clause 49 of the Listing Agreements of the Stock Exchanges where its shares are listed.



## CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> December 2002.

### BOARD OF DIRECTORS

The Board of Directors of the Company comprises of a combination of Executive and Non Executive Directors. The Board is headed by a Non-Executive Chairman and more than one third of the Board of Directors are 'independent'. The independent Directors do not have any pecuniary relationship or transactions with the Company, promoters or management, which may affect their judgment in any manner. The Directors are eminently qualified and experienced professionals in business, finance and corporate management.

The policy formulation, evaluation of performance and the control function vest with the Board, while the Board Committees oversee operational issues. The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. Directors attending the meeting actively participate in the deliberations at these meetings.

Due to the sad demise of Mr. Suresh Talwar, Non-Executive Chairman on 9<sup>th</sup> April 2003, the Board of Directors has been reconstituted.

The composition of Directors as also number of other directorships and Committee memberships are given below:

Sr. No.	Name of the Director	Category of Directorship (Executive / Non-Executive / Independent)	No. of Directorships of other Companies +	No. of Board Committees of other Companies in which a member + +
1.	Mr. Suresh Talwar*	Non-Executive Chairman	1 + + +	Nil
2.	Mr. K. C. Narang@	Non-Executive Chairman	5 + + +	Nil
3.	Mr. Suresh Gupta	Managing Director & President	1 + + +	Nil
4.	Mr. Timo Peltola***	Non-Executive	Nil	Nil
5.	Mr. Antony Combe Harvey***	Non-Executive	Nil	Nil
6.	Mr. Arunkumar Ramanlal Gandhi ***	Non-Executive, Independent	13	8
7.	Mr. P.V. Narayanan***	Non-Executive, Independent	3	2
8.	Mr. Ramesh K. Dhir***	Non-Executive, Independent	Nil	Nil
9.	Mr. H. L. Chopra	Director-Technical	Nil	Nil
10.	Mr. Vibhu Talwar ** **** @@	Alternate Director to Mr. Suresh Talwar	Nil	Nil
11.	Mr. Timo Salonen****	Alternate Director to Mr. Timo Peltola	Nil	Nil
12.	Mr. Evert A. Ariens ** ****	Alternate Director to Mr. Antony Combe Harvey	Nil	Nil
13.	Mr. Henk Roelof Koekoek**	Non-Executive	Nil	Nil
14.	Mr. K.Pfenninger**	Non-Executive	Nil	Nil
15.	Mr. Beek Henricus Josephus**	Non-Executive	Nil	Nil
16.	Mr. Francisco De Miguel**	Non-Executive	Nil	Nil

- \* Expired on 9<sup>th</sup> April 2003.
- @ Appointed as Non-Executive Chairman, w.e.f. 29<sup>th</sup> April 2003.
- \*\* Resigned as a Director with effect from 30<sup>th</sup> March, 2002.
- \*\*\* Appointed as a Director with effect from 30<sup>th</sup> March 2002.
- \*\*\*\* Appointed as Alternate Director w.e.f. 30<sup>th</sup> March 2002.
- @@ Ceased to be an Alternate Director w.e.f. 9<sup>th</sup> April 2003, due to death of Mr. Suresh Talwar and co-opted as Additional Director w.e.f. 29<sup>th</sup> April 2003.
- + Excludes Directorships of Private Limited Companies, Foreign Companies, Companies under section 25 of the Companies Act and Alternate Directorships.
- + + Committees such as Audit Committee, Shareholders' / Investors' Grievance Committee, Share Transfer Committee and Remuneration Committee.
- + + + The number of Directorships of Mr. Suresh Talwar, Mr. K.C. Narang and Mr. Suresh Gupta were reduced to Nil, 4 and Nil respectively w.e.f. 28<sup>th</sup> March 2003.

None of the Directors of the Company is a member of more than 10 Committees of the Board or Chairman of more than 5 Committees across all the Companies in which they hold Directorship.

