

## NOTICE

## ANNUAL REPORT 2015 - 2016

**NOTICE IS HEREBY GIVEN THAT THE 25<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF SHREE RAMA NEWSPRINT LIMITED WILL BE HELD ON SATURDAY, 10<sup>TH</sup> SEPTEMBER, 2016, AT 2.00 P.M. COMMUNITY HALL, SHREE RAMA NEWSPRINT STAFF COLONY, NEAR REGISTERED OFFICE OF THE COMPANY, VILLAGE BARBODHAN, TALUKA OLPAD, DISTRICT SURAT - 395005, TO TRANSACT THE FOLLOWING BUSINESS:**

### **ORDINARY BUSINESS**

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Siddharth Chowdhary (DIN: 01798350), who retires by rotation and being eligible, offers himself for reappointment.
- (3) To appoint M/s. Haribhakti & Company, Chartered Accountants, retiring Auditors, as Statutory Auditors of the Company to hold office from conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### **SPECIAL BUSINESS**

#### **(4) Appointment of Cost Auditor of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 if any and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration payable to M/s. Nanty Shah and Associates, Cost Accountants holding Membership No. 31497 appointed by the Board of Directors of the Company as Cost Auditors for conducting the audit of the cost records of the Company, for the financial year ending 31<sup>st</sup> March, 2017, amount not exceeding ₹ 30,000/- excluding out of pocket expenses and applicable Service Tax be and is hereby approved.”

#### **(5) Appointment of Mr. Utkarsh Shah as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Utkarsh Shah (DIN:00101663), who was appointed as an Additional Director by the Board of Directors on 21<sup>st</sup> September, 2015 pursuant to the provisions of Section

149 and 161 of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under section 160 of the companies act 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 20<sup>th</sup> September, 2020.”

#### **(6) Appointment of Mrs. Pallavi Mittal as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Pallavi Mittal (DIN:07186456), who was appointed as an Additional Director by the Board of Directors on 21<sup>st</sup> September, 2015 pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under section 160 of the companies act 2013 from a member proposing her candidature for the office of director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 20<sup>th</sup> September, 2020.”

#### **(7) Appointment of Mr. K. L. Chandak as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. K. L. Chandak (DIN: 00013487), who was appointed as an Additional Director by the Board of Directors on 9<sup>th</sup> February, 2016 pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under section 160 of the companies act 2013 from a member proposing his candidature for the office of director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 8<sup>th</sup> February, 2021.”



**(8) Empowering the Board to borrow money upto a limit of Rs.1200 crores u/s180(1)(c)**

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

**“RESOLVED THAT** in supersession of the Special Resolution passed at the 23<sup>rd</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors of the Company for borrowing from time to time all such sums of money as it may deem requisite for the purpose of the business of the Company, notwithstanding that the moneys to be borrowed by the Company together with the moneys, if any, already borrowed by the Company (neither of which sums shall include the temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of moneys so borrowed by the Board shall not at any time exceed ₹ 1200 crores (Rupees one thousand two hundred crores)”

**(9) Empowering the Board to create mortgage/ security upto a limit of ₹ 1200 crores u/s180(1)(a)**

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

**“RESOLVED THAT** in supersession of the Ordinary Resolution passed at the 23<sup>rd</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014, the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, to mortgaging and/or charging by the Board of Directors of the Company of all the moveable and/or immovable properties of the Company where so ever situated, both present and future, and the whole undertaking(s) of the Company (subject to prior charges in favour of the Company's bankers for cash credit and other facilities) together with the power of the mortgagee/s to take over the management of the business and concern of the Company in certain events, in order to secure Rupee Term Loans/ Foreign Currency loans and the issue of Partly Convertible Debentures and Non-Convertible Debentures or any other debts taken by the Company for amounts not exceeding in the aggregate ₹ 1200 crores (Rupees One Thousand Two Hundred crores) obtained/to be obtained from the Financial Institutions and/ or Banks or issued/to be issued by the Company or to be privately placed with the Financial Institutions and/or Banks and/or Mutual Funds or any other person as the case may be, and interest at the respective agreed rates, compound/ additional interest, in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, costs, charges and expenses, remuneration of the Trustees and all other monies payable in respect of the aforementioned borrowings as may be agreed to by the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalize with the Financial Institutions, Banks, Mutual Funds and Trustees

for the Debenture holders, the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be required for giving effect to the Resolution.”

**(10) Create, offer and issue equity shares on preferential basis as per strategic debt restructuring Scheme of Reserve Bank of India**

**“RESOLVED THAT** subject to the provisions of Section 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as “Act”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI ICDR Regulations”) as amended from time to time and any other guidelines and clarifications issued by the Securities and Exchange Board of India as also by any other statutory/regulatory authorities, the Listing Agreement entered into between the Company and BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) and in accordance with the provisions of the Articles of Association of the Company, and subject to all necessary statutory or regulatory approvals, consents, permissions and / or sanctions as may be deemed necessary including without limitation approvals from the Government of India, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and all other relevant third party consents and approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include duly authorized committee thereof constituted to exercise the powers conferred on the Board by this resolution) to create, offer and issue from time to time in one or more tranches such number of Equity Shares of the Company to bankers of the Company in case of default in repayment of their dues in such manner and on such terms and conditions as may be determined by in accordance with the guidelines specified by the Reserve Bank of India for strategic debt restructuring scheme, which shall not be for a price less than the face value of the equity shares;

**RESOLVED FURTHER THAT**

- (i) the Equity Shares to be issued and allotted shall be listed and traded on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (ii) the Equity Shares allotted on preferential basis to bankers of the Company, shall remain locked in as per the provisions of SEBI (ICDR) Regulations viz. for a period of one year from the date of trading approval by recognized stock exchanges viz. BSE and NSE;
- (iii) conversion price shall be certified by two independent qualified valuers, and for this purpose ‘valuer’ shall have the same meaning as assigned to it under clause

## NOTICE

## ANNUAL REPORT 2015 - 2016

(r) of sub regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Sweat Equity) Regulations, 2002

- (iv) for the purposes of transferring the control, the consortium of banks and financial institutions may transfer their shareholding to an entity before completion of the lock in period subject to continuation of the lock in on such shares for the remaining period with the transferee;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, matters, deeds and things and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable, including without limitation, to prescribe the forms of application, allotment and by way of further calls, if any, to enter into any agreements or other instruments, and to take such actions

or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any question or difficulty that may arise with regard to the issue and allotment of the Equity Shares.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director or to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolution."

By Order of the Board  
For **SHREE RAMA NEWSPRINT LIMITED**

Place: Ahmedabad  
Date: 30.5.2016

**P. K. Mundra**  
**President (Finance) &**  
**Company Secretary**

### NOTES:

1. The Explanatory Statement Pursuant to section 102(1) of the Companies Act, 2013 in respect of Item nos. 3 to 10 as set out above are annexed hereto.

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

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE Company. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE Company MAY APPOINT A SINGLE PERSON AS PROXY. HOWEVER, SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

3. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting.
4. Books of the Company shall remain closed from 1<sup>st</sup> September, 2016 to 10<sup>th</sup> September, 2016 (both days inclusive).
5. Members are requested to notify immediately any change in their Registered Address to the Company's Registrar, **LINK INTIME INDIA PRIVATE LIMITED**, Unit: Shree Rama

Newsprint Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078.

6. Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the Meeting.
7. Shareholders seeking any information with regard to the Accounts are requested to write to the Company at an early date to enable the Management to keep the information ready.
8. The documents referred to in this Notice are open for inspection by any Member at the Registered Office of the Company during the Company's business hours on any working day up to the date of the Annual General Meeting and will also be available for inspection at the Meeting.
9. Pursuant to the Green Initiative taken by the Government, your Company shall send Annual Report and other communications from time to time to the shareholders electronically to the e-mail address provided by them.
10. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for availing Electronic Voting facility which is required as per provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014. Members having shares in physical form are requested to intimate their e-mail Ids to Registrar & Share Transfer Agents viz., Link Intime India Pvt. Ltd., and members holding shares in electronic form are requested to intimate their e-mail Ids to Depository Participants with whom they have maintained their Demat Account.

# NOTICE



## 11) The instructions for members for voting electronically are as under:-

### In case of members receiving e-mail:

- (i) The voting period begins on Wednesday 07.09.2016 at 09.00 A.M. and ends on Friday, 09.09.2016 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 03.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" tab.
- (iv) Now, select "Shree Rama Newsprint Ltd." from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number printed on the address stickers on the Annual Report.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul>
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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "Shree Rama Newsprint Ltd." on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from

## NOTICE

## ANNUAL REPORT 2015 - 2016

Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xx) Note for Non – Individual Shareholders and Custodians**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).**

**In case of members receiving the physical copy:**

- Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast vote.
- The voting period begins on Wednesday 07.09.2016 at 09.00 A.M. and ends on Friday, 09.09.2016 at 05.00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 03.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

A Member can opt for only one mode of voting, i.e., either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

Brief biography of Directors seeking Appointment/Re- Appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of Securities and Exchange Board of India Listing Obligations and Disclosure Requirements) Regulations, 2015 and further, the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to appointment of Independent Director, which are mentioned below:

**Brief Biography of Directors Proposed to be appointed/reappointed as required in terms of Listing Agreement.**

Particulars	Mr. Siddharth Chowdhary (Item No. 2)	Mr. Utkarsh Shah (Item No. 5)	Mrs. Pallavi Mittal (Item No. 6)	Mr. K. L. Chandak (Item No. 7)
Age	32 years	56 years	38 years	70 years
Date of Appointment on Board	21.05.2015	21.09.2015	21.09.2015	09/02/2016
Functional Expertise	Finance Sector	Industrialist and Business Field	13 years work experience in Business Development and Sales of Mutual Funds in Ahmedabad for IFA segment and Sales forecasting & Sales planning in the IFA vertical.	He has expertise in Finance and Accounts as well as general administration and management of Company affairs.
Qualifications	B.Com., MBA in International Accounts & Business Finance	Science Graduate	BCA, Post Graduate Diploma in Business Administration, Phd.	B.Com, C.A.
Terms and Conditions of appointment	Non-Executive Director	Independent Director for 5 (five) consecutive years for a term up to 20 <sup>th</sup> September, 2020	Independent Director for 5 (five) consecutive years for a term up to 20 <sup>th</sup> September, 2020	Independent Director for 5 (five) consecutive years for a term up to 8 <sup>th</sup> February, 2021
Remuneration Paid	No remuneration other than sitting fees for attending Board and/or Committee Meetings, if any.	No remuneration other than Sitting Fees for attending Board and/or Committee Meetings, if any.	No remuneration other than Sitting Fees for attending Board and/or Committee Meetings, if any.	No remuneration other than Sitting Fees for attending Board and/or Committee Meetings, if any.



# NOTICE



Directorship in other Companies	Riddhi Siddhi Gluco Biols Limited, Vascroft Design Private Limited, Safari Biotech Private Limited, Telecon Infotech Private Limited, Blueseal Agro Private Limited	Adicorp Enterprises Private Limited, ADI Finchem Limited,	Nil	Bahubali Paper Limited
Chairman/ Member of Committee in other Companies	Member of 1 Committee	Member of 1 Committee	Member of 1 Committee	Nil
No. of Equity Shares held in the Company	Nil	Nil	Nil	6250 Equity Shares
Relationship with other directors, Manager and other KMP of the Company	Son of Chairman of the Company Mr. Ganpatraj Chowdhary	N.A.	N.A.	N.A.
No. of Meetings of the Board attended during the year	9	1	4	Nil

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### ITEM No. 4

The Board of Directors of the Company at their meeting held on 30<sup>th</sup> May, 2016 has, on recommendation of the Audit Committee appointed M/s. Nanty Shah & Associates as Cost Auditors of the Company for the Financial Year 2016-17 at a remuneration not exceeding Rs. 30,000/- excluding out of pocket expenses and applicable service tax.

As per Section 148 of the Companies Act, 2013 and the rules made thereunder the remuneration payable to the Cost Auditor is to be confirmed by the members of the Company. The Board recommends the resolution at Item No. 3 for the approval of the members as an ordinary resolution.

None of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in the passing of this resolution.

#### ITEM No. 5

The Board of Directors have appointed Mr. Utkarsh Shah (DIN: 00101663) as an Additional & Independent Director of the Company on 21<sup>st</sup> September, 2015 under the relevant provisions of Section 149 and 161 of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015. He will hold the office up to the date 20<sup>th</sup> September, 2020.

Keeping in view his experience and knowledge, the Board considers that the proposed appointment of Mr. Utkarsh Shah would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment

of Mr. Utkarsh Shah as a Director of the Company. He has given a declaration to the Board that he meets the criteria of Independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the Management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Independent Director is now being placed before the Members for their approval.

Except Mr. Utkarsh Shah, none of the other Directors or Key Managerial Personnel (KMP) or their relatives are, in any way, concerned or interested in the passing of this resolution.

#### ITEM No. 6

The Board of Directors have appointed Mrs. Pallavi Mittal (DIN: 07186456) as an Additional & Independent Director of the Company on 21<sup>st</sup> September, 2015 under the relevant provisions of Section 149 and 161 of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015. She will hold the office up to the date 20<sup>th</sup> September, 2020.

Keeping in view her experience and knowledge, the Board considers that the proposed appointment of Mrs. Pallavi Mittal would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Mrs. Pallavi Mittal as a Director of the Company. She has given a declaration to the Board that she meets the criteria of Independence as provided under section 149(6) of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and she is independent of the Management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Independent Director is now being placed before the Members for their approval.

## NOTICE

## ANNUAL REPORT 2015 - 2016

Except Mrs. Pallavi Mittal, none of the other Directors or Key Managerial Personnel (KMP) or their relatives are, in any way, concerned or interested in the passing of this resolution.

### ITEM No. 7

The Board of Directors have appointed Mr. K. L. Chandak (DIN: 00013487) as an Additional & Independent Director of the Company on 9<sup>th</sup> February, 2016 under the relevant provisions of Section 149 and 161 of the Companies Act, 2013 read with amended listing agreement. He will hold the office up to the date 8<sup>th</sup> February, 2021. Mr. K. L. Chandak is a Chartered Accountant and has vast experience in paper industry and in finance.

Keeping in view his experience and knowledge, the Board considers that the proposed appointment of **Mr. K. L. Chandak** would be immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment of **Mr. K. L. Chandak** as a Director of the Company. He has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Independent Director is now being placed before the Members for their approval.

