



NOTICE

NOTICE is hereby given that the **FIFTY-SEVENTH ANNUAL GENERAL MEETING** of the Members of GOLDEN TOBACCO LIMITED will be held on Friday, the September 27, 2013 at 3.30 P.M. at Darjipura, Post- Amaliyara, Vadodara - 390022, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with Reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri Sanjay Dalmia, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Anurag Dalmia, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Bharat B. Merchant, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint M/s. Lodha & Co. Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

6. TO APPOINT SHRI JASKARAN S. KHURANA AS A DIRECTOR:

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

"RESOLVED THAT Shri Jaskaran S. Khurana, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Clause 147 of the Articles of Association of the Company to hold office upto the ensuing Annual General Meeting and in respect of whom the Company has received a requisite notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company liable to retire by rotation".

7. TO APPOINT SHRI VED BERRY AS A DIRECTOR:

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

"RESOLVED THAT Shri Ved Berry, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Clause 147 of the Articles of Association of the Company to hold office upto the ensuing Annual General Meeting and in respect of whom the Company has received a requisite notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company liable to retire by rotation".

8. REVISION OF REMUNERATION PAYABLE TO SHRI A. K. JOSHI AS MANAGING DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT in modification of earlier resolution passed and pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to requisite approvals including Central Government, if any, **approval**, be and is, hereby accorded to the revision of remuneration payable to Shri A. K. JOSHI as Managing Director of the Company w.e.f. 1st April, 2013 on the terms and conditions as set out in the draft agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and/ or to vary the terms and conditions of the said agreement as may be agreed to between the Board of Directors and Shri A. K. JOSHI for his residual tenure ending on 26th September, 2015."

9. APPOINTMENT OF AND REMUNERATION PAYABLE TO SHRI JASKARAN S. KHURANA AS WHOLE TIME DIRECTOR OF THE COMPANY:

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to requisite approvals including Central Government, if any, approval, be and is, hereby accorded to the appointment of Shri Jaskaran S. Khurana as Whole Time Director of the Company for a



period of three years w.e.f. May 23, 2013 to May 22, 2016 on the terms and conditions of appointment including remuneration payable as set out in the draft agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and/or to vary the terms and conditions of the said agreement including the terms of remuneration as may be agreed to between the Board of Directors and Shri Jaskaran S. Khurana.

“RESOLVED FURTHER THAT Shri JASKARAN S. KHURANA shall not be paid any sitting fees for attending meetings of the Board of Directors or its committees from the date of his appointment.”

10. APPOINTMENT OF AND REMUNERATION PAYABLE TO SHRI VED BERRY AS WHOLE TIME DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to requisite approvals including Central Government, if any, **approval**, be and is, hereby accorded to the appointment of Shri VED BERRY as Whole Time Director of the Company for a period of three years w.e.f. May 23, 2013 to May 22, 2016 on the terms and conditions of appointment including remuneration payable as set out in the draft agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and/or to vary the terms and conditions of the said agreement including the terms of remuneration as may be agreed to between the Board of Directors and Shri VED BERRY.

“RESOLVED FURTHER THAT Shri VED BERRY shall not be paid any sitting fees for attending meetings of the Board of Directors or its committees from the date of his appointment.”

By order of the Board,
For GOLDENTOBACCO LIMITED,

Manoj Kumar Srivastava
Company Secretary

Place : Mumbai
Date : May 23, 2013

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE PROXY FORM SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2013 to September 27, 2013 (both days inclusive).
4. All the documents referred in this notice and explanatory statement are open for inspection of the members at the registered office of the Company on all working days between 11.00 am to 1.00 pm up to the date of the Annual General Meeting.
5. Members may note that all unpaid/unclaimed dividend up to 1993-94 declared by the Company has been transferred by it to the General Revenue Account of the Central Government. Unpaid dividend pertaining to the year 1994-95 is being paid as per schedule fixed by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 16.12.2002.
6. M/s Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandoop (West), Mumbai-400078, is the registrar for dematerialization of shares as well Shares and Transfer Agent. Members holding shares in the physical form are requested to notify/ send to the following to them to facilitate better service:
 - a. Any change in their address, particulars mentioning the pin code number, folio no., no. of shares held etc.
 - b. Share certificate, if any, in multiple folios in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one folio.
 - c. Any query relating to the Annual Accounts or otherwise should be sent to the Registered Office of the Company at least 10 days before the Annual General Meeting.