During the year 2002, five Board Meetings were held on 31<sup>st</sup> January 2002, 23<sup>rd</sup> April 2002, 28<sup>th</sup> June 2002, 30<sup>th</sup> July 2002 and 29<sup>th</sup> October 2002. The Annual General Meeting was held on 28<sup>th</sup> June 2002. The attendance of the Directors in the Board Meetings and also in the last AGM was:

Sr. No.	Name of Director	Category of Directorship	Attendance at Board Meetings		Attendance at last AGM 28 <sup>th</sup> June, 2002
			No. of Meetings held during the tenure	No. of Meetings attended during the tenure	
1	Mr. Suresh Talwar	Non- Executive Chairman	5	Nil	No
2	Mr. K. C. Narang	Non-Executive	5	5	Yes
3	Mr. Suresh Gupta	Managing Director & President	5	5	Yes
4	Mr. Timo Peltola	Non-Executive	4	1	No
5	Mr. Antony Combe Harvey	Non-Executive	4	2	No
6	Mr. Arunkumar Ramanlal Gandhi	Non-Executive	4	4	Yes
7	Mr. P. V. Naryananan	Non-Executive	4	3	Yes
8	Mr. Ramesh K. Dhir	Non-Executive	4	4	Yes
9	Mr. H. L. Chopra	Director-Technical	5	5	Yes
10	Mr. Vibhu Talwar	Alternate Director to Mr. Suresh Talwar	5	5	Yes
11	Mr. Timo Salonen	Alternate Director to Mr. Timo Peltola	4	Nil	No
12	Mr. Evert A. Ariens	Alternate Director to Mr. Antony Combe Harvey	5	Nil	No
13	Mr. Henk Roelof Koekoek	Non-Executive	1	Nil	No
14	Mr. K. Pfenninger	Non-Executive	1	Nil	No
15	Mr. Beek Henricus Josephus	Non-Executive	1	Nil	No
16	Mr. Francisco De Miguel	Non-Executive	1	Nil	No

## COMMITTEES OF THE BOARD:

### a) AUDIT COMMITTEE:

(i) The Board constituted the Audit Committee on 27<sup>th</sup> April, 2001 pursuant to Section 292A of the Companies Act, 1956, comprising of following Directors:

1. Mr. K. C. Narang	Chairman	Non-executive Director
2. Mr. Henk Koekoek	Member	Non-Executive Director
3. Mr. Suresh Gupta	Member	Managing Director & President

In compliance of Clause 49 of the Listing Agreements of the Stock Exchanges, the Audit Committee was reconstituted by the Board on 30<sup>th</sup> March, 2002 comprising of three Non-executive Directors, viz;

1. Mr. P. V. Narayanan	Chairman	Independent, Non-Executive Director
2. Mr. A. R. Gandhi	Member	Independent, Non-Executive Director
3. Mr. K. C. Narang	Member	Non-Executive Director

(ii) The terms of reference of the Audit Committee are in line with clause 49 II (C) (D) of the Stock Exchange listing Agreement and Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee include the following:

- Overseeing PPL's financial reporting process and the disclosure of its financial information.
- Recommending appointment and removal of the external auditors, fixing of audit fees and approving payments for any other services.
- Reviewing with the management the quarterly, half-yearly and annual financial statements with primary focus on:
  - a. Accounting policies and practices
  - b. Compliances with accounting standards
  - c. Accounting - based on exercise of judgement by Management
  - d. Qualifications in the draft audit report
  - e. Compliance with the stock exchange and legal requirements concerning financial statements
  - f. Significant adjustments arising out of audit
  - g. The Going Concern Assumption
  - h. Related Party Transactions
- Reviewing with the management, external and internal auditors the adequacy and compliance of internal control systems.
- Reviewing PPL's financial and risk management policies.
- Reviewing the internal audit function and reports and major findings of the Internal Auditors.
- Pre-Audit and Post-Audit discussion with the Statutory Auditors to ascertain any area of concern.

The CEO, the CFO, the Statutory Auditors and the Internal Auditors are generally invited by the Committee to attend the meeting. Operating managers of the Company are also occasionally invited as and when the Committee so desires.

The minutes of the Committee are placed before the Board. The Company Secretary is the secretary of the Committee.

(iii) During the Year 2002, four Committee meetings were held on 31<sup>st</sup> January 2002, 23<sup>rd</sup> April 2002, 26<sup>th</sup> July 2002 and 29<sup>th</sup> October 2002 and the details of the number of meetings held and attendance record of members are as follows:

Name of the Director	No. of Committee meetings held*	No. of Committee meetings attended
Mr. P.V.Narayanan +	3	2
Mr. A.R.Gandhi +	3	2
Mr. K.C.Narang	4	4
Mr. Henk.R. Koekoek + +	1	Nil
Mr. Suresh Gupta + +	1	1

\* During the period of membership.

+ Appointed as a member on 30<sup>th</sup> March, 2002.

+ + Appointed as member on 27<sup>th</sup> April, 2001 and ceased to be a member with effect from 30<sup>th</sup> March, 2002.