Except Mr. K. L. Chandak, none of the other Directors or Key Managerial Personnel (KMP) or their relatives are, in any way, concerned or interested in the passing of this resolution.

### ITEM NO. 8 & 9

The Section 180(1)(a)&(c) of the Companies Act, 2013 and the rules made thereon requires special resolution to be passed in respect of borrowings and sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertakings. The members of the Company had earlier

passed special resolution in the Annual General Meeting held on 27<sup>th</sup> September, 2014 for the same amount.

None of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested in the passing of this resolution.

The Directors recommend the resolutions for your approval.

### ITEM NO. 10

The Joint lenders Forum was constituted for the Company as per requirement under of Reserve bank of India guidelines dated 26.2.2014 and it sanctioned restructuring of debt in the meeting held on 31.3.2015 as per terms & conditions detailed in its earlier meeting held on 11.3.2015. The bankers of the Company insisted for passing of enabling special resolution as per RBI circular DBR.BP.BC No 101/21.4.132/2014-15 dated 8.6.2015 on Strategic Debt Restructuring.

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 chapter VII for Preferential Issue is not applicable to Conversion of debt into equity under strategic debt restructuring scheme i.e. where the preferential issue of equity shares is made to the consortium of banks and financial institutions pursuant to conversion of their debt, as part of the strategic debt restructuring scheme in accordance with the guidelines specified by the Reserve Bank of India.

Your Directors, therefore, recommend the resolution for your approval. None of the existing Promoters or Directors or Key Managerial Personnel or their relative/s are in any way concerned or interested in the proposed resolution.

By Order of the Board  
For **SHREE RAMA NEWSPRINT LIMITED**

Place: Ahmedabad  
Date: 30.5.2016

**P. K. Mundra**  
**President (Finance) &**  
**Company Secretary**

# DIRECTORS' REPORT



To

The Members of  
SHREE RAMA NEWSPRINT LIMITED

Your Directors are pleased to present the 25<sup>th</sup> Annual Report together with the Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March 2016.

## FINANCIAL RESULTS

Amount-₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Revenue from operations	38391.05	37498.48
Profit/(Loss) before Interest, Depreciation and Tax	(697.32)	(3589.17)
Finance Cost	2801.13	4585.27
Profit/(Loss) before Depreciation and Tax	(3498.45)	(8174.44)
Depreciation	1379.40	1237.86
Profit / (Loss) before Tax and Exceptional items	(4877.85)	(9412.30)
Exceptional items	1460.00	-
Extraordinary Items	-	5159.50
Net Profit / (Loss) from ordinary activities	(3417.85)	(4252.80)

## PERFORMANCE:

The Company has achieved production of 1,17,498 MT (89% capacity utilization) during the F.Y. 2015-16 as against 1,02,641 MT (78% capacity utilization) achieved in FY 2014-15 i.e. higher by 14,857 MT (14%). The Company has achieved sale of 1,19,377 MT during FY 2015-16 as against 1,10,336 MT in 2014-15. During the year under review, the Company has produced only Newsprint as being the case in the previous year.

The Company has achieved turnover of ₹ 383.91 crores [Net of excise duty] in FY 2015-16 as against ₹ 374.98 crores [Net of excise duty] in FY 2014-15

The working results of the Company were satisfactory as Loss before exceptional/extraordinary items reduced in FY 2015-16 to ₹ 48.78 crores as against ₹ 94.12 crores in FY 2014-15 due to restructuring of debt by lenders, infusion of equity by new promoter group entity, higher production & sales quantity and reduction in cost. The net loss was of ₹ 34.18 crores in FY 2015-16 as against ₹ 42.53 crores in FY 2014-15. The working \ [January to March 16] reflects improvement in the overall working with Net Loss of ₹ 1.39 crore only.

## EXPORT

Export of Newsprint was 1858 MT worth ₹ 6.23 Crores (FOB) in 2015-16 as against 2257 MT worth ₹ 8.37 crores (FOB) in 2014-15

## DIVIDEND

Your Directors have not recommended any dividend in view of the losses suffered by the Company.

## TRANSFER TO RESERVES:

In view of losses suffered, the Company has not proposed to transfer any amount to any General Reserves or any other reserve.

## FINANCES

As per the decision of the Joint Lender Forum (J.L.F.) as confirmed by the bankers/ lenders in the meeting held on 31-03-2015, I.C.I.C.I. Bank Ltd., Bank of Baroda, Oriental Bank of Commerce & Central Bank of India have implemented the same and have issued sanction letters for re-structured loans.

The matter is also being pursued with the Axis Bank Ltd. for settlement as per the decision of J.L.F.

The Company has allotted 6 crores shares of ₹ 10 each amounting to ₹ 60 crores to Riddhi Siddhi Gluco Boils Limited on 24.7.2015 and also allotted Zero Coupon Optionally Fully Convertible Debenture of ₹ 30 crores to ICICI Bank Limited on 31.7.2015 and the amount of ₹ 90 crores so raised is fully utilized for the purpose raised i.e there is no deviation in this regard.

During the year under review, your Company has issued 5,61,350 zero Copoun non-convertible debentures of ₹ 1,000 each and 300 zero coupon non-convertible debentures of ₹ 1,00,000 each on Private Placement Basis aggregating to ₹ 8613.50 lacs.

## FIXED DEPOSIT:

The Company has not accepted or renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with rules made there under during the year and there is no outstanding on this account in books of the Company.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary or associate Company within the meaning of Section 2(6) of the Companies Act, 2013.

## EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure I".

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The details of related party disclosures and transactions as prescribed in Form AOC-2 are attached as Annexure - II. All the transactions are done at arm's length and pertain to F.Y. 2015-16 periods only and as approved in the Board and Audit Committee Meetings held during the F.Y. 2015-16.

## NUMBER OF MEETINGS OF THE BOARD

During the year, 13 Board Meetings were convened and held and details thereof are mentioned in the Report on Corporate Governance forming part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the year one Independent Directors' Meeting held on 09.02.2016.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors appointed additional directors Mr. Utkarsh Shah (DIN:00101663), on 21<sup>st</sup> September, 2015,



Mrs. Pallavi Mittal (DIN:07186456), on 21<sup>st</sup> September, 2015 and Mr. K L Chandak (DIN: 00013487) on 9.2.2016 subject to approval of members in the ensuing Annual General Meeting. The Company has received notices u/s 160 of the Companies Act, 2013, proposing their candidatures for appointment as directors at the ensuing Annual General Meeting.

Shri Siddharth Chowdhary retires from the office by rotation but being eligible offers himself for re-appointment.

The brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of Companies in which they holds Directorships and Memberships of Board Committees, shareholding, are provided in the Notice to Members as per regulation 36 (3) THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, forms a part of this Annual Report

The Board of Directors of the Company appointed Mr P K Mundra President (Finance) and Company Secretary w.e.f. 24.12.2015

**Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently except which has been mentioned in the notes and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

**DETAILS OF COMMITTEE OF DIRECTORS:**

The Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stake Holders Relationship/ Grievances Committee of Directors, number of meetings held of each Committee during the financial year 2014-15 and meetings attended by each member of the Committee as required under

the Companies Act, 2013 are provided in Corporate Governance Report.

**ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its Committees and individuals. The result of the evaluation is satisfactory and adequate and meets the requirements.

**INTERNAL FINANCIAL CONTROL SYSTEMS:**

The Company has an adequate system of internal financial control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorised, recorded and reported correctly. The internal financial control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors.

**APPOINTMENT AND REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration which is available on Company's website at [www.ramanewsprint.com](http://www.ramanewsprint.com)

**WHISTLE BLOWER POLICY:**

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors, Employees and other Stakeholders of the Company to report concerns about illegal and unethical practices, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy which is available at the Company's website at [www.ramanewsprint.com](http://www.ramanewsprint.com)

**ADOPTION OF POLICES AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The board framed policies on Preservation of Documents and Determining Materiality for Disclosure to Stock Exchanges which are available at the Company's website at [www.ramanewsprint.com](http://www.ramanewsprint.com)

**RISK MANAGEMENT:**

During the year, the Management of the Company had evaluated the existing Risk Management Policy of the Company. The Risk Management policy has been reviewed and found adequate and sufficient to the requirement of the Company. The Management has evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

**INSURANCE:**

Your Company has taken appropriate insurance for all assets against foreseeable perils.

**LISTING OF SHARES**

Equity Shares of Company continue to be listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE). The Company has duly paid listing fees to the stock exchanges.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required u/s 134(3)(m) of the Companies Act, 2013 read with Companies

## DIRECTORS' REPORT



(Accounts) Rules, 2014 are furnished as **Annexure – III** to this Report and forms part of it.

### **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS**

Report on Corporate Governance and Management Discussion and Analysis is made part of this Annual Report.

As required by the Listing Agreements, the Certificate of Auditors on Corporate Governance compliance is also annexed to this Annual Report.

The Certificate from Chief Executive Officer and Chief Financial Officer was placed before the Board of Directors at its meeting held on 30.05.2016.

The information required under Section 197(12) of the Act read with Rules 5(1) and 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are as per **Annexure-IV**.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board on the recommendations of the Audit Committee, has appointed M/s. Ravi Kapoor & Associates a sole proprietor of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2016. Secretarial Audit Report issued by M/s. Ravi Kapoor & Associates a sole proprietor, Company Secretaries, in form MR-3 forms part of this report and marked as "**Annexure-V**"

### **COST AUDIT**

The audit of cost accounts of the Company is being carried out by M/S Nanty shah and associates for FY 2015-16 and after completion of the audit they will be submitting his report to the Central Government.

### **CASH FLOW STATEMENT**

As required under clause 34 of the THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, the Cash Flow Statement is attached to the Annual report.

### **AUDITORS**

The present Auditors of your Company, M/s. Haribhakti & Co. LLP, Chartered Accountants hold office until the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

### **EXPLANATIONS / COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITOR / Company SECRETARY IN PRACTICE IN THEIR REPORT**

The Board has taken note of the qualification made by the Auditors in their report regarding the Company having recognized Deferred Tax Asset (DTA) in the absence of convincing evidences to support virtual certainty about the future taxable income. However, as explained in the notes to Accounts the Board is of a strong opinion that in view of the improved market

scenario and the infusion of fresh funds, the Company will have sufficient future taxable profits.

The other observations of the Auditors in their report read with the relevant notes are self explanatory.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to form Corporate Social Responsibility committee or policy as per section 135 (1) of the companies act 2013 since the same is not applicable to it as per criterion laid down therein. However the Company is meeting its social obligations for local persons by providing health check up facilities including distribution of free medicines. It also supplies free drinking water to nearby villages. The Company is also running a modern English medium school for imparting quality education to local persons and undertakes various community welfare jobs from time to time.

The Company is also maintaining colony for workers & staff which has all the modern amenities.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

In terms of Section 134(3)(i) of the Companies Act, 2013, it is reported that, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report

### **SIGNIFICANT AND MATERIAL ORDERS**

There are no material orders passed by Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

### **INDUSTRIAL RELATIONS:**

The industrial relations remained cordial throughout the year under review.

### **ACKNOWLEDGEMENT**

The Directors wish to place on record and acknowledge their appreciation and gratitude for the continued co-operation and support received from the Union Government, the State Government of Gujarat, Regulatory Bodies, participating Financial Institutions and Banks, Customers, Suppliers and Dealers. The Directors take this opportunity to express their appreciation towards the dedication, commitment and teamwork shown by employees, which has resulted in improved working results. Your Directors further thank Members/Shareholders for their continued confidence reposed in the management of the Company.

For and on behalf of the Board

**Ganpatraj L. Chowdhary**  
Chairman  
DIN: 00344816

Place: Ahmedabad  
Date : 30.05.2016

Annexure I  
FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

## I. REGISTRATION &amp; OTHER DETAILS:

1.	CIN	L21010GJ1991PLC019432
2.	Registration Date	10 <sup>th</sup> July, 1991
3.	Name of the Company	Shree Rama Newsprint Limited
4.	Category/Sub-category of the Company	Public Company Limited by shares
5.	Address of the Registered office & contact details	Village Barbodhan, Taluka Olpad, Dist: Surat, Gujarat- 395 005 Tel: +91-2621-224-203/4/5, Fax: +91-2621-224-206 Email: <a href="mailto:ramasurat@ramanewsprint.com">ramasurat@ramanewsprint.com</a> Web: <a href="http://www.ramanewsprint.com">www.ramanewsprint.com</a>
6.	Whether listed Company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link InTime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400 078 Ph: 022-25963838, Fax: 022-25946969

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company:

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Newsprint	17012	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE
1	Riddhi Siddhi Gluco Biols Limited	L24110GJ1990PLC013967	Holding

## VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity as on March 31, 2016)

## (i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% change in shareholding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	1711535	0	1711535	2.94	-	-	-	-	(2.94)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	26616142	0	26616142	45.77	88277677	-	88277677	74.71	28.94
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)(1)</b>	<b>28327677</b>	<b>0</b>	<b>28327677</b>	<b>48.71</b>	<b>88277677</b>	<b>-</b>	<b>88277677</b>	<b>74.71</b>	<b>28.94</b>

# ANNEXURE TO DIRECTORS' REPORT



Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% change in shareholding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>FOREIGN:</b>									
Individual (Non resident Individuals/ Foreign Individuals)	246839	0	246839	0.42	-	-	-	-	(0.42)
Body corporate	564850	0	564850	0.97	-	-	-	-	(0.97)
Institutions	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A)(2)</b>	<b>811689</b>	<b>0</b>	<b>811689</b>	<b>1.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.40)</b>
<b>TOTAL SHAREHOLDING OF PROMOTER &amp; PROMOTER GROUP (A)=(A) (1)+(A)(2)</b>	<b>29139366</b>	<b>0</b>	<b>29139366</b>	<b>50.10</b>	<b>88277677</b>	<b>-</b>	<b>88277677</b>	<b>74.71</b>	<b>24.61</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	13600	34675	48275	0.1	13600	34675	48275	0.04	0.03
b) Banks / FI	5775	16025	21800	0.04	4100	16025	20125	0.01	(0.03)
c) Central Govt	75	0	75	0	75	-	75	0.00	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs (Foreign Portfolio Investor)	-	60725	60725	0.1	60725	-	60725	0.05	0.04
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) (Foreign Mutual Funds)	-	12300	12300	0.02	-	12300	12300	0.01	(0.01)
UTI	-	10050	10050	0.04	-	10050	10050	0.04	-
<b>Sub-total (B) (1):-</b>	<b>19450</b>	<b>133775</b>	<b>153225</b>	<b>0.26</b>	<b>78500</b>	<b>73050</b>	<b>151550</b>	<b>0.15</b>	<b>(0.11)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	3321691	70325	3392016	5.83	3672695	70325	3743020	3.17	(2.66)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	17241258	2414245	19655503	33.8	11790108	2396020	14186128	12	21.8