7. Members /proxies attending this meeting are requested to bring with them the following:
- The Copy of Annual Report as no separate copy will be given at the time of Annual General Meeting.
 - The Attendance Slip sent herewith duly filled in is to be lodged with the Company at the venue. The holders of shares in demat form are requested to fill in their DP ID and Client ID in the attendance slip/ proxy form for easy identification. In case of joint holder(s), if more than one holder intends to attend the meeting, they may obtain the additional admission slip on request from the registered office of the Company on or before 20th September, 2013 to avoid inconvenience.
8. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of item No. 6 to 10 is annexed to the Notice.
9. Information of the directors seeking appointment /reappointment as required by Clause 49(IV)(G)(i) of the Listing Agreement is given as follows:

BRIF RESUME OF DIRECTORS SEEKING ELECTION/RE-ELECTION AT THIS ANNUAL GENERAL MEETING:

Name	Shri Sanjay Dalmia	Shri Anurag Dalmia	Shri Bharat B. Merchant	Shri Jaskaran S. Khurana	Shri Ved Berry
Date of Birth & Age	17.03.1944 69 years	11.05.1956 57 years	24.06.1948 64 years	22.09.1972 40 years	18.08.1951 61 years
Date of Appointment	30.08.2007	30.08.2007	26.07.2002	23.05.2013	23.05.2013
Qualifications	B.A.	B.Com.	B.A. (H), LL.M (Cornell University, USA)	B.Com(H), MBA	B.Com., DBM
No. of Shares held	Nil	Nil	100	Nil	Nil
Experience	He has over 45 years of experience in industries and Business Management and is Chairman of several companies. He has actively participated in various courses and seminars conducted by national and international agencies on banking, finance, taxation and industrial Development.	He is a graduate with over 35 year of experience in Business Management and is a director on the board of several companies.	He is a practicing Advocate since 1972. He is a Sole Proprietor of the firm M/s Thakordas and Madgavkar, Advocates & Solicitors, one of the largest legal firms in India and is actively involved in conducting arbitration, commercial litigation and attending corporate and property matters. He is a Member of the Bombay Incorporated law Society.	He is a COO of the Company and is expert in the field of finance, production and strategy, planning and international business with more than 17 years of experience.	He has more than 37 years of rich experience in the field of domestic Sales and Marketing.
\$ Directorship in other public companies	GHCL Limited	GHCL Limited			
@Chairmanship/membership of committees	Nil	Nil	Nil	Nil	Nil

\$ Directorship in private companies, foreign companies and associations are excluded.

@ Represents Membership/Chairmanships of Audit Committee and Shareholders'/Investors' Grievance Committee only.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956, TO THE ACCOMPANYING NOTICE DATED MAY 23, 2013:

ITEM NO. 6 & 7

Your Directors at their meeting held on May, 23, 2013 have appointed Shri Jaskaran S. Khurana and Shri Ved Berry as Additional Directors to hold office upto ensuing Annual General Meeting.

Shri Jaskaran S. Khurana has a rich experience and expertise in the fields of finance, strategy, production, planning and International business of more than 17 years and since 2010 exclusively in cigarette industry.

Shri Ved Berry also has a rich experience and expertise in the fields of domestic Sales and Marketing of more than 37 years out of that around 25 years in the cigarettes Industry.

Your Directors recommend appointment of Shri Jaskaran S. Khurana and Shri Ved Berry as Directors liable to retire by rotation for whom requisite notice pursuant to Section 257 of the Companies Act, 1956 have been received.

Your Directors seek your approval to the resolutions appearing in item no. 6 & 7 of accompanying notice by way of Ordinary Resolution.

No Director, except Shri Jaskaran S. Khurana & Shri Ved Berry in their respective resolution, shall be deemed to interested or concerned in the resolution.

ITEM NO. 8

By keeping in view, valuable and the prolonged dedicated services, wise counsel and onerous responsibilities being shouldered by Shri A.K. Joshi, as a Managing Director and on recommendation of Remuneration Committee at their meeting held on May 23, 2013, your Directors at their meeting held on May 23, 2013 revised the remuneration as follows:

Remuneration:

- I. **Basic Salary (P.M.)** : ` 2,26,410/- w.e.f. 1st April, 2013 with the grade of ` 1,20,000 - to - ` 2,26,410 - to - ` 6,50,000.
- II. **Perquisites & Allowances (P.M.)** : HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: ` 1,500/-, Special Pay: ` 1,50,000/-. Personal Adjustment Allowance ` 58,044/-.

In addition to the above, he would be entitled to Variable Performance Pay (VPP), as per scheme of the Company, subject to maximum of ` 20 Lacs per annum. He would also be entitled to reimbursement of Business Promotion, Books and Periodicals upto ` 0.72 Lacs and Car Expenses upto ` 10.80 Lacs per annum with no change in other terms and conditions of the appointment.

Your Directors seek your approval to the resolutions appearing in item no. 8 of the accompanying notice by way of Special Resolution.

No Directors, except Shri A.K. Joshi, shall be deemed to be interested or concerned in the resolution.