(iv) In the Audit Committee meetings held on 26<sup>th</sup> July 2002 and 29<sup>th</sup> October 2002, while requirement of quorum was met, the meeting was attended by one Independent Non-Executive Director and one other Non-Executive Director.

## b) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Company has constituted a Shareholders / Investors Grievance Committee of the Board of Directors on 30<sup>th</sup> March 2002 to specifically look into complaints received from the shareholders of the Company. The members of the Company's Shareholders / Investors Grievance Committee are Mr. K.C.Narang and Mr.Tony Combe, Non Executive Directors. The status on complaints is also reported to the Board of Directors. The Company Secretary is the compliance officer.

## c) REMUNERATION COMMITTEE

The Company has not constituted a Remuneration Committee. The Board of Directors determines the remuneration payable to the whole-time directors taking into account their qualification, expertise, contribution and the prevailing levels of remuneration in Companies of corresponding size and stature. The payment of commission to independent directors was sanctioned by the members on 28<sup>th</sup> June 2002. The remuneration paid to Mr. Suresh Gupta, Managing Director & President and Mr.H.L.Chopra, Director Technical for the year 2002 are as under:

					Amount in Rs.
Name of Director	Salary	HRA	Perquisites*	Commission	Total
Mr. Suresh Gupta	4,382,086	–	1,874,737	–	6,256,823
Mr. H.L.Chopra	360,000	216,000	193,414	–	769,414

Notes:

\* Perquisites include Company's contribution to provident fund, medical and leave travel allowance etc. as well as monetary value of perquisites as per Income Tax Rules, leave encashment as applicable.

Provision for gratuity, which is based on actuarial valuation done on an overall company basis is excluded from above.

Non-Executive Directors are paid sitting fees for attending Board/Board Committee Meetings within the limits prescribed under the Companies Act, 1956:

Details of Sitting Fees paid to the Directors during the year ended 31<sup>st</sup> December, 2002 is as below:

			Amount in Rs.
Name	Board Meetings	Committee Meetings	
Mr. K.C. Narang	22,000	17,000	
Mr. A.R.Gandhi	20,000	10,000	
Mr. Ramesh K. Dhir	20,000	–	
Mr. P.V. Narayanan	15,000	10,000	
Mr. Vibhu Talwar	22,000	–	

The Commission due to the non-executive directors for the year ended 31<sup>st</sup> December, 2002 is as follows:

		Amount in Rs.
Name	Commission	
Mr. P.V. Narayanan	2,75,000	
Mr. A.R.Gandhi	2,75,000	
Mr. Ramesh K. Dhir	1,75,000	

In addition to the above, the Non-Executive Chairman was paid a pension amounting to Rs.750,000 during the year ended 31<sup>st</sup> December, 2002.

## MANAGEMENT

### MANAGEMENT REVIEW AND OUTLOOK

This Annual Report has a detailed section on management review and outlook.

### DISCLOSURES BY MANAGEMENT

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and interested directors neither participate in the discussion, nor do they vote on such matters.

## SHAREHOLDERS

### DISCLOSURES REGARDING APPOINTMENT OR REAPPOINTMENT OF DIRECTORS

- A. According to the Articles of Association of the Company, at every Annual General Meeting of the Company, one-third of two-thirds of the Board of Directors are liable to retire by rotation.

Therefore, Mr. Suresh Gupta and Mr. H.L. Chopra shall retire by rotation at the Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Mr. H.L. Chopra was reappointed as Director-Technical for a period of one year i.e. upto 30<sup>th</sup> June, 2003 by the Board at their meeting held on 28<sup>th</sup> June, 2002 and his current tenure comes to an end on 30<sup>th</sup> June, 2003. The Board of Directors have at their meeting held on 29<sup>th</sup> April, 2003 re-appointed him as Director-Technical for a further period of 1 year from 1<sup>st</sup> July, 2003 to 30<sup>th</sup> June, 2004 on the same terms and conditions.

- B. Mr. Vibhu Talwar was appointed as an Additional Director of the Company on 29th April, 2003. Pursuant to section 260 of the Companies Act, 1956 and Article 114 of the Articles of Association of the Company, Mr. Vibhu Talwar holds office upto the date of the forthcoming Annual General Meeting.

- C. Given below are the abbreviated resumes of the three Directors :

Mr. Suresh Gupta (50) Managing Director & President holds an MBA degree from the esteemed Jamnalal Bajaj Institute, Mumbai. He has diverse experience of over 28 years. Prior to joining The Paper Products Limited in January, 1988, he was the Executive Director of the Almana Group, Doha-Qatar.