# ANNEXURE TO DIRECTORS' REPORT

# ANNUAL REPORT 2015 - 2016

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% change in shareholding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4020204	-	4020204	6.91	8172215	-	8172215	6.92	0.01
c) Others (specify)									
Non Resident Indian (Non Repat)	77601	125	77726	0.13	53631	125	53756	0.05	(0.08)
Non Resident Indian (Repat)	1053669	73875	1127544	1.93	1195549	73475	1269024	1.07	(0.86)
Overseas Corporate Bodies	-	650	650	-	-	650	650	-	-
Trusts	325	-	325	-	200	-	200	-	-
Partnership	-	200	200	-					
Hindu Undivided Family	-	550	550	-	1153945	550	1154495	0.98	0.98
Clearing Members	590723	-	590723	1.02	582892	-	582892	0.49	0.53
Office Bearers	-	-	-	-	1375	-	1375	-	-
Partnership Firm	-	-	-	-	-	200	200	-	-
Foreign Companies	-	-	-	-	564850	-	564850	0.47	0.47
<b>Sub-total (B) (2):-</b>	<b>26305471</b>	<b>2559970</b>	<b>28865441</b>	<b>49.63</b>	<b>27187460</b>	<b>2541345</b>	<b>29728805</b>	<b>25.16</b>	<b>(24.49)</b>
Total Public Shareholding (B)=(B)(1)+ (B) (2)	<b>26324921</b>	<b>2693745</b>	<b>29018666</b>	<b>49.90</b>	<b>27265960</b>	<b>2614395</b>	<b>29880355</b>	<b>25.31</b>	<b>24.59</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>55464287</b>	<b>2693745</b>	<b>58158032</b>	<b>100.00</b>	<b>115543637</b>	<b>2614395</b>	<b>118158032</b>	<b>100.00</b>	<b>-</b>

## ii) Shareholding of Promoters/Promoters Group:

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Riddhi Siddhi Gluco Biols Limited	-	-	-	88277677	74.71	-	74.71
1	West Coast Paper Mills Ltd.	21124791	36.32	-	-	-	-	(36.32)
2	Orbit Udyog Pvt Ltd.	581326	1.00	-	-	-	-	(1.00)
3	Shree Satyanarayan Investments Co. Ltd.	1492645	2.57	-	-	-	-	(2.57)
4	The Diamond Company Ltd.	540348	0.93	-	-	-	-	(0.93)
5	Gold Mohre Investment Company Ltd.	50000	0.09	-	-	-	-	(0.09)



## ANNEXURE TO DIRECTORS' REPORT



S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
6	Soumya Trade & Fiscal Services Pvt. Ltd	715015	1.23	-	-	-	-	(1.23)
7	The Indra Company Ltd	528769	0.91	-	-	-	-	(0.91)
8	Veer Enterprises Ltd	1583248	2.72	-	-	-	-	(2.72)
9	Indo Gulf Enterprises Ltd.	564850	0.97	-	-	-	-	(0.97)
10	Rangnath Shree Kumar	60725	0.10	-	-	-	-	(0.10)
11	Shree Kumar Bangur	1327885	2.28	-	-	-	-	(2.28)
12	Shashi Devi Bangur	25015	0.04	-	-	-	-	(0.04)
13	Virendraa Bangur	245352	0.42	-	-	-	-	(0.42)
14	Saurabh Bangur	52558	0.09	-	-	-	-	(0.09)
15	Ramesh Kumar Rochiram Narang	246839	0.42	-	-	-	-	(0.42)
	<b>TOTAL</b>	<b>29139366</b>	<b>50.10</b>	<b>-</b>	<b>88277677</b>	<b>74.71</b>	<b>-</b>	<b>(50.10)</b>

### iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name of the shareholder	Shareholding at the beginning of the year		Increase/ Decrease in shareholding			Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	Date	No. Of shares	Reason	No. of shares	% of total shares of the Company
Riddhi Siddhi Gluco Biols Limited	-	-	21/05/2015	28277677	Share Purchase Agreement	28277677	23.93
	-	-	24/07/2015	6,00,00,000	Preferential Allotment	88277677	74.71
West Coast Paper Mills Limited	21124791	36.32	21/05/2015	21124791	Share Purchase Agreement	-	-
Orbit Udyog Private Limited	581326	1.00	21/05/2015	581326	Share Purchase Agreement	-	-
Shree Satyanarayan Investments Co. Ltd.	1492645	2.57	21/05/2015	1492645	Share Purchase Agreement	-	-
The Diamond Company Limited	540348	0.93	21/05/2015	540348	Share Purchase Agreement	-	-
Soumya Trade & Fiscal Services Pvt. Ltd	715015	1.23	21/05/2015	715015	Share Purchase Agreement	-	-
The Indra Company Limited	528769	0.91	21/05/2015	528769	Share Purchase Agreement	-	-
Veer Enterprises Ltd	1583248	2.72	21/05/2015	1583248	Share Purchase Agreement	-	-
Rangnath Shree Kumar	60725	0.10	21/05/2015	60725	Share Purchase Agreement	-	-
Shree Kumar Bangur	1327885	2.28	21/05/2015	1327885	Share Purchase Agreement	-	-
Shashi Devi Bangur	25015	0.04	21/05/2015	25015	Share Purchase Agreement	-	-
Virendraa Bangur	245352	0.42	21/05/2015	245352	Share Purchase Agreement	-	-
Saurabh Bangur	52558	0.09	21/05/2015	52558	Share Purchase Agreement	-	-

## iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of the shareholder	Shareholding at the beginning of the year		Increase/ Decrease in shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. Of shares	Reason	No. of shares	% of total shares of the Company
1	Jagruiti Shaunak Shah J/H, Shaunak Jagdish Shah	50,000	0.08	949000	Purchase	999000	0.85
2	Shaunak Jagdish Shah J/H, Jagruiti Shaunak Shah	3,29,525	0.57	669475	Purchase	999000	0.85
3	Jagdish Amritlal Shah J/H, Shaunak Jagdish shah and Jagruiti Shaunak Shah	312500	0.54	686500	Purchase	999000	0.85
4	Jamson Securities Private Limited	-	-	999000	Purchase	999000	0.85
5	Hassanmiya Suleman Darvesh	7,50,000	0.63	NO CHANGE		750000	0.63
6	Indo Gulf Enterprises Limited	564850	0.97	NO CHANGE		564850	0.48
7	Bang Securities Private Limited	-	-	478667	Purchase	478667	0.40
8	Hemang Omprakash Mehta	-	-	340000	Purchase	340000	0.29
9	Ramesh Kumar Rochiram Narang	246839	0.42	NO CHANGE		246839	0.29
10	Mahendra Vasantrai Doshi	2,56,555	0.44	48152	Sale	208403	0.18

## v) Shareholding of Directors and Key Managerial Personnel:

S N	Name of the Director / Key Managerial Personnel	Shareholding at the beginning of the year		Increase/ Decrease in shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	Reason	No. of shares	% of total shares of the Company
1	S. K. Bangur (resign on 26.08.2015)	1327885	2.28	1327885	Sale through Share Purchase Agreement	-	-
2	Virendraa Bangur (resign on 26.08.2015)	245352	0.42	245352	Sale through Share Purchase Agreement	-	-
3	K. L. Chandak (Non-Executive Director)	6250	0.01	-	-	6250	0.01
4	Girish Sharma (Company Secretary) (resign on 25/06/2015)	200	0.00	-	-	100	0.00

## v) INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Other than Public Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	24184.97	3038.91	167.52	27391.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10.59	-	-	10.59
<b>Total (i+ii+iii)</b>	<b>24195.56</b>	<b>3038.91</b>	<b>167.52</b>	<b>27401.99</b>

# ANNEXURE TO DIRECTORS' REPORT



	Secured Loans excluding deposits	Unsecured Loans	Other than Public Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	4507.01	96.88	4603.89
* Reduction	-292.11	-	-	-292.11
<b>Net Change</b>	<b>-292.11</b>	<b>4507.01</b>	<b>96.88</b>	<b>4311.18</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	23766.79	7284.05	264.40	31315.24
ii) Interest due but not paid	133.92	261.87	-	395.79
iii) Interest accrued but not due	2.74	-	-	2.74
<b>Total (i+ii+iii)</b>	<b>23903.45</b>	<b>7545.92</b>	<b>264.40</b>	<b>31713.77</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### i) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

SN.	Particulars of Remuneration	VAISHNAV DAS BAJAJ
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	59,37,150
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,34,581
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
	Total (A)	68,71,731
	Ceiling as per the Act	84,00,000

### ii) REMUNERATION TO OTHER DIRECTORS

(₹)

Particulars of Remuneration	Name of Directors								Total Amount
	Lt. Gen. (Retd.) Ashok Kapur	Mr. Narayan Atal	Mr. Mohan M. Phadke	Smt. Namrata Sharma	Smt. Pallavi Mittal	Mr. Utkarsh Shah	Mr. Murli Ranganathan	Mr. Keerthy Narayanan	
<b>Independent Directors</b>									
Fee for attending board committee meetings	24000	36000	20000	4000	30000	8250	34000	46500	202750
Commission									
Others, please specify									
<b>Total (1)</b>	<b>24000</b>	<b>36000</b>	<b>20000</b>	<b>4000</b>	<b>30000</b>		<b>34000</b>	<b>46500</b>	<b>202750</b>
<b>Other Non-Executive Directors</b>	Mr. Ganpatraj Chowdhary	Mr. K.L. Chandak	Mr. S.K. Bangur	Mr. Siddharth Chowdhary					
Fee for attending board committee meetings	46000	24000	20000	50000					140000
Commission									
Others, please specify									
<b>Total (2)</b>									
<b>Total (B)=(1+2)</b>	<b>46000</b>	<b>24000</b>	<b>20000</b>	<b>50000</b>					<b>140000</b>
<b>Total Managerial Remuneration (A+B)</b>									<b>342750</b>

iii) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/WHOLE TIME DIRECTOR / MANAGER<sup>§</sup>.

(₹)

S N	Particulars of Remuneration	Company Secretary	
		Mr.Girish Shrma (1-4-15 to 25-6-15)	Mr.P.K. Mundra (14-12-15 to 31-3-16)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,55,858	10,45,694
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	1,00,990	78,427
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>7,56,848</b>	<b>11,24,121</b>

\* Other then PF, Gratuity &amp; Leave encashment.

§ Executive Director in CFO also hence covered in VI-(i) earlier.

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:- NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board

Ganpatraj L. Chowdhary  
ChairmanPlace: Ahmedabad  
Date : May 30, 2016

# ANNEXURE TO DIRECTORS' REPORT



## Annexure - II Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)  
Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

### Details of material contracts or arrangement or transactions at arm's length basis:

(A) Name(s) of the related party and nature of relationship:	(B) Nature of contracts/ arrangements/ transactions:	(C) Duration of the contracts / arrangements/ transactions:	(D) Salient terms of the contracts or arrangements or transactions including the value, if any:	(E) Date(s) of approval by the Board, if any:	(F) Amount paid as advances, if any:
1. Holding Company-					
Riddhi Siddhi Gluco Biols Limited	Intercompany deposit	Not any	up to Rs. 90 crores	09.02.2016	NIL

For and on behalf of the Board

Place: Ahmedabad  
Date: May 30, 2016

**Ganpatraj L. Chowdhary**  
Chairman

## Annexure - III

Information as per Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report to the members for the year ended 31st March, 2016.

<b>A</b>	<b>CONSERVATION OF ENERGY</b>
i)	The steps taken or impact on conservation of energy :
a)	Replacement of aerator motors at ETP with energy efficient one.
b)	Star connection of motors which have loading less than 40%.
c)	Agitators speed reduction for energy saving at PM and DIP.
d)	At PM1 dry end pulper 1500 rpm motor replaced by 1000 rpm motor.
e)	At PM2 Vac. pump 852-79-08 worn out pulley replaced.
f)	Higher rating motor of FDP-2 Gold Pump replaced.
g)	At PM1 existing Vac.Blower replaced with energy efficient one.
h)	Switching off unwanted lights.
i)	Switching off ACs and lights while leaving offices.
j)	At PM2 higher rating motor of Primary Screen replaced and worn out pulley also changed.
k)	At PM2 hood exhaust fans replaced with FRP fans.
l)	At PM2 Disc save all booster pump replaced with energy efficient one.
m)	At PM2 silo make water pump replaced with required capacity pump.
n)	ETP recycled water pump coating for energy saving.
o)	Optimization of lights at water treatment plant.
p)	Existing HPMV and MH light fittings replaced with LED lights.
ii)	The steps taken by the Company for utilizing alternate sources of energy : Not any
iii)	The capital investment on energy conservation equipments : Not any.