ITEM NOS. 9 & 10

By keeping in view rich experience and expertise of Shri Jaskaran S. Khurana in the fields of finance, strategy, Production, planning and International business for more than 17 years and of Shri Ved Berry in the fields of domestic Sales & Marketing for more than 37 years, your Directors at their meeting held on May 23, 2013 have appointed Shri Jaskaran S. Khurana as a Director- Production and Exports as well as Shri Ved Berry as a Director- Sales & Marketing as Whole Time Directors who will work under the superintendence, direction and control of the Board of Directors of the Company on the terms and conditions as set out in the respective draft agreement including on major terms and conditions, of remuneration as approved by Remuneration Committee as follows:

Remuneration :

- I. **Basic Salary (P.M.)** ` 1,38,215/- with the grade of ` 50,000 - to - ` 1,38,215 - to - ` 4,50,000.
- II. **Perquisites & Allowances: (P.M.)** HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: ` 1500/-, Special Pay: ` 55,291/- Special Allowance ` 20,732/- (only in case of Shri Ved Berry).



III. Other Perquisites & Allowances:

- (i) 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 (only in the case of Shri Jaskaran S. Khurana).
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and part thereof.
- (iii) Encashment of leave at the end of the tenure.
- (iv) Reimbursement of Business Promotion, Books & Periodicals up to ` 0.72 Lacs and Car expenses up to ` 9.00 lacs per annum.
- (v) Leave Travel Concession once in a year from the place of residence to anywhere in the world by air (business class) or by train (AC first class) for self and all dependent family members, subject to a ceiling of one month's basic salary.
- (vi) Medical expenses incurred for self and all dependent family members subject to a ceiling of one month's basic salary per year.
- (vii) Hospitalization reimbursement in accordance with the scheme and rules of the Company.
- (viii) Provision of the Company's maintained car and drivers' salary for use of the Company's business and telephone at residence shall not be considered at perquisites.
- (ix) Reimbursement of entertainment, travelling and all other actual expenses properly incurred for the purpose of the Company's business shall not be considered as remuneration.
- (x) No sitting fees to be paid for attending Meetings of the Board of Directors or of its Committee.
- (xi) Personal accident and medical insurance as per Company policy.

In addition to the above, Shri Jaskaran S. Khurana and Shri Ved Berry would be entitled to Variable Performance Pay (VPP), subject to maximum of ` 12 Lacs per annum as per scheme of the Company.

IV. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, wherein in any financial year, during the currency of the tenure of the appointment, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, within the limits as may be allowable in Schedule XIII of the Companies Act, 1956 from time to time or as approved by the Central Government as the case may be.

V. TERMINATION

The aforesaid appointment may be terminated by either party giving at least three months' notice in writing in that behalf or notice pay in lieu thereof at the end of which period, termination of the contract shall take effect.

Your Directors seek your approval to the resolutions as set out in the item no 9 and 10 of the accompanying notice by way of special resolution. Additional information as required under Schedule XIII to the Companies Act, 1956 is also annexed as Annexure "I" of the accompanying notice .

None of the Directors shall be deemed to be concerned or interested to the resolution except Shri Jaskaran S. Khurana and Shri Ved Berry in their respective resolution.

ANNEXURE 'I'

ADDITIONAL INFORMATION REQUIRED AS PER SCHEDULE XIII TO THE COMPANIES ACT, 1956 RELATING TO ITEM NOS. 8, 9 & 10 OF THE NOTICE OF ANNUAL GENERAL MEETING :

I. GENERAL INFORMATION :

(1) Nature of Industry :

The Company's products are classified under tobacco industry.



(2) Commencement of Commercial Production :

The Company's plant for manufacturing Tobacco Products (Licensed Capacity of 14500 Million and installed Capacity of 13532 Million) are already in operation.

(3) Financial Performance :

(` In Lacs)

Particulars	Financial Year	
	2012 – 13	2011-12
Effective Capital	(4648.42)	7167.30
Total Income	6944.77	7189.99
Profit/(Loss) (Before Tax)	(3811.88)	(2903.38)

(4) Export performance and Net Foreign Exchange Earning:

(` In Lacs)

Particulars	Financial Year	
	2012 – 13	2011-12
Export	3142.28	2881.14
Net Foreign Exchange Earned	3109.13	2815.74

(5) The Company has neither made any foreign investment nor has any foreign collaboration during the year.