Mr. H.L. Chopra (73) holds a Diploma in Mechanical Engineering from V.D.J. Institute, Mumbai. He has an association with the Company for the last 45 years and held various positions including head of Technical functions.

Mr. Vibhu Talwar (b. 1973) is the son of Late Mr. Suresh Talwar. He is a Graduate in Economics and Computer Science from USA and has been associated with the Company Since 1999.

## MEANS OF COMMUNICATION

The Company has always promptly reported all material information including declaration of quarterly financial results to all Stock Exchanges in prescribed format where the securities of the Company are listed and through press releases etc.. The financial results, quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of advertisement in The Economic Times and in a vernacular language newspaper as per requirements of the Stock Exchanges. Since the financial results are published in leading newspapers, the results are not sent to the households of the shareholders.

## SHARE TRANSFER

The Board of Directors have delegated the powers to attend to share transfer approval to a share transfer committee. The committee comprised of Mr. Suresh Gupta, Managing Director & President and Mr. Henk Koekoek, Director upto 30<sup>th</sup> March 2002 and Mr. Suresh Gupta, Managing Director & President and Mr. Tony Combe, Director after 30<sup>th</sup> March 2002. The committee ordinarily meets once in ten days.

## DETAILS OF NON-COMPLIANCE

There is no non-compliance by the Company nor any penalty or stricture imposed on the Company by the stock exchanges, SEBI, or any other statutory authorities on any matter relating to capital market.

## ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held as under:

Year Ended 31 <sup>st</sup> December	Type	Location	Date	Time
1999	AGM	Air Force Auditorium, Subroto Park, New Delhi 110010	29.5.2000	11.00 A.M.
2000	AGM	Air Force Auditorium, Subroto Park, New Delhi 110010	22.6.2001	11.00 A.M.
2001	AGM	Indian Council of World Affairs, Sapru House, Barakhamba Road, New Delhi 110001	28.6.2002	11.00 A.M.

During these meetings all resolutions including special resolutions were passed unanimously.

No special resolution was required to be put through postal ballot in the previous year.

## SHAREHOLDER INFORMATION

### ANNUAL GENERAL MEETING

**Date** : 27th June, 2003

**Venue** : Airforce Auditorium, Subroto Park, New Delhi - 110010.

**Time** : 11.00 a.m.

### FINANCIAL CALENDER

Financial Year: Calendar Year (1<sup>st</sup> January to 31<sup>st</sup> December)

### BOOK CLOSURE DATE

The dates of book closures are from 17th June, 2003 to 27th June, 2003 inclusive of both days.

### DIVIDEND DATE

A Dividend of Rs.5.00 per share has been recommended by the Board and subject to the approval from the shareholders at the AGM, will be paid on or after 27th June, 2003.

### LISTING

The Company's shares are listed at the stock exchanges at Delhi, Mumbai. The stock codes assigned to the Company's shares at various stock exchanges are as follows:

Stock Exchange	Stock Code
Delhi	16047
BSE	9820

### STOCK DATA

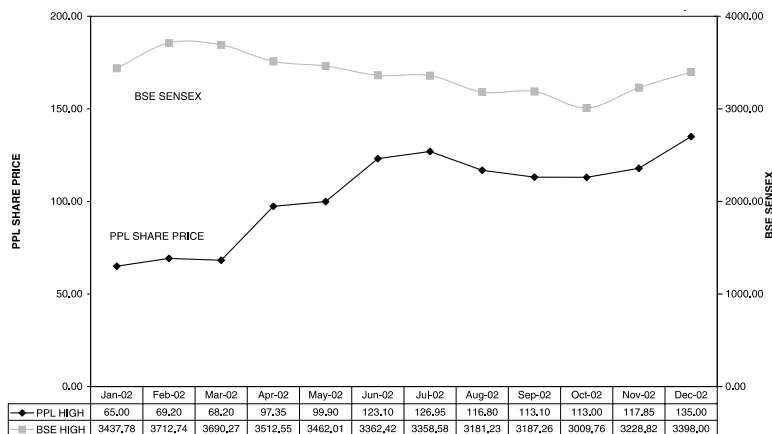
The table herein below gives the monthly high and low prices and volume of the Company's shares at the Stock Exchange Mumbai (BSE) for the year ended 31<sup>st</sup> December, 2002.