**B TECHNOLOGY ABSORPTION**

(i)	The efforts made towards technology absorption :
a)	Lab Trials for New OBA for substitution and cost reduction
b)	1. Lab evaluation of De-inking chemical carried out against existing chemical being used for substitution, cost reduction and performance improvement.
c)	2. Plant trial for reduction of Fluff in PM#1.
d)	3. Lab trial taken for selection of new cationic starch for substitution and performance improvement..
e)	4. Utilization of paper machine Krofta sludge in De-inking plant for reduction of fiber loss.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution :
	These Research & Development activities have enabled the Company to increase productivity, improve the product quality and cost savings.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not any.
a)	The details of technology imported.
b)	The year of import.
c)	Whether the technology been fully absorbed.
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

**(iv) The expenditure incurred on Research and Development :**

	(₹ in lacs)	
	2015-16	2014-15
Capital	Nil	Nil
Recurring	6.03	6.03
Total	6.03	6.03
Total R&D expenditure as a percentage of total turnover	-	-

**C FOREIGN EXCHANGE EARNING AND OUTGO**

(₹ in lacs)

	Current year ended 31-03-2016	Previous year ended 31-03-2015
Foreign Exchange Earning	623.26	837.37
Foreign Exchange Used	8972.20	9628.62

# ANNEXURE TO DIRECTORS' REPORT



## Annexure - IV

### STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; <b>Mr. V. D. Bajaj</b> Executive Director; 36.54:1			
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<b>Mr. V. D. Bajaj</b> Executive Director	NIL	Rs. 68.71 Lacs in 2015-16 against Rs. 79.38 Lacs in 2014-15
		<b>Mr. P. K. Mundra</b> President (Finance) & Company Secretary	N.A.	Rs. 11.24 Lacs (Part of year from 14.12.2015)
(iii)	The percentage increase in the median remuneration of employees in the financial year; NIL			
(iv)	The number of permanent employees on the rolls of Company; 411			
(v)	The explanation on the relationship between average increase in remuneration and Company performance: Not Applicable			
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company; Not Applicable. There is no variable component of salary paid in 2015-16/ 2014-15 linked to performance of the Company in the remuneration paid to the said Managerial Personnel.			
(vii)	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;			
	<b>Particulars</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>Variation</b>
	<b>Market capitalization</b>	303.08	34.31	268.77
		<b>31.03.2016</b>	<b>31.03.2015</b>	
	<b>Price earnings ratio</b>	Not Applicable	Not Applicable	-
	<b>Market quote over public offer:</b> The Company came out with the IPO on 24.10.1994 at face value of ₹. 10/- at par which is equivalent face value of Rs.10 per share as on 31.03.2015 whereas the market quotation was Rs. 25.65 as on 31.03.2016 i.e., + 156.50%			
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; There were no increments in salary/ wages during the previous year either employees or Managerial Personnel.			
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: There is no variable component of salary paid in 2015-16/ 2014-15 linked with performance of the Company for the said managerial personnel.			
(x)	The key parameters for any variable component of remuneration availed by the directors: Not Applicable as mentioned in (ix) above.			
(xi)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: There is no such employee being paid higher than the highest paid director.			
(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company: It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.			

Statement pursuant to Section 197(12) Of The Companies Act, 2013 Read With Rule 5(1) and 5(2) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014 And Forming Part Of Director's Report For The Financial Year Ended On 31.03.2016 are furnished as Annexure - IV:

Name & Designation	Remuneration (₹)	Qualifications	Nature of Employment whether contractual or otherwise	Age	Date of Joining & Experience	Previous Employment	% of Equity shares held	Whether such employee is a relative of any Director/ Manager of the Company
Shri V.D. Bajaj Executive Director	68,71,731	Masters in Commerce – Gold Medalist	Contractual	66 years	11.09.2013 44 years	Biltube Industries Limited	NIL	No

For and on behalf of the Board

**Ganpatraj L. Chowdhary**  
Chairman

Place: Ahmedabad  
Date : May 30, 2016

**Annexure - V**  
**Form No. MR- 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**Shree Rama Newsprint Limited**

Village Barbodhanta, Taluka Olpad  
Surat, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Rama Newsprint Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of their applicability to the Company;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1992;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 till 15th May, 2015 and post 15th May, 2015 The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) There are no other laws which are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following:

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The listing agreement/provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## ANNEXURE TO DIRECTORS' REPORT



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above other than those listed below:-

During the period under review, M/s. Riddhi Siddhi Gluco Biols Limited (RSGBL) acquired 2,82,77,677 (48.62%) equity shares of the Company under a Share Purchase Agreement (SPA) dated 21.05.2015 entered into by it with the then existing Promoters. RSGBL the acquirer complied with the provisions of Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 pursuant to the said SPA and made an open offer to the shareholders of Company Further with the approval of shareholders, board of directors allotted 6,00,00,000 Equity Shares to M/s. Riddhi Siddhi Gluco Biols Limited on preferential basis and by which aggregate shareholding of RSGBL increased to 8,82,77,677 (74.71%) Equity Shares. Consequent to above acquisition and preferential allotment, Shree Rama Newsprint Limited, became a subsidiary of Riddhi Siddhi Gluco Biols Limited.

**For, Ravi Kapoor & Associates**

**Ravi Kapoor**  
**Company Secretary in practice**  
**FCS No. 2587**  
**C P No.: 2407**

Place: Ahmedabad  
Date : May 27, 2016

To,  
The Members  
**Shree Rama Newsprint Limited**  
Village Barbodhanta: Olpad  
Surat, Gujarat

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate <sup>to</sup> obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Ravi Kapoor & Associates**

**Ravi Kapoor**  
**Company Secretary in practice**  
**FCS No. 2587**  
**C P No.: 2407**

Place: Ahmedabad  
Date : May 27, 2016

## CORPORATE GOVERNANCE REPORT

(As required by Regulation 27(2) of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015

(The Corporate Governance Report is for the Year under review i.e. from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016)

1) **Company's Philosophy on Code of Corporate Governance**

The Company has ingrained the objectives of good quality Corporate Governance, which will lead to creation of value for all its stakeholders. The Company adopts the best of the Corporate Governance practices in its spirit, whereby the highest level of transparency, accountability and equity is maintained at all levels of its operations. The Company policies are drawn keeping in mind the interest of all its stakeholders and with an ultimate objective of creation of wealth for its stakeholders.

By following good corporate governance practices, the Company ensures transparency in its policies, processes, reporting and decision making processes. The Company emphasizes on effective and efficient accounting system, internal control mechanism and planning process. The practices adopted by the Company emphasize that all the resources are utilized optimally and effectively so that the Company grows from strength to strength and creates wealth for its stakeholders.

The Board of Directors of the Company has appropriate composition of Executive and Non-Executive Directors including Independent Directors. The Board of Directors through their active participation ensures that the discussions and decisions on the policy matters are taken after due deliberation and discussion and in consonance with good corporate governance practices.

2) **Board of Directors – Constitution and Composition**

The composition of the Board of Directors meets with the requirements of corporate governance prescribed in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31<sup>st</sup> March, 2016, Board of Directors of the Company consists of eight (8) Directors comprising one (1) Executive Director and seven (7) Non-Executive Directors including five (5) Independent Directors.

Sr. No.	Name of Directors	Category
1	Mr. Ganpatraj Lalchand Chowdhary	Promoter Non-Executive Director
2	Mr. Siddharth Ganpatraj Chowdhary	Promoter Non-Executive Director
3	Mr. V. D. Bajaj (Resigned on 16.06.2016)	Executive Director
4	Mr. Keerthinarayanan Hemmige	Independent Non-Executive Director
5	Mr. Murli Ranganathan	Independent Non-Executive Director
6	Mr. Utkarsh Shah	Independent Non-Executive Director
7	Mr. K. L. Chandak	Independent Non-Executive Director
8	Mrs. Pallavi Mittal	Independent Non-Executive Director

None of the Directors on the Board are Members in more than ten Committees and they do not act as Chairman of more than five Committees across all Companies in which they are Directors.

a) **Number of Board Meetings and Attendance Record of the Directors**

The Company has complied with the provisions with regard to holding of Board Meetings during the period under review, i.e. from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016. The intervening period between the Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year ended 31<sup>st</sup> March 2016 the Company had **thirteen** Board Meetings. These were on 21<sup>st</sup> May, 2015, 27<sup>th</sup> May, 2015, 23<sup>rd</sup> June, 2015, 24<sup>th</sup> July, 2015, 31<sup>st</sup> July, 2015, 5<sup>th</sup> August, 2015, 10<sup>th</sup> August, 2015, 11<sup>th</sup> August, 2015, 17<sup>th</sup> August, 2015, 21<sup>st</sup> September, 2015, 4<sup>th</sup> November, 2015, 24<sup>th</sup> December, 2015, 9<sup>th</sup> February, 2016.





The composition of Directors during the year under review and the attendance at the Board Meetings during the year under review and attendance of the last Annual General Meeting and Committee Memberships are given below:

Sr. No.	Name of Director	Position	No. of Board Meetings attended	Attendance at last AGM	No. of Committees in which Chairman/ Member*	
					Chairman	Member
1.	Shri Shree Kumar Bangur # (resigned on 26.08.2015)	Non-Executive Director-Promoter, Chairman	5	NA	-	-
2.	Shri Virendraa Bangur # (resigned on 26.08.2015)	Non-Executive Director-Promoter, Vice-Chairman	-	NA	-	-
3.	Shri K.L. Chandak (resigned on 26.08.2015 and appointed on 09.02.2016)	Non-Executive Director	5	NA	-	2
4.	Shri V. D. Bajaj	Executive Director	13	Yes	-	-
5.	Shri Lt. Gen. (Retd.) Ashok Kapur (resigned on 28.08.2015)	Non-Executive Independent Director	3	NA	-	-
6.	Shri Narayan Atal (resigned on 28.08.2015)	Non-Executive Independent Director	6	NA	2	2
7.	Shri Mohan M. Phadke (resigned on 30.08.2015)	Non-Executive Independent Director	3	NA	-	-
8.	Smt. Namrata Sharma (resigned on 14.09.2015)	Non-Executive Independent Director	1	NA	-	-
9	Shri Ganpatraj L. Chowdhary (appointed on 23.06.2015)##	Non-Executive Director-Promoter, Chairman	9	No	-	-
10	Shri Siddharth G. Chowdhary (appointed on 23.06.2015)##	Non-Executive Director-Promoter	9	Yes	-	1
11	Shri Keerthinarayanan Hemmige (appointed on 23.06.2015)	Non-Executive Independent Director	9	Yes	1	1
12	Shri Murlī Ranganathan (appointed on 23.06.2015)	Non-Executive Independent Director	5	No	1	-
13	Smt. Pallavi Mittal (appointed on 21.09.2015)	Non-Executive Independent Director	4	No	-	2
14	Shri Utkarsh Shah (appointed on 21.09.2015)	Non-Executive Independent Director	1	No	1	-

\* This relates to Committee referred to in Regulation 18 & 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations), 2015 viz. Audit Committee and Stakeholders Relationship Committee.

# Shri Shree Kumar Bangur is relative of Shri Virendraa Bangur (Father & Son)

## Shri Ganpatraj L. Chowdhary is relative of Shri Siddharth Chowdhary (Father & Son)

### 3) Directors' Interest in the Company

For the sake of transparency the Company is committed to make full disclosures regarding the interest of and payments to all Directors. The Company did not have any material pecuniary relationship or transactions with the Non-Executive Directors during the year under review.

Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are Directors and particulars of contracts, if any, entered with companies in which Directors are directly or indirectly concerned or interested are recorded in the Register of Contracts.

**Code of Conduct:-** The Board of Directors has adopted the CODE OF CONDUCT to be observed by all the Directors and Senior Management while executing their official duties and responsibilities. The Code of Conduct is posted on the website of the Company. All Directors and designated senior management personnel of the Company have affirmed compliance of the Code of Conduct. The declaration to this effect signed by the Executive Director is annexed to this report.

The details of familiarization programmes imparted to independent directors' is disclosed at website of the Company [www.ramanewspoint.com](http://www.ramanewspoint.com).

**CEO/CFO Certification:-** As required under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Executive Director/Chief Financial Officer (CFO) has certified to the Board the financial statements for the year ended 31<sup>st</sup> March 2016.

## 4) Audit Committee

The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 with the Stock Exchanges that inter-alia, includes overseeing financial reporting process, reviewing periodic financial results, financial statements and adequacy of internal control system with the Management and adequacy of internal audit function, discussions with auditor about the scope of audit including the observation of the auditors and discussion with internal auditors on any significant findings. The Committee also reviews all matters and information required to be reviewed, discussed or investigated as per the provisions of the Corporate Governance clause and best of the corporate governance practices including but not limited to related party transactions, appointment or removal of internal auditors, compliances of legal provisions and accounting standards etc.

### Composition of Audit Committee as on 31<sup>st</sup> March 2016

During the year under review following is the composition of the Audit Committee of the Board:

Name of the Member	Status
Mr. Keerthi Narayanan	Chairman - Independent – Non Executive Director
Mr. Utkarsh Shah	Independent – Non Executive Director
Mrs. Pallavi Mittal	Independent – Non Executive Director
Mr. Siddharth G. Chowdhary	Non Independent – Non Executive Director
Lt. Gen. (Retd.) Ashok Kapur*	Independent – Non Executive Director
Mr. Narayan Atal*	Independent – Non Executive Director
Mr. V. D. Bajaj (at present not member)	EXECUTIVE DIRECTOR
Mr. Mohan M. Phadke*	Independent – Non Executive Director

During the year under review, four meetings of the Audit Committee were held on the following dates:

(i) 27<sup>th</sup> May, 2015, (ii) 11<sup>th</sup> August, 2015 (iii) 4<sup>th</sup> November, 2015, (iv) 9<sup>th</sup> February, 2016.

Attendances of Members at Audit Committee Meetings were as under:

Name of the Member	No. of Meetings attended
Lt. Gen. (Retd.) Ashok Kapur*	2
Mr. Narayan Atal*	2
Mr. V. D. Bajaj*	2
Mr. Mohan M. Phadke*	2
Mr. Keerthi Narayanan	2
Mr. Utkarsh Shah	1
Mrs. Pallavi Mittal	2
Mr. Siddharth G. Chowdhary	2

The Statutory Auditors, Internal Auditors and the Head of Finance are invitees to the Audit Committee Meetings. The Company Secretary is in attendance at these Meetings. All members are financially literate and majority have accounting & financial expertise. The Audit Committee was reconstituted on 21.09.2015

\*Members till 29.08.2015



## 5) Nomination and Remuneration Committee

The terms of reference & Power of the Nomination & Remuneration Committee are in compliance with the provisions of the Corporate Governance- Chapter III Regulation 18 of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 & Section 178 of the Companies Act, 2013 minutes of Committee Meetings are circulated & discussed at the Board Meetings

The composition of the Remuneration Committee during the year under review was as follows:-

Name of Member	Status
Mr. Keerthi Narayanan	Chairman – Independent – Non Executive Director
Mr. Murli Ranganathan	Independent – Non Executive Director
Mr. Ganpatraj L. Chowdhary	Non-Executive Director – Non Independent Director
Mr. V. D. Bajaj	Executive Director
Lt. Gen. (Retd.) Ashok Kapur*	Independent – Non Executive Director
Shri Narayan Atal*	Independent – Non Executive Director
Shri K. L. Chandak*	Non Executive Director

During the year under review, two (2) meeting of the Nomination and Remuneration Committee was held on 23<sup>rd</sup> June, 2015 & on 24<sup>th</sup> December, 2015

Attendances of Members at Nomination and Remuneration Committee Meeting were as under:

Name of the Member	No. of Meetings attended
Lt. Gen. (Retd.) Ashok Kapur*	1
Shri Narayan Atal*	1
Shri K. L. Chandak*	0
Mr. Keerthi Narayanan	0
Mr. Murli Ranganathan	1
Mr. Ganpatraj L. Chowdhary	1
Mr. V. D. Bajaj	1

The Nomination and Remuneration Committee in compliance with Remuneration Policy as laid down before the board relating to the remuneration of the directors, key managerial personnel and other employees. The Committee was reconstituted on 21.09.2015.