II. INFORMATION ABOUT THE APPOINTEE :

(I) Background details of the Managerial Personnel:

- (i) **Shri A.K. Joshi** is a Chartered Accountant. He has a bright academic career and rich experience of around more than 33 years in the field of Banking, Finance and Accounts to his credit. Your Directors recommend and seek your approval by way of Special Resolution for revision of the remuneration w.e.f. 1st April, 2013. The remuneration will be as per the Schedule XIII of the Companies Act, 1956 and other applicable rules and regulations, if any.
- (ii) **Shri Jaskaran S. Khurana** is a Commerce Graduate and M.B.A. in finance. Right from the inception of his career spanning around more than 17 years, he has held various position at senior level at reputed business houses. He joined the Dalmia's Group in the year 2007 as General Manager- Strategy and Secretary to Chairman till the year 2010, looking after several other managerial position in group companies and then was transferred in the Company as Chief Operating Officer (COO) in the April, 2010.
- (iii) **Shri Ved Berry** is a Commerce Graduate and diploma in Business Management. Right from the inception of his career spanning around more than 37 years, he has held various positions at senior level at reputed business houses. He joined the Company in the year 1993 and worked up to year 2001.

(1) Past Remuneration : Per Annum:

(Amount in `)

Sr. No.	Particulars	Shri A.K.Joshi	Shri Jaskaran S. Khurana	Shri Ved Berry
1.	Basic Salary	63,96,000	34,99,572	22,25,850
2.	Retiral Benefits *	8,32,090	5,09,483	Nil
3.	Other benefits & Allowances	19,493	Nil	21,74,260

*Besides Salary and Perks, Executive Director is also entitled to the Company's contributions to Provident fund & Superannuation Fund, Gratuity and Encashment of Leave at the end of tenure.

(2) Recognition or awards :

The Company has no information to offer.



(3) Job Profile and suitability :

Shri A. K. Joshi is a Managing Director vested with, substantial power of the management of the Company subject to the superintendence, direction and control of the Board of Directors.

Shri Jaskaran S. Khurana, Wholetime Director of the Company is vested with powers of Director- Production and Exports of the Company subject to the superintendence, direction and control of the Board of Directors of the Company.

Shri Ved Berry Wholetime Director of the Company is vested with the powers of Director-Sales & Marketing subject to the superintendence, direction and control of the Board of Directors of the Company.

Having regard to the academic and professional background and vast experience of aforesaid Executive Directors, your Directors are of the opinion that Executive Directors are suitable to hold their respective position and proposed remuneration is reasonable.

(4) Remuneration Proposed:

Basic Salary (P.M.) ` 2,26,410/- of Shri A.K. Joshi as Managing Director of the Company w.e.f. April 1, 2013 with the grade of ` 1,20,000 - to - ` 2,26,410 - to - ` 6,50,000 plus perquisites as per resolution passed by the Board of Directors at its meeting held on May 23, 2013.

Basic Salary (P.M.) ` 1,38,215/- of Shri Jaskaran S. Khurana as Whole Time Director of the Company w.e.f. May 23, 2013 with the grade of ` 50,000 - to - ` 1,38,215 - to - ` 4,50,000 plus perquisites as per resolution passed by the Board of Directors at its meeting held on May 23, 2013.

Basic Salary (P.M.) ` 1,38,215/- of Shri Ved Berry as Wholetime Director of the Company w.e.f. May 23, 2013, with the grade of ` 50,000 - to - ` 1,38,215 - to - ` 4,50,000 plus perquisites as per resolution passed by the Board of Directors at its meeting held on May 23, 2013.

(5) The aforesaid Directors are not related to any managerial personnel of the Company.

III. OTHER INFORMATION:

(1) Reasons for losses:

- a) High borrowing cost.
- b) Steep increase in the excise duty and levy of VAT in some state up to 50%.
- c) Sale of cigarette through grey market affecting the organized sector particularly our Company.

(2) Steps taken for improvement :

- a) Various measures to increase the domestic sale by introducing new brands.
- b) Exploring the new export market to increase sale.
- c) Cost cutting measures in operational areas.

DISCLOSURE:

Remuneration package of Shri A.K. Joshi, Shri Jaskaran S. Khurana and Shri Ved Berry is set out in the Corporate Governance Report for the information of shareholders. Additional information as set out above shall be treated as requisite statement in compliance with Item No. (iv) of sub paragraph 'c' of paragraph (1) of Section II of Part II of Schedule XIII to the Companies Act, 1956.

Your Directors seek your approval to the resolution as appearing in item no. 8, 9 & 10 of the accompanying notice by way of Special Resolution. No Director shall be deemed to be interested or concerned in the resolution except Shri A.K. Joshi, Shri Jaskaran S. Khurana and Shri Ved Berry in their respective resolution.

By order of the Board,
For GOLDENTOBACCO LIMITED,

Manoj Kumar Srivastava
Company Secretary

Place : Mumbai
Date : May 23, 2013
Registered Office:
At Darjipura, Post-Amaliyara,
Vadodara, Gujarat- 390022,