Month & Year	High (Rs.) Per Share	Low (Rs.) Per Share	Volume (No. of Shares)
January 02	65.00	52.35	131,461
February 02	69.20	63.00	13,845
March 02	68.20	58.10	30,915
April 02	97.35	63.90	190,788
May 02	99.90	85.35	116,575
June 02	123.10	90.10	143,303
July 02	126.95	105.25	95,423
August 02	116.80	105.00	13,446
September 02	113.10	104.60	7,010
October 02	113.00	103.50	6,496
November 02	117.85	106.50	94,435
December 02	135.00	114.10	51,412

Note: Volume is the total monthly volume of trade (in numbers) in "The Paper Products Limited" on BSE.

In addition to the trading volume given in the above table, M/s Huhtavefa B.V. (a Huhtamaki group company) acquired additional 992,727 equity shares of the Company through inter-se transfer amongst promoters, thus increasing its holding from 51% to 58.918% in the total paid up equity capital of the Company.

The chart herein below shows the comparison of the Company's share price movement vis-à-vis the movement of the BSE Sensex:



## DISTRIBUTION OF SHAREHOLDER HOLDINGS

The tables herebelow give the distribution pattern of shareholding of the Company as on 31<sup>st</sup> December, 2002:

### DISTRIBUTION OF SHAREHOLDING BY OWNERSHIP

Sr. No.	Category	No. of Shares	% of Total Holding
1.	INDIAN PROMOTORS	850,609	6.785
2.	FOREIGN PROMOTORS - Huhtavefa B.V.	7,386,820	58.918
3.	FOREIGN INSTITUTIONAL INVESTORS	745,750	5.948
4.	NRI'S & OCB'S	12,624	0.100
5.	BODIES CORPORATES	723,781	5.773
6.	BANKS	4,649	0.037
7.	FINANCIAL INSTITUTIONS	856,379	6.831
8.	MUTUALS FUNDS	85,746	0.684
9.	RESIDENT INDIVIDUALS	1,871,080	14.924
TOTAL		12,537,438	100.000

### DISTRIBUTION OF SHAREHOLDING BY NUMBERS OF SHARES HELD

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Upto 5000	7,153	98.949	1,381,219	11.017
5001 to 10000	26	0.360	193,112	1.540
10001 to 20000	13	0.180	181,281	1.446
20001 to 30000	12	0.166	295,775	2.359
30001 to 40000	7	0.097	233,535	1.863
40001 to 50000	3	0.041	130,432	1.040
50001 to 100000	5	0.069	301,147	2.402
100001 and above	10	0.138	9,820,937	78.333
TOTAL	7,229	100.000	12,537,438	100.000

## DEMATERIALIZATION OF SHARES

The Company's shares are under transfer-cum-demat option. The shareholders have the option to hold The Paper Products Limited shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Securities Limited (CDSL). The ISIN number allocated to The Paper Products Limited by NSDL and CDSL is INE275B01018.

At present, 31.657 % of the Company's shares are held in electronic form and the Company's shares can only be traded in compulsory demat segment in the stock exchanges. The table here below gives the break up of shares in physical and demat form:

No. of Shares in physical segment	8,568,478	68.343%
No. of Shares in demat segment	3,968,960	31.657%
Total	12,537,438	100.000%

## OUTSTANDING GDRS/WARRANTS/CONVERTIBLE INSTRUMENTS AND THEIR IMPACT ON EQUITY

Not applicable.

## DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

The Company has not obtained any public funding in the last three years.

## INVESTOR SERVICES

In Compliance with Securities and Exchange Board of India (SEBI) circular dated 27.12.2002, the Company has appointed Sharepro Services as Registrar and Transfer Agent (RTA) with effect from 1<sup>st</sup> February, 2003 for both physical and demat activities. Henceforth all matters relating to share transfer, transmission, change of address, dividend, bank mandate, nomination, power of attorney, demat, remat etc. will be dealt with by the RTA.

The Shareholders, Depository Participants (DPs) are requested to send/deliver the documents/correspondence relating to the Company's Share transfer activities at the following address:

### SHAREPRO SERVICES

Unit : PPL  
 Satam Estate, 3rd Floor,  
 Above Bank of Baroda,  
 Cardinal Gracious Road, Chakala,  
 Andheri (East), Mumbai : 400 099  
 Tel. Nos. : (022) 2821 51 68  
 2832 98 28, 2821 59 91,  
 2834 77 19, 2834 82 18  
 Fax No. : (022) 2837 56 46  
 Email : sharepro@vsnl.com

### SHAREPRO SERVICES

Unit : PPL  
 912, Raheja Centre,  
 Free Press Journal Road,  
 Nariman Point,  
 Mumbai : 400 021  
 Tel. Nos. : (022) 2288 15 68, 2288 15 69,  
 2282 51 63, 2288 45 27  
 Fax No. : (022) 2282 54 84  
 Email : sharepro\_services@roltanet.com

## WEBSITE

The Company's website is under construction.