\*Members till 28/08/2015.

## 6) Details of remuneration for the year ended 31<sup>st</sup> March 2016

### (i) To Executive Director

(Amount – ₹)

Name	Salary & Allowance	Commission	Perquisites	Retirement Benefits	TOTAL
Shri V. D. Bajaj Executive Director	5937150	-	934581	-	6871731

The above figures are exclusive of Company's contribution to provident fund, gratuity and leave encashment.

Apart from above salary, the Executive Directors have received no remuneration or incentive during the year under review.

The appointment of the Executive Director is contractual in nature. The appointment may be terminated by either party by giving 3 months notice of such intention in writing to the other party. In the event the Executive Director delivers the notice, the Company shall have the option of determining the services of the Directors forthwith without any further liabilities whatsoever. In the event such notice is delivered by the Company, the Executive Director shall be entitled to be paid his full salary as per the terms of appointment for a period of three months as well as such other benefits which he would have earned during the same period.

There are no Stock options available / issued to any Directors of the Company and this does not form a part of their contract with the Company.

## (ii) To Non-Executive Directors

During the year ended 31<sup>st</sup> March 2016, the Company paid remuneration to Non-executive directors by way of sitting fees of ₹ 7,500/- per meeting for attending meetings of Board. Apart from payment of Sitting Fees, the Company had no other pecuniary relationship or transactions with individual non-executive directors. There are no Stock options available / issued to any Directors of the Company. None of the Non-Executive Directors have shareholding in the Company except the following:-

Director	Shares held as on 31.03.2015
Shri K. L. Chandak	6,250

## 7) Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee during the year under review is as follows:

Name of Member	Status
Mr. Murli Ranganathan	Independent – Non Executive Director (Chairman)
Mr. Keerthi Narayanan	Independent – Non Executive Director
Mrs. Pallavi Mittal	Independent – Non Executive Director
Shri K. L. Chandak *	Independent – Non Executive Director
Shri Narayan Atal *	Independent – Non Executive Director

The Committee oversees the redressal of complaints of the shareholders and investors in relation to transfer of shares, non-receipt of annual reports, etc. and also approves split/consolidation of shares, issue of duplicate share certificate, etc. The Committee was reconstituted on 21.09.2016.

- Name and designation of Compliance Officer:

Mr. P. K. Mundra - Company Secretary

During the year ended 31<sup>st</sup> March 2016, there were two Stakeholders Relationship Committee Meetings held on:-

(i) 21/05/2015 (ii) 11/08/2015

Attendances of Members at Share Transfer / Investor Grievance Committee Meetings were as under:

Name of Member	No. of Meetings attended
Shri K. L. Chandak *	2
Shri Narayan Atal *	2
Shri. V. D. Bajaj	2
Mr. Murli Ranganathan	0
Mr. Keerthi Narayanan	0
Mrs. Pallavi Mittal	0

\*Members till 28/08/2015.

## 8) General Body Meetings

The last three Annual General Meetings were held at Village Barbodhan, Taluka Olpad, District Surat, Gujarat – 395 005, as per details given below:

Year	Date	Day	Time
22 <sup>nd</sup> AGM – 2013	August 31, 2013	Saturday	2.30 P.M.
23 <sup>rd</sup> AGM – 2014	September 27, 2014	Saturday	2.00 P.M.
24 <sup>th</sup> AGM - 2015	September, 30, 2015	Wednesday	2.00 P.M.

Special Resolutions passed in the previous 3 Annual General Meetings:-

22<sup>nd</sup> AGM - None

23<sup>rd</sup> AGM- Empowering the Board to borrow money upto a limit of ₹ 750 crores u/s 180(1)(c)

Empowering the Board to create mortgage/ security upto a limit of ₹ 750 crores u/s 180(1)(a)

24<sup>th</sup> AGM - None

No special resolutions were required to be put through postal ballot during the year.



Extra Ordinary General Meetings were held at village Barbodhan, Taluka Olpad, District Surat, Gujarat 395005 as per details given below:

Year	Date	Day	Time
2015	June 22, 2015	Monday	2.30 P.M.
2015	July 27, 2015	Monday	2.30 P.M.

## Special Resolution passed in Extra Ordinary General Meetings:

### 22.06.2015 - EGM

- (1) Adoption of new set of Articles of Association of the Company.
- (2) Create, offer and issue upto 6,00,00,000 equity shares and Optionally Convertible Debentures (OCD) not exceeding ₹ 30,00,00,000 on Preferential Basis.

### 27.07.2015 - EGM

- (1) Create offer and issue Secured and/or Unsecured, Listed and/or Unlisted Non-Convertible Redeemable Debentures and/or other debt securities not exceeding ₹ 125 crores on Preferential Basis.
- (2) Resolution for ratification of Pre and Post shareholding pattern from members of the Company.

## 9) Disclosures on materially significant related party transactions:

The related party transactions entered during the year are disclosed in the notes to the accounts in this Annual Report.

### Code of Conduct:

The Code of Conduct for all Board Members and Senior Management of the Company has been prescribed by the Company.

**Certification under Regulation 17(8):** It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company. The Executive Director of the Company has furnished the requisite certificate to the Board of Directors under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

### Cases of Non-compliance / Penalties:

There are no non-compliances by the Company on any matter related to capital markets, during the last three years. Similarly, there are no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

## 10) Means of Communication

Quarterly results are published in English and vernacular newspapers as prescribed under regulation 47(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

- i. The annual report is also posted to every shareholder of the Company.
- ii. The Company's website: [www.ramannewsprint.com](http://www.ramannewsprint.com) is regularly updated with financial results and any Official news releases are given directly to the press.

## 11) General Shareholder Information

### a) Annual General Meeting

Date & Time: 10.09.2016 at 2.00 P.M.

Venue: Community Hall, Shree Rama Newsprint Staff Colony, Near Registered Office of the Company at Village Barbodhan, Taluka Olpad, Dist. Surat, Gujarat-395005.

b) The Company has furnished information as required by Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 relating to the appointment and re-appointment of Directors.

c) Financial Year: 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.

## 12) Dates of Book Closure

01.09.2016 to 10.09.2016



## 13) Listing of Equity Shares on Stock Exchanges, etc.

The Company's shares are listed on BSE Limited (BSE) & National Stock Exchange of India Ltd. (NSE).

Stock Market price data for the year ended 31<sup>st</sup> March 2016

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April, 2015	8.90	6.00	8.90	5.80	29094.61	26897.54
May, 2015	10.10	9.61	10.50	7.20	28071.16	26423.99
June, 2015	10.40	9.00	10.50	9.40	27968.75	26307.07
July, 2015	15.00	9.65	15.00	9.55	28578.33	27416.39
August, 2015	14.99	10.81	14.90	10.60	28417.59	25298.42
September, 2015	12.60	9.70	13.30	9.65	26471.82	24833.54
October, 2015	15.80	10.72	15.75	10.30	27618.14	26168.71
November, 2015	15.05	10.72	15.20	11.90	26824.30	25451.42
December, 2015	34.80	14.00	34.75	13.85	26256.42	24867.73
January, 2016	27.95	17.95	27.50	17.90	26197.27	23839.76
February, 2016	25.10	19.90	25.10	19.85	25002.32	22494.61
March, 2016	27.90	22.40	27.85	22.45	25479.62	23133.18

## 14) Stock Codes & ISIN No.

BSE Ltd. : 500356  
National Stock Exchange of India Ltd. : RAMANEWS  
ISIN of the Company : INE278B01020

## 15) Share Transfer Agent

The Company has engaged the services of **M/s. LINK INTIME INDIA PVT. LTD.**, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078, a SEBI registered Registrar, as their Share Transfer Agents, for processing the transfers, sub-division, consolidation, splitting of securities, etc. Since trades in Company's shares are required to be done only in dematerialized form, request for demat and remat should be sent through the Depository Participants (DP) to

**M/s. LINK INTIME INDIA PVT. LTD.**

**Unit: Shree Rama Newsprint Ltd.**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078.

Phone No. 25963838 Fax: 25946969

Email – [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## 16.1) Share Transfer System

The Company's shares are traded on the Stock Exchanges compulsorily in demat mode. Therefore, Investors / Shareholders are requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents. Any delay on the part of the DP's to send the DRF and the Share Certificates beyond 15 days from the date of generation of the DRF by the DP will be rejected / cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 15 days. Investors / Shareholders should, therefore, ensure that their DP's do not delay in sending the DRF and Share Certificates to Share Transfer Agent after generating the DRF. Shares in physical are processed by Registrar & Transfer Agent who attend to share transfer formalities normally once in 10 days.

## 16.2) Investor Grievance Redressal System

The Investors' grievances against the Company are handled by the Company's Registrars and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd., in consultation with the Head of the Secretarial Dept. of the Company. The Registrars have adequate infrastructure facilities coupled with skilled staff with professional qualifications for speedy redressal of Investors' grievances.

All investor complaints, which cannot be settled at the level of the Company Secretary or the Share Transfer Registrars, are forwarded to the Stakeholders Relationship Committee for final settlement. During the year under review the Company received 76 complaints from Shareholders and same were attended and no complaints were outstanding as on 31.03.2016.

## 17) Distribution of Shareholding as on 31<sup>st</sup> March 2016

No. of Shares	No. of Shareholders	No. of Shares
Upto 5000	87518	6088680
5001 – 10000	1969	1604492
10001 – 20000	1104	1657385
20001 – 30000	425	1090926
30001 – 40000	182	659339
40001 – 50000	251	1196065
50001 – 100000	281	2178442
100001 and above	302	103682703
Total	92032	118158032



## 18) Pattern of Shareholding as on 31<sup>st</sup> March 2016

Category	No. of shares held	Percentage of shareholding
Promoters	88277677	74.71
Mutual Funds & UTI	48275	0.04
Banks, Financial Institutions	20125	0.02
Foreign Institutional Investors	60725	0.04
Foreign Mutual Funds	12300	0.01
Others		
a) Private Corporate Bodies	3743020	3.17
b) Indian Public	22358343	18.92
c) NRIs / OCBs	1322780	1.12
d) Others	2314787	1.97
Grand Total	118158032	100.00

## 19) Dematerialization of Shares

As on 31<sup>st</sup> March 2016, 11,54,81,537 shares of the Company representing 97.73 %of total paid-up share capital were held in dematerialized form and the balance 26,76,495 shares representing 2.27% of total paid-up share capital were in physical form.

## 20) Factory Location

The Company's factory is located at Village Barbodhan, Taluka – Olpad, District – Surat, Gujarat–395 005.

## 21) Address for Correspondence

The Company's Registered Office is situated at Village Barbodhan, Taluka – Olpad, District – Surat, Gujarat – 395 005.

**All Shareholders correspondence should be addressed to any of the following:-**

<b>SHREE RAMA NEWSPRINT LTD.</b> 10, Abhishree Corporate Park, Nr. Swagat Bunglows BRTS Bus Stop, Ambali – Bopal Road, Ahmedabad – 380 058. Tel. No: 02717 - 298600 Email: <a href="mailto:ushah@ramanewsprint.com">ushah@ramanewsprint.com</a> Contact Person: Company Secretary/Compliance Officer	<b>LINK INTIME INDIA PVT. LTD.</b> Unit: Shree Rama Newsprint Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078. Phone No: 25963838 Fax: 25946969 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
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## 22) Management Responsibility Statement

The Management confirms that the financial statements are in full conformity with requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the period end. The management believes that the financial statements of operation reflect fairly the form and substance of transactions and reasonably present the Company's financial condition and the results of operations. The Company has a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The Internal Auditors have conducted periodic audits to provide reasonable assurance that the Company's established policy and procedures have been followed.

## 23) Details of establishment of Whistle Blower Policy/Vigil Mechanism

The Company has established a vigil mechanism called 'Whistle Blower Policy', for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, the Company has established a mechanism for employees vide 'Whistle Blower Policy' which seeks (i) to ensure greater transparency in all aspects of the Company's functioning by formulating a procedure to bring to the attention of Company incidents of improper-activities or violation of the company's Code of Conduct & Ethics for Board Members and Senior Management, and (ii) to provide for adequate safeguards against victimization of employees who avail of the mechanism.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company. Whistle Blower by virtue of his/her having reported a Protected Disclosure under the policy is fairly protected.

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of  
Shree Rama Newsprint Limited

We have examined the compliance conditions of Corporate Governance by **Shree Rama Newsprint Limited** for the year ended on **31<sup>st</sup> March, 2016** as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange for the period 1<sup>st</sup> April, 2015 and 30<sup>th</sup> November, 2015 and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanation given to us, and the representation made by the Directors and the Management, we certify that the company has materially complied with the conditions of Corporate Governance as stipulated Listing Agreement/ Listing Regulations, as applicable.

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 Ravi Kapoor & Associates  
Company Secretaries

Ravi Kapoor  
Proprietor

Membership No.2587

Place: Ahmedabad  
Date : 30th May, 2016

**CERTIFICATION FROM CHIEF EXECUTIVE OFFICER AND CHIEF FINANCE OFFICER AND CFO OF THE COMPANY**

To

The Board of Directors  
Shree Rama Newsprint Limited  
Village Berbodhan, Taluka Olpad,  
Surat, Gujarat

**CERTIFICATE**

I have reviewed the financial statements and the cash flow statement of Shree Rama Newsprint Limited for the financial year ended 31<sup>st</sup> March, 2016 and certify that:

- (a) These statements, to the best of my knowledge and belief:
- (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls of which I am aware, and the steps taken and proposed to be taken to rectify these deficiencies.
- (d) I have also indicated to the Auditors and the Audit committee:
- (i) Significant changes in the internal controls with respect to financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) To the best of my knowledge and belief, there are no instances of fraud involving either the Management or employees having a significant Role in the Company's internal control systems with respect to financial reporting.

**V. D. Bajaj**  
Executive Director  
and Chief Financial Officer (CFO)  
DIN: 00034710

Place: Ahmedabad  
Date : May 30, 2016

**CODE OF CONDUCT DECLARATION**

I hereby declare that all Board Members of the Company and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

For Shree Rama Newsprint Ltd.

**V. D. Bajaj**  
Executive Director  
DIN: 00034710

Place: Ahmedabad  
Date : May 30, 2016



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A] INDUSTRIAL STRUCTURE AND DEVELOPMENTS

There are about 750 – 800 paper mills (organized & unorganized sector) in the country with Installed capacity of 13 Million tonnes with the domestic demand for all varieties of paper in India is estimated at around 13.90 Million tonnes in FY 2014-15 (production 12.20 Million tonnes - Exports 0.6 Million tonnes & Import 2.3 Million tonnes) which is 3% of global demand of 400 Million tonnes even though population of 121 crores as per 2011 census is 17% of world population.

Wood based industry accounts for 31% of production while waste paper and agri residue accounts for 47% & 22% respectively. Capacity-wise industrial Paper accounts for about 40%, Printing & Writing Paper 35%, Speciality Paper 6% and Newsprint 19% of total production.

The demand writing & printing paper accounts for approx. 4.10 Million tonnes, packaging grades for approx. 5.90 Million tonnes and newsprint about 2.50 Million tonnes apart from Speciality grade about 0.60 Million tonnes based on data for FY 2013-14.

The estimated turnover of the industry is INR 50,000 crore approximately and its contribution to the exchequer is around INR 4,500 crore. The industry provides employment to more than 0.5 million people directly and 1.5 million people indirectly.

There are about 121 units manufacturing newsprint with installed capacity of 2.6 million tonnes in our country whereas demand of newsprint is estimated at around 2.630 Million tonnes in FY 2014-15 (production 1.24 Million tonnes – Imports 0.139 Million tonnes & negligible exports. The per capita consumption is about 2 kg and it is expected to grow in line with GDP growth which is projected to be 7 to 7.75 % as per Economic survey 2016. The newsprint supplied to publishers registered with Registrar of newspapers is not subject to any excise duty.

The global demand is estimated to 32 million tones with surplus capacity due decline in demand caused by trends in advertising, electronic data transmission and storage, and the Internet with adverse effects on the demand for traditional print media. Neither the timing nor the extent of those trends can be predicted with certainty. The aging population and declining birth rate also affected demand of newsprint. This sector is to compete with, other forms of media and advertising and electronic data transmission and storage, such as television, electronic readers and websites which has reduced consumption of newsprint.

Some of the leading newsprint manufactures have either closed capacity or converted machines to produce LWC container board etc. The decline in newsprint worldwide is estimated to be 7 % in year 2014 and 10 % in year 2015 with decline reported from Europe , Oceania , South Africa and North America in the range of 6 to 10 % in these two years.

The consumption of newsprint was 6.8 million tonnes in Europe 3.6 million tones in North America whereas it was 11.4 million tones in Asia and Oceania in year 2015

The Ministry of Power, Government of India has notified unit-specific “energy use norms” for the paper industry vide Notification dated 30.03.2012 and the industry had to comply the same by the target year 2014-15. Non-compliance of the same leads to penalties whereas improvement over the norms is rewarded by issue of Energy Saving Certificates. The Company has reported improvements and is therefore eligible for Energy Saving Certificates.

### B] OPPORTUNITIES & THREATS

The low per capita consumption of paper/paperboard in the country is bound to increase with the growth in the GDP, rising income of middle class, increasing demand for computer stationery and spending by Government on education sector and ban on plastic packaging starting with Gutka manufacturing units. The consumption of newsprint is also expected to rise on lines of GDP growth irrespective of decline worldwide which also appears to have bottomed out.

The Import duty on paper & paper board for ASEAN countries has been reduced from 2.50% to 0% with effect from 01.01.2014 vide notification No. 57/2013 dated 31.12.2013 which had implications in terms of cheaper imports being of 2.30 million tonnes in 2014-15. Newsprint is not subject to any import duty which continues to remain a threat to domestic industry.

The Company has swing facility on one of the machine to manufacturer writing & printing paper as per market conditions.

The industry imports waste paper for sustained production of newsprint and depreciation of rupee against US dollar may lead to increase in input cost, however prices were stable in FY 2015-16

### C] SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company is operating only in newsprint segment hence segment wise reporting is not applicable

### D] OUTLOOK

India is the fastest growing paper market in the world with expected CAGR of 6 to 6.5% in next 5 years due to thrust on education, urbanization and growth in economy. Newsprint sector is also expected to grow in line with GDP growth.

**E] RISK & CONCERNS**

The Company has derived 100 % of revenue from newsprint business in 2015-16 hence may be affected due to import of newsprint. Further absence of organized collection of waste paper and therefore reliance on imported waste paper may affect it with deprecation of rupee against US dollar. However plant is located near to Hazira port which gives it advantage over competitors in the segment.

**F] INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Company has engaged Ernst & Young for Internal Audit and yearly audit programme is submitted to the audit committee of the Board. The audit reports are reviewed by the management and the Audit Committee of the Board from time to time. Implementation of SAP ERP has also strengthened the internal control systems of the Company

**G] DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

This has been dealt with in the Directors' Report.

**H] MATERIAL DEVELOPMENT IN HUMAN RESOURCES /INDUSTRIAL RELATIONS FRONT INCLUDING NO OF PEOPLE EMPLOYED**

The Company had entered into bipartite long term wage revision settlement with the recognized union on 11<sup>th</sup> July 2015 for period of 7 years from July 2013 to June 2020. The Company's industrial relations are cordial. Your Directors acknowledge the support and co-operation from employees at all levels.

The Company has drawn specific programme to improve the skills of the workers. Further, it is providing necessary training as part of TPM. There is continuous interaction among the Management, Union and Labour for improving the knowledge and training of the workers.

The Company employs 411 people as on 31.3.2016 as against 457 people employed as on 31.3.2015.

**I) CAUTIONARY STATEMENT**

The statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Shree Rama Newsprint Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Shree Rama Newsprint Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

#### Basis for Qualified Opinion

*The Company had recognized Deferred Tax Asset (DTA) amounting to ₹ 13,207.11 lacs in the absence of virtual certainty and convincing evidence about the future taxable income against which such DTA can be realized. This constitutes a departure*

*from Accounting Standard 22 – 'Accounting for taxes on Income.' Had the management not recognized such DTA, Reserves and Surplus and DTA would have been lower by ₹ 13,207.11 lacs.*

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its loss and its cash flows for the year ended on that date.

#### Emphasis of Matter

We draw attention to the following matter in the notes to the financial statements:

- i. Note No. 45 the financial statements wherein, in the opinion of the management, despite running into continuous losses, the financial statements has been prepared on a going concern basis, in view of infusion of funds by equity shares and debentures, as explained in detail in above referred notes.
- ii. Note No. 31 to the financial statements where in balance with excise authorities amounting to ₹ 2,719.52 lacs represent CENVAT Credit Receivable as at March 31, 2016 which in the opinion of the management is realizable, subject to adequate excise duty leviable on finished goods.

Our opinion is not modified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - a. *Except for the matter described in the Basis for Qualified Opinion paragraph*, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. *Except for the possible effects of the matter described in the Basis for Qualified paragraph above*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. The matter described in Basis for Qualified Opinion paragraph and sub-paragraph ii under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
  - f. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;



## INDEPENDENT AUDITOR'S REPORT

## ANNUAL REPORT 2015 - 2016

- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 on Contingent Liabilities to the financial statements;

- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 103523W

**Atul Gala**  
Partner

Place : Mumbai  
Date : May 30, 2016

Membership No. 048650

### ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shree Rama Newsprint Limited on the financial statements for the year ended March 31, 2016]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for the additions made during the year.
- (b) The Company has a regular programme of physical verification of the fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, during the year, fixed assets have not been physically verified by the management as per the programme of verification.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, though, there have been a slight delay in few cases.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident

fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise duty,	470.72	Various years	Deputy Commissioner Excise and Customs
Bombay Stamp Act	Stamp Duty and registration fee including penalty	130.75	2000-2001	Judge (Senior Division) Surat Civil Court
Income Tax Act, 1961	Income Tax	334.17	FY 2006-07	ITAT, Mumbai

- (viii) According to the information and explanations given to us, the Company, based on the restructuring of loans, has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loan or borrowings from financial institution, government or through debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of public offer. The Company has utilized the money raised by way of the term loans (including debt instruments) during the year for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related



## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT



parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

- (xiv) The Company has made preferential allotment of shares on private placement basis during the year under review and according to the information and explanations given to us, the requirement of Section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised. The Company has issued optionally convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.103523W

**Atul Gala**  
Partner

Place : Mumbai  
Date : May 30, 2016

Membership No. 048650

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shree Rama Newsprint Limited on the financial statements for the year ended March 31, 2016]

### Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shree Rama Newsprint Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.103523W

**Atul Gala**  
Partner

Place : Mumbai  
Date : May 30, 2016

Membership No. 048650

# BALANCE SHEET

# ANNUAL REPORT 2015 - 2016

## BALANCE SHEET AS AT MARCH 31, 2016

		(₹ in lacs)	
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Funds</b>			
(a) Share Capital	3	11,815.80	5,815.80
(b) Reserves and Surplus	4	(10,079.68)	(6,661.83)
		<b>1,736.12</b>	<b>(846.03)</b>
<b>2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	21,885.68	12,482.08
(b) Other Long Term Liabilities	6	200.00	-
(c) Long-Term Provisions	7	334.74	338.60
		<b>22,420.42</b>	<b>12,820.68</b>
<b>3) Current Liabilities</b>			
(a) Short-Term Borrowings	8	8,737.35	11,180.04
(b) Trade Payables	9		
Total outstanding dues of micro enterprises and small enterprises		7.23	
Total outstanding dues of creditors other than micro enterprises and small		8,894.88	11,995.57
(c) Other Current Liabilities	10	1,424.69	7,857.57
(d) Short-Term Provisions	7	159.97	80.56
		<b>19,224.12</b>	<b>31,113.74</b>
<b>TOTAL</b>		<b>43,380.66</b>	<b>43,088.39</b>
<b>II ASSETS</b>			
<b>1) Non - Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	19,109.30	20,352.66
(ii) Capital Work In Progress		-	65.76
(iii) Intangible Assets under development		175.15	-
(b) Non-Current Investments	12	1.63	1.63
(c) Deferred Tax Asset (Net)	13	13,207.11	13,207.11
(d) Long-Term Loans & Advances	14	380.10	285.22
		<b>32,873.29</b>	<b>33,912.38</b>
<b>2) Current Assets</b>			
(a) Inventories	15	3,233.36	3,857.01
(b) Trade Receivables	16	4,025.86	2,040.87
(c) Cash and Bank Balance	17	287.56	266.56
(d) Short-Term Loans & Advances	18	2,947.86	2,957.30
(e) Other Current Assets	19	12.73	54.27
		<b>10,507.37</b>	<b>9,176.01</b>
<b>TOTAL</b>		<b>43,380.66</b>	<b>43,088.39</b>

Summary of Significant Accounting Policies

1-47

The Notes referred to above forms an integral part of the Financial Statements

As per our attached report of even date

**For HARIBHAKTI & CO. LLP**

Chartered Accountants

ICAI FRN No. 103523W

Atul Gala

Partner

Membership No.048650

Place: Mumbai

Date : May 30, 2016

For and on the behalf of Board of Directors

**Ganpatraj L. Chowdhary** (Chairman) (DIN No : 00344816)

**V. D. Bajaj** (Executive Director) (DIN No : 00034710)

**Siddharth G. Chowdhary** (Director) (DIN No : 01798350)

**P.K. Mundra** - (President Finance & Company Secretary)

Place: Ahmedabad

Date : May 30, 2016

# STATEMENT OF PROFIT AND LOSS



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Note No.	(₹ in lacs)	
		For the year ended March 31, 2016	For the year ended March 31, 2015
<b>INCOME</b>			
Revenue from Operations (Gross)	20	38,507.31	37,627.02
Less: Excise Duty		(116.26)	(128.54)
Revenue from Operations (Net)		38,391.05	37,498.48
Other Income	21	732.69	223.53
<b>TOTAL</b>		<b>39,123.74</b>	<b>37,722.01</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	22	24,452.09	24,055.11
Changes in Inventories of Finished Goods and Work-in-Progress	23	578.41	2,967.28
Employees Benefits Expenses	24	1,807.45	1,683.18
Finance Cost	25	2,801.13	4,585.27
Depreciation	11	1,379.40	1,237.86
Other Expenses	26	12,983.11	12,605.61
<b>TOTAL</b>		<b>44,001.59</b>	<b>47,134.31</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>(4,877.85)</b>	<b>(9,412.30)</b>
Exceptional Items	36	1,460.00	-
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>(3,417.85)</b>	<b>(9,412.30)</b>
Extraordinary Items	44	-	5,159.50
<b>Profit/(Loss) before Tax</b>		<b>(3,417.85)</b>	<b>(4,252.80)</b>
<b>Tax Expense:</b>			
(1) Current Tax		-	-
(2) Deferred Tax	13	-	-
<b>Profit/(Loss) for the year</b>		<b>(3,417.85)</b>	<b>(4,252.80)</b>
<b>(1) Basic and Diluted Before Extraordinary Items (face value per share ₹ 10)</b>	39	<b>(3.44)</b>	<b>(16.18)</b>
<b>(2) Basic and Diluted After Extraordinary Items (face value per share ₹ 10)</b>	39	<b>(3.44)</b>	<b>(7.31)</b>
Summary of Significant Accounting Policies	1-47		

The Notes referred to above forms an integral part of the Financial Statements

As per our attached report of even date  
**For HARIBHAKTI & CO. LLP**  
Chartered Accountants  
ICAI FRN No. 103523W