## ELECTRONICS CLEARANCE SCHEME (ECS) FOR DIVIDEND

To avoid risk of loss/ interception of dividend warrants in postal transit and / or fraudulent encashment, shareholders are requested to avail of the ECS facility where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend. Shareholders who desire receipt of their dividend through ECS can use the form enclosed with the Notice or can obtain the form from the Company's Secretarial Department at the Registered Office: 504, 506, Ansal Chambers-II, 6, Bhikaji Cama Place, New Delhi – 110066. Tel: +91- 26182831, +91- 26171322, Fax: +91- 26182637.

Shareholders may also submit their bank details to Registrar and Transfer Agent (RTA). This will enable the Company to incorporate this information on dividend warrants to minimise the risk of fraudulent encashment.

## SHAREHOLDER'S CORRESPONDENCE

The Company has attended to all the Investors' grievances / queries / information requests except for the cases where the company was constrained due to pending legal proceedings or court / statutory orders. The company endeavours to reply all letters received from the shareholders within a week of receipt thereof.

All correspondence may please be addressed to the Registrar and Transfer Agent (RTA) SHAREPRO SERVICES UNIT : PPL, Satam Estate, 3rd Floor, above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099. Tel. Nos. (022) 2821 5168, 2832 9828, 28215991, 2834 7719, 2834 8218 Fax No. (022) 2837 5646, Email : sharepro@vsnl.com. In case any shareholder is not satisfied with the response or do not get any response within reasonable period from the Registrar & Transfer Agent (RTA), they shall approach the Company Secretary & Compliance Officer at the Registered Office: 504, 506, Ansal Chambers-II, 6, Bhikaji Cama Place, New Delhi – 110066. Tel: (011) 2618 28 31, 2617 13 22, Fax: (011) 2618 26 37, E-Mail: [manoj@del.pplpack.com](mailto:manoj@del.pplpack.com).

## **CORPORATE OFFICE**

**Thane** L.B.S. Marg, Majiwade, Thane (Maharashtra) – 400601

## **PLANT LOCATIONS**

**Hyderabad** Plot No.139 & 148, Sri Venkateshwara  
Co-op. Industrial Estate, Bollaram,  
Medak District (Andhra Pradesh),  
Hyderabad - 502325

**Nagpur** D-3, Hingna Industrial Estate, Amravati Road, Nagpur - 440016

**Silvassa** Survey No. 33/1, At Post Umerkoi, Via Silvassa - 396230  
Dadra & Nagar Haveli (U.T.)

**Thane** L.B.S. Marg, Majiwade, Thane (Maharashtra) – 400601

## **ADDRESS FOR INVESTOR CORRESPONDENCE**

### **Registered Office:**

**The Paper Products Limited**  
504, 506, Ansal Chambers-II,  
6, Bhikaji Cama Place, New Delhi – 110066

Tel: (011) 2618 28 31, 2617 13 22  
Fax: (011) 2618 26 37

### **Registrar and Transfer Agent (RTA)**

#### **Sharepro Services**

Unit : PPL  
Satam Estate, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala,  
Andheri (East), Mumbai – 400 099  
Tel. Nos. : (022) 2821 51 68, 2832 98 28,  
2821 59 91, 2834 77 19, 2834 82 18  
Fax : (022) 2837 56 46

## **Certificate of Compliance with the Corporate Governance requirements under Clause 49 of Listing agreement**

The Members  
The Paper Products Limited

We have examined the compliance of conditions of corporate governance by The Paper Products Limited (“the Company”), for the year ended 31 December 2002, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges. The compliance of conditions of corporate governance is the responsibility of the Company’s management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

*Subject to non-compliance on attendance of independent directors, as fully explained in point iv of the Audit Committee Paragraph of the Corporate Governance Report prepared by the management, in our opinion and to the best of our knowledge and according to the information and explanations given to us, we certify that, the Company is in compliance with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.*

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer/Investors Grievances Committees.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BSR & Co.**  
Chartered Accountants  
**ABIZER DIWANJI**  
Partner

Place: Mumbai  
Date: 29th April, 2003