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date : May 30, 2016

For and on the behalf of Board of Directors

**Ganpatraj L. Chowdhary** (Chairman) (DIN No : 00344816)

**V. D. Bajaj** (Executive Director) (DIN No : 00034710)

**Siddharth G. Chowdhary** (Director) (DIN No : 01798350)

**P.K. Mundra** - (President Finance & Company Secretary)

Place: Ahmedabad  
Date : May 30, 2016

## CASH FLOW STATEMENT

## ANNUAL REPORT 2015 - 2016

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	(₹ in lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash flow from operating activities</b>		
Profit before tax	(3,417.85)	(9,412.30)
Adjustments for:		
Depreciation and amortisation expense	1,379.40	1,237.86
Provision for doubtful debts	78.93	-
Unclaimed balances / Excess provision written back	(312.32)	-
Inventory written off	971.98	-
Unrealised foreign currency fluctuation	(12.16)	-
Interest expense	2,801.13	4,585.27
Other Income (Dividend)	(0.05)	(0.02)
(Profit)/Loss on sale of Fixed Assets	(50.00)	0.90
Exceptional item - additional consideration	(1,460.00)	-
Interest Income	(108.46)	-
<b>Operating profit before working capital changes</b>	<b>(129.40)</b>	<b>(3,588.29)</b>
Adjustments for (increase) / decrease in working capital:		
Increase/(Decrease) in Trade payables	(2,884.53)	(2,903.13)
Increase/(Decrease) in Other Long term liabilities	200.00	1,294.50
Increase/(Decrease) in Other Current Liabilities	(1,353.69)	-
Increase/(Decrease) in Provisions	75.55	39.60
(Increase)/Decrease in Trade Receivables	(2,094.79)	3,126.91
(Increase)/Decrease in Other current assets	41.78	1,339.31
(Increase)/Decrease in Inventories	(348.33)	3,426.83
(Increase)/Decrease Loans and advances	(85.44)	391.43
<b>Cash Flow generated from / ( used in ) from operations</b>	<b>(6,578.85)</b>	<b>3,127.16</b>
Income tax paid (net)	-	-
<b>Cash flow from operating activities</b>	<b>(6,578.85)</b>	<b>3,127.16</b>
Extraordinary items	-	5,159.50
<b>Net Cash flow generated from / ( used in ) from operating activities</b>	<b>(A) (6,578.85)</b>	<b>8,286.66</b>
<b>B. Cash flows from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(281.27)	(123.89)
Proceeds on sale of fixed assets	85.84	-
Interest received	108.22	-
Dividends received on investments (Current and Non current)	0.05	0.02
<b>Net cash flow generated from / (used in) investing activities</b>	<b>(B) (87.16)</b>	<b>(123.87)</b>

# CASH FLOW STATEMENT



Particulars	(₹ in lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>C. Cash flows from financing activities</b>		
Interest paid	(3,139.95)	(4,585.27)
Repayment of short-term borrowings	(8,056.19)	(267.77)
Proceeds from long-term borrowings	8,558.88	(3,264.70)
Repayment of long-term borrowings	(8,289.23)	-
Proceeds from Optionally Convertible Debentures	3,000.00	-
Proceeds from Debentures	8,613.50	-
New Equity Shares issued	6,000.00	-
<b>Net cash flow generated from / (used in) financing activities</b>	<b>(C) 6,687.01</b>	<b>(8,117.74)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A + B + C) 21.00</b>	<b>45.05</b>
Cash and Bank Balance at the beginning of the year ( Refer Note No. 17 )	266.56	221.51
<b>Cash and Bank Balance at the end of the year ( Refer Note No. 17 )</b>	<b>287.56</b>	<b>266.56</b>
Less: Fixed deposits pledged with bankers not considered as Cash and Cash Equivalents	(135.08)	(234.91)
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<b>152.48</b>	<b>31.65</b>
Summary of Significant Accounting Policies	1-47	

## Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Cash and Cash equivalent in include lien on fixed deposits placed with various bankers amounting to ₹ 135.08 lacs (Previous year : ₹ 234.91 lacs).
- Previous year's figures have been regrouped wherever necessary to conform to current year's classification.

The Notes referred to above forms an integral part of the Financial Statements

As per our attached report of even date

**For HARIBHAKTI & CO. LLP**

Chartered Accountants

ICAI FRN No. 103523W

Atul Gala

Partner

Membership No.048650

Place: Mumbai

Date : May 30, 2016

For and on the behalf of Board of Directors

**Ganpatraj L. Chowdhary** (Chairman) (DIN No : 00344816)

**V. D. Bajaj** (Executive Director) (DIN No : 00034710)

**Siddharth G. Chowdhary** (Director) (DIN No : 01798350)

**P.K. Mundra** - (President Finance & Company Secretary)

Place: Ahmedabad

Date : May 30, 2016

## 1. CORPORATE INFORMATION:

Shree Rama Newsprint Limited ("the Company") (formally known as Rama Newsprint and Paper Limited) is incorporated under the provisions of the Companies Act, 1956.

The Company is engaged in the business of manufacturing and dealing of Newsprint and writing & printing paper.

## 2. SIGNIFICANT ACCOUNTING POLICIES:

### a) Basis of accounting and preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on an accrual basis and on the basis of going concern. The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014, relevant provisions of the Companies Act, 2013 and relevant provision of Securities Exchange Board of India ('SEBI'), as applicable. The accounting policies have been consistently applied by the Company.

### b) Use of estimates

The preparation of the financial statements, in conformity with Indian GAAP, requires the management to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

### c) Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### i) Sale of Product:

Revenue is recognized when the significant risks & rewards of ownership of the goods have passed to the buyer and its collection/ receipt is reasonably certain.

#### ii) Interest and Dividend Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholders' right to receive dividend is established.

#### iii) Export Incentive

Incentive on Export Income is recognized when certainty of receipts is established. Rebate entitlement against export made under scheme of Duty Drawback and other incentive scheme is recognized upon completion of the export.

#### iv) Insurance Claim

Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts.

### d) Fixed Assets:

#### Tangible Fixed Assets

Fixed Assets, excluding freehold land, are stated at cost less accumulated depreciation and accumulated impairment, if any, thereon. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Project under commissioning and other capital work-in-progress are carried at cost, comprising direct cost, related incidental pre-operative expenses, and attributed borrowing cost. Any trade discounts and rebates are deducted in arriving at the purchase price.

Freehold land are stated at cost of acquisition.

#### Depreciation and Amortization

Depreciation on Fixed assets, has been provided on the straight line method (pro-rata on additions and deletions during the period) based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.

#### Intangible Assets and Amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment loss, if any. Intangible asset i.e. Software, is amortized over its estimated useful life of 5 years on straight line basis.

### e) Borrowing cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.



## f) Foreign Currency Transactions:

### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Subsequent Recognition

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. In case of monetary items the difference between the year end rate and rate on the date of the transaction is recognised as exchange difference.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

### Forward Contract

Premium or discount arising at the inception of forward exchange contract is amortized as expense or income over the life of the contract. Any gain or loss arising due to exchange difference at the end of the year on such contract is recognized in Statement of Profit & loss.

## g) Impairment of Assets:

The carrying value of assets / cash generating units of the Company are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price or their value in use, value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. Net selling price is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

As per the assessment conducted by the Company at March 31, 2016, there were no indications that the fixed assets have suffered an impairment loss.

## h) Taxation:

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year)

### i) Current Tax:

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961, as applicable to the financial year.

### ii) Deferred taxation:

Deferred Tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In situations where the Company has unabsorbed depreciation or carry forward tax losses all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## i) Earnings per Share:

Basic earnings per share is calculated by dividing the net profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted earnings per Share is calculated by dividing net profit/ ( loss ) attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

## j) Inventories:

Inventories are valued at Lower of cost or Net Realizable Value. The costs for the purpose of valuation are determined as under:

Finished goods and Stock-in-process	: Manufacturing Cost
Raw materials & others	: Yearly Weighted Average Cost
Coal & Chemicals	: -First in First Out Method
Stores & Spares	: -Weighted Average cost



**k) Central Excise Duty:**

Excise Duty payable on finished goods is accounted for on clearance of goods. CENVAT Credit on Capital Goods and inputs is accounted for on the date of actual receipt of the same, respectively.

**l) Investments:**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term/ non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognised in the Statement of Profit and Loss.

**m) Bad debts/ advances are written off in the year in which they become irrecoverable.**

**n) Cash Flow Statement:**

The Cash Flow Statement is prepared by the "indirect method" set out in Accounting Standard 3 (AS 3) on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statements consist of cash on hand and demand deposits with banks.

**o) Derivative Contracts:**

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options and forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency transactions and translations.

All other derivative contracts are marked to market and losses are recognized in the Statement of Profit and Loss. Gains arising on the same are not recognized, until realized on the grounds of prudence.

**p) Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are neither recognized nor disclosed, in the financial statements

**q) Employee Benefits**

The Company has classified various employee benefits as under:

**A. Defined Contribution Plans**

**a. Provident fund**

**b. Employers' Contribution to Employees' State Insurance**

Retirement benefits in the form of Provident Fund and Employers' Contribution to Employee State Insurance is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

**B. Defined Benefit Plans**

The Company also provides for retirement/post-retirement benefits in the form of gratuity & Leave encashment.

The liability for the defined benefits plan of Gratuity is determined on the basis of an actuarial valuation carried out by an independent actuary at the year end using Projected Unit Credit Method.

Obligation is measured at the present value of the future cash flows using a discount rate that is based on the prevailing yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations

Leave encashment (unfunded) is payable to eligible employees who have earned leaves, during the employment and/ or on separation as per the Company's policy.

**C. Actuarial gains/losses are charged to Statement of profit and loss and are not deferred.**

**D. Other short term employee benefits are recognized as an expense on accrual basis.**

**r) Leases**

Leases, where Company is the lessee and the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.



## 3. SHARE CAPITAL:

### Authorised

20,30,00,000 (Previous Year:20,30,00,000) Equity Shares of ₹ 10/- each

30,00,000 (Previous Year :30,00,000) Preference Shares of ₹ 100/-each

### Issued, subscribed and fully paid-up:

11,81,58,032 Equity Shares (Previous Year : 5,81,58,032) of ₹ 10/- each fully paid-up

As at	
March 31, 2016	March 31, 2015
(₹ in lacs)	(₹ in lacs)
20,300.00	20,300.00
3,000.00	3,000.00
23,300.00	23,300.00
11,815.80	5,815.80
11,815.80	5,815.80

### a. Reconciliation of number of Equity share capital outstanding at the beginning and at the end of the year:

#### (i) Equity Shares:

	As At March 31, 2016		As At March 31, 2015	
	No.	(₹ in lacs)	No.	(₹ in lacs)
Outstanding at the beginning of the year	58,158,032	5,815.80	58,158,032	5,815.80
Add: Issued during the year	60,000,000	6,000.00	-	-
<b>Outstanding at the end of the year</b>	<b>118,158,032</b>	<b>11,815.80</b>	<b>58,158,032</b>	<b>5,815.80</b>

### b. Terms / Rights attached to the Equity Shareholders:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is eligible for one vote per share. The dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### c. Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As At March 31, 2016		As At March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
West Coast Paper Mills Limited	-	-	21,124,791	36.32%
Riddhi Siddhi Gluco Biols Limited (Holding Company)	8,82,90,547*	74.72%	-	-

\* including 12,870 shares acquired under open offer, however yet to be transferred

### d. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the date as at which the balance sheet is prepared : Nil (Previous year : Nil)

### e. Equity shares locked:

The Company has allotted 6,00,00,000 Equity Shares on preferential basis to Riddhi Siddhi Gluco Biols Limited (incoming promoter) on 24.07.2015. As per Regulation 78(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the particulars of lock in of equity shares are as under:

Name of the Allottee	No. of Equity shares allotted	Lock-In details up to (1 Year/ 3 Years) from the date of Latest Trading Approval dated 18/04/2016.	
Riddhi Siddhi Gluco Biols Limited	60,000,000	Upto 1 year for 3,63,68,394 Equity Shares (Lock in release date is 30.04.2017)	Upto 3 year for 3,63,31,606 Equity Shares (Lock in release date is 30.04.2019)

Further, Riddhi Siddhi Gluco Biols Limited acquired 2,82,77,677 equity shares of the Company from their promoters through Share Purchase Agreement entered on 21.05.2015 and these shares were credited in the demat account of the allottee on 26.08.2015. After allotment and these shares are locked in for the period of 6 months from the date of latest trading approval dated 18.04.2016 and these shares are lock in up to 31.10.2016 (release date is 01.11.2016).

The Company has issued 3 crore zero coupon secured optionally convertible redeemable debenture of ₹ 10 each convertible into equity share of ₹ 10 each within 18 months from 31.07.2015 (date of allotment) at the option of the debenture holders.

## 4. RESERVES AND SURPLUS:

### a. Capital Reserve:

	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
Outstanding at the beginning of the year	10,953.85	10,953.85
Outstanding at the end of the year	10,953.85	10,953.85

### b. Surplus/ ( Deficit) in Statement of Profit and Loss:

Opening Balance	(17,615.68)	(13,034.83)
Less: Impact of Depreciation as per Companies Act 2013	-	(328.05)
Add: Profit/(Loss) for the Year	(3,417.85)	(4,252.80)
Closing Balance	(21,033.53)	(17,615.68)
<b>TOTAL</b>	<b>(10,079.68)</b>	<b>(6,661.83)</b>

## 5. LONG-TERM BORROWINGS:

### a. Secured

#### Secured Debentures

5,61,350 (Previous year :Nil) Zero Coupon Non Convertible Debentures of ₹1,000 each (₹ 1,377.00 lacs payable on 21.03.2026 , ₹ 1,874 lacs payable on 09.08.2025 and ₹ 2,362.50 Lacs payable on 04.08.2025) (Refer note i)

5,613.50	-	-	-
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3,00,00,000 (Previous year :Nil) Zero Coupon Optionally Convertible Redeemable debenture of ₹ 10 each, convertible into equity share of ₹ 10 each at the option of the debenture holders on or before 31.01.2017 (date of allotment). (Refer note i)

3,000.00	-	-	-
<b>8,613.50</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Secured Term loans from Banks

Term Loan/Working Capital Term Loan from Bank (Refer note no ii)

10,272.18	12,482.08	427.81	2,893.25
<b>10,272.18</b>	<b>12,482.08</b>	<b>427.81</b>	<b>2,893.25</b>

Less: Amount disclosed under the head "Other Current liabilities" (Refer Note 10)

-	-	(427.81)	(2,893.25)
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#### Net Amount

<b>10,272.18</b>	<b>12,482.08</b>	<b>-</b>	<b>-</b>
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#### Total Secured

<b>18,885.68</b>	<b>12,482.08</b>	<b>-</b>	<b>-</b>
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#### Unsecured

300 (Previous Year :Nil )Zero Coupon Non Convertible Debentures of ₹10,00,000 each redeemable on 16.08.2027.

3,000.00	-	-	-
<b>3,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

Interest Free Sales Tax Loan from Government of Gujarat

-	-	-	667.91
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Less: Amount disclosed under the head "Other Current liabilities" (Refer Note 10)

-	-	-	(667.91)
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#### Total Unsecured

<b>3000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
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#### Total Long Term Borrowings

<b>21,885.68</b>	<b>12,482.08</b>	<b>-</b>	<b>-</b>
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## 1) Security

- Non convertible secured debenture holders are having first charge on future fixed assets of the Company and pari passu second charge on existing fixed assets of the Company. Optionally Convertible Debenture holder is having first pari-passu charge over all present and future moveable and immovable fixed assets of the issuer and second pari passu on all present and future current assets of the Company.
- The Term Loans/Working Capital Term Loan are secured by first charge ranking pari passu over all present and future moveable and immovable fixed assets of the Company and second pari passu charge on all present and future current assets.

2) There is no default in repayment of loan and interest.

## 3) Repayment Schedule :

	Loan Amount (₹ in lacs)	number of Instalment	Commencing from	Ending on
ICICI Bank - Facility B	3,636.36	26	30.06.2016	30.09.2022
ICICI Bank - Facility D	2,300.00	12	30.09.2017	30.06.2020
ICICI Bank - Facility E	4,000.00	24	30.09.2019	30.06.2025
ICICI Bank - Facility A	763.63	6	15.02.2020	15.05.2021

(Interest Rate is Base Rate i.e. 9.35% p.a. as at 31.03.16)

## 6. OTHER LONG TERM LIABILITIES:

Trade Deposits

As at	
March 31, 2016	March 31, 2015
(₹ in lacs)	(₹ in lacs)
200.00	-
<b>200.00</b>	<b>-</b>

## 7. PROVISIONS:

Provision for Employee Benefits

Long term		Short term	
As at		As at	
March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
(₹ in lacs)	(₹ in lacs)	(₹ in lacs)	(₹ in lacs)
334.74	338.60	159.97	80.56
<b>334.74</b>	<b>338.60</b>	<b>159.97</b>	<b>80.56</b>

## 8. SHORT-TERM BORROWINGS:

### Secured

Loan Repayable on Demand from Banks (Refer note a)

4,453.30 8,809.04

### Unsecured

Loan Repayable on Demand from Bank (Refer note b)

3,590.88 -

Inter Corporate Deposits

- From Related Parties

693.17 620.00

- From Others

- 1,751.00

**8,737.35 11,180.04**

Note:

- Loan Repayable on Demand from Banks are secured by Pari passu first charge on current assets of the Company both present and future. Loans are secured by hypothecation on first pari passu charge basis with other consortium banks of stocks of finished goods, stock in process, raw materials, stores and spares and receivables and by a pari passu second charge on existing fixed assets of the Company and pari passu first charge on the future fixed assets of the Company.
- Unsecured Loan Repayable on demand is guaranteed by Riddhi Siddhi Gluco Biols Limited (Holding Company)
- There is no default in repayment of loan and interest except to Axis Bank Limited (Outstanding ₹ 1,124.94 Lacs including interest, penal interest and charges), since Joint Lender Forums (JLF) decision is yet to be implemented by them.

## 9. TRADE PAYABLES:

Trade payables

- Micro and small enterprises
- Others

As at	
March 31, 2016	March 31, 2015
(₹ in lacs)	(₹ in lacs)
7.23	-
8,894.88	11,995.57
<b>8,902.11</b>	<b>11,995.57</b>

## 10. OTHER CURRENT LIABILITIES:

Current Maturities of long term borrowings (Refer note 05)

- Interest free Sales Tax Loan-Government of Gujarat (Refer note 29)

- Term Loan/ Working Capital Loan

Interest accrued but not Due on borrowings

Interest accrued and Due on borrowings

Other Liabilities

- Statutory dues
- Payable for Capital Goods
- Advance received for sale of Capital Goods
- Others ( includes trade deposits, liabilities for expenses etc )

-	667.91
427.81	2,893.85
2.74	46.24
396.41	691.73
333.25	1,493.28
7.82	-
-	1,460.00
256.66	604.56
<b>1,424.69</b>	<b>7,857.57</b>

## 11 TANGIBLE FIXED ASSETS

(₹ in lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2015	Addition during the Period	Deduction during the Period	As at March 31, 2016	As at April 1, 2015	Depreciation for the Period	Deduction/ Addition during the Period	Total Depreciation	As at March 31, 2016	As at March 31, 2015
Freehold Land	177.42	-	-	177.42	-	-	-	-	177.42	177.43
Buildings	9,949.88	104.97	28.64	10,026.21	4,733.13	414.22	9.58	5,137.77	4,888.44	5,216.75
Plant & Machinery	61,865.38	60.29	-	61,925.68	46,974.76	947.62	-	47,922.39	14,003.29	14,890.62
Furniture & Fittings	298.41	3.53	10.37	291.57	265.69	12.17	9.83	268.03	23.53	32.72
Office Equipment	286.45	3.09	8.77	280.77	267.90	5.02	8.33	264.59	16.18	18.55
Vehicles	48.83	-	37.05	11.78	32.23	0.37	21.26	11.34	0.44	16.60
<b>Total</b>	<b>72,626.37</b>	<b>171.88</b>	<b>84.83</b>	<b>72,713.43</b>	<b>52,273.71</b>	<b>1,379.40</b>	<b>49.00</b>	<b>53,604.12</b>	<b>19,109.30</b>	<b>20,352.66</b>
Previous year	72,531.58	95.69	0.90	72,626.37	50,707.80	1,237.86	328.05	52,273.71	20,352.66	

## Notes to the Financial Statements



### 12. NON-CURRENT INVESTMENTS: (valued at lower of cost and fair value)

#### Other Investments

#### Investments in Equity Instruments:

#### A) QUOTED: EQUITY SHARES

	Face value (₹)	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
50 (Previous year : 50) Equity Shares International Paper APPM Ltd.	10	0.08	0.08
03 (Previous year : 03) Equity Shares Bengal & Assam Co. Ltd.	10	0.03	0.03
1,000 (Previous year : 1,000) Equity Shares Orient Paper Mills Ltd.	1	0.12	0.12
1,000 (Previous year : 1,000) Equity Shares Orient Cement Ltd.	1	0.12	0.12
250 (Previous year : 250) Equity Shares West Coast Paper Mills Ltd.	2	0.02	0.02
165 (Previous year : 165) Equity Shares Shree Vindhya Paper Mills Ltd.	10	0.13	0.13
50 (Previous year : 50) Equity Shares Nath Pulp & Paper Mills Ltd.	10	0.04	0.04
500 (Previous year : 500) Equity Shares Pudumjee Pulp & Paper Mills Ltd.	10	0.15	0.15
300 (Previous year : 300) Equity Shares Ballarpur Industries Ltd.	2	0.28	0.28
100 (Previous year : 100) Equity Shares Sirpur Paper Mills Ltd.	10	0.07	0.07
50 (Previous year : 50) Equity Shares Citadel Realty & Developers Ltd	10	0.06	0.06
180 (Previous year : 180) Equity Shares J.K.Lakshmi Cement Ltd.	10	0.31	0.31
100 (Previous year : 100) Equity Shares Mysore Paper Mills Ltd.	10	0.01	0.01
600 (Previous year : 600) Equity Shares Tamilnadu Newsprint and Papers Ltd.	10	0.18	0.18
		1.61	1.61

#### B) UNQUOTED: EQUITY SHARES

100 (Previous year : 100) Equity Shares of ₹ 10/-each of Titaghur Paper Mills Ltd.	10	0.02	0.02
		1.63	1.63

#### Note:

	Book Value As at		Market Value As at	
	March 31, 2016 (₹ in lacs)	March 31, 2015 (₹ in lacs)	March 31, 2016 (₹ in lacs)	March 31, 2015 (₹ in lacs)
Aggregate of Quoted Investment	1.61	1.61	4.29	3.90
Aggregate of Unquoted Investment	0.02	0.02	-	-
<b>Total</b>	<b>1.63</b>	<b>1.63</b>	<b>4.29</b>	<b>3.90</b>

### 13 DEFERRED TAX ASSETS (NET)

(Refer Note 38)

#### Deferred tax assets

- Provision for Employee Benefits	182.85	134.62
- Carried forward Unabsorbed Depreciation and Losses	17,517.16	17,762.57
	<b>17,700.01</b>	<b>17,897.19</b>

#### Deferred tax liabilities

- On account of depreciation	4,492.90	4,690.08
	<b>4,492.90</b>	<b>4,690.08</b>

#### Deferred tax assets (net)

As at	
March 31, 2016 (₹ in lacs)	March 31, 2015 (₹ in lacs)
<b>13,207.11</b>	<b>13,207.11</b>

## Notes to the Financial Statements

## ANNUAL REPORT 2015 - 2016

		As at	
		March 31, 2016	March 31, 2015
		(₹ in lacs)	(₹ in lacs)
<b>14</b>	<b><u>LONG TERM LOANS AND ADVANCES:</u></b>		
	<b>(Unsecured, Considered Good)</b>		
	Security Deposits	254.03	216.74
	Other	126.07	68.48
		<b>380.10</b>	<b>285.22</b>
<b>15</b>	<b><u>INVENTORIES:</u></b>		
	<b>(Valued at lower of cost or net realizable value, unless otherwise stated)</b>		
	Raw Materials [including goods in transit ₹ 149.41 lacs (Previous Year: ₹ 36.50 lacs)]	1,749.18	949.13
	Stock-in-Process	48.97	90.67
	Finished Goods	205.81	678.29
	Packing Materials	54.77	64.22
	Stores & Spares	666.13	1,686.86
	Coal	300.86	228.11
	Chemicals	207.64	159.73
		<b>3,233.36</b>	<b>3,857.01</b>
<b>16</b>	<b><u>TRADE RECEIVABLES:</u></b>		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	138.67	12.47
	Unsecured, Considered Doubtful	78.93	-
	Less : Provision for Doubtful Debts	(78.93)	-
	Subtotal	<b>138.67</b>	<b>12.47</b>
	Others (Unsecured, Considered Good)	3,887.19	2,028.40
	Total	<b>4,025.86</b>	<b>2,040.87</b>
<b>17</b>	<b><u>CASH AND BANK BALANCE:</u></b>		
	Cash & Cash Equivalents :		
	Balances with Bank	148.32	30.28
	Cash on hand	4.16	1.37
	Other Bank Balances:		
	- Margin/Deposit accounts (against LC/Bank Guarantee)	135.08	234.91
	(Maturity period : More than 3 months , but less than 1 year)		
		<b>287.56</b>	<b>266.56</b>
<b>18</b>	<b><u>SHORT TERM LOANS &amp; ADVANCES:</u></b>		
	<b>(Unsecured, Considered Good)</b>		
	Advances recoverable in cash or in kind or for value to be received	143.12	166.83
	Balances with Government Authorities	2,748.64	2,715.80
	Security Deposit	29.40	-
	Prepaid Expenses	26.70	74.67
		<b>2,947.86</b>	<b>2,957.30</b>
<b>19</b>	<b><u>OTHER CURRENT ASSETS:</u></b>		
	Interest Receivable	12.73	12.49
	Insurance Claim Receivable	-	41.78
		<b>12.73</b>	<b>54.27</b>



## Notes to the Financial Statements



	For the year ended March 31, 2016 (₹ in lacs)	For the year ended March 31, 2015 (₹ in lacs)
<b>20 REVENUE FROM OPERATIONS:</b>		
Sale of Products	38,336.47	37,477.03
-Finished Goods		
Other Operating Revenue	0.46	11.49
-Export Incentives	170.38	138.50
-Scrap		
	<b>38,507.31</b>	<b>37,627.02</b>
<b>21 OTHER INCOME:</b>		
Interest Income	108.46	91.80
Exchange Fluctuation (Net)	40.05	(34.64)
Insurance Claim Received	6.54	164.66
Profit on Sale of Assets	50.00	-
Unclaimed Balances/ Excess Provision W/Back (Net)	312.32	-
Dividend Income	0.05	0.02
Other	215.27	1.69
	<b>732.69</b>	<b>223.53</b>
<b>22 COST OF MATERIAL CONSUMED :</b>		
Opening Stock	949.13	1,193.96
Add: Purchases	21,508.51	20,131.69
	22,457.64	21,325.65
Less: Closing Stock	1,749.18	949.13
Consumption of Raw Materials	20,708.46	20,376.52
Consumption of Chemicals	3,215.19	3,207.25
Consumption of Packing Material	528.44	471.34
	<b>24,452.09</b>	<b>24,055.11</b>
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS:</b>		
Opening Stock:		
Finished Goods	742.52	3,651.68
Work-in-Progress	90.67	148.79
	<b>833.19</b>	<b>3,800.47</b>
Closing Stock:		
Finished Goods	205.81	742.52
Work-in-Progress	48.97	90.67
	<b>254.78</b>	<b>833.19</b>
	<b>578.41</b>	<b>2,967.28</b>

## Notes to the Financial Statements

## ANNUAL REPORT 2015 - 2016

	For the year ended March 31, 2016 (₹ in lacs)	For the year ended March 31, 2015 (₹ in lacs)
<b>24 EMPLOYEE BENEFITS EXPENSE:</b>		
Salaries, Wages and Allowances	1,558.97	1,429.46
Contribution to Provident & Other Funds	101.51	107.38
Gratuity and Leave Encashment ( Refer Note 28)	89.31	107.19
Staff Welfare Expenses	57.66	39.15
	<b>1,807.45</b>	<b>1,683.18</b>
<b>25 FINANCE COSTS:</b>		
Interest expense on		
- Loans from Banks	2,378.02	4,361.18
- Others	362.70	-
Bank Charges	60.41	224.09
	<b>2,801.13</b>	<b>4,585.27</b>
<b>26 OTHER EXPENSES:</b>		
Power and Fuel	6,871.87	7,632.28
Consumption of Stores & Spares	2,152.56	1,233.46
Water Charges	545.32	512.38
Repairs and Maintenance:		
- Buildings	83.53	78.85
- Plant & Machinery	212.95	268.33
- Others	6.49	8.35
Insurance	54.20	53.44
Operation Charges	1,014.91	911.39
Rent ( Refer Note 43 )	39.89	93.56
Rates and Taxes	114.02	41.65
Director's Sitting Fees	3.91	1.48
Legal and Professional Charges	167.41	128.83
Payment to Auditors:		
- Audit Fees	5.72	4.75
- Taxation Matters	0.92	0.60
- Reimbursement of Expenses	0.13	0.13
- Other Services	4.59	1.26
Selling and Distribution Expenses	1,282.30	1,313.62
Provision for doubtful debts	78.93	-
Security Expenses	65.37	47.23
Sundry Expenses	117.15	97.91
Loss on Sale of Fixed Assets	-	0.90
Office Expenses	160.94	175.21
	<b>12,983.11</b>	<b>12,605.61</b>



## 27. Contingent liabilities and commitments (to the extent not provided for):

### Contingent Liabilities

- i) Claims against the Company not acknowledged as debts:

Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
Excise Duty	470.72	470.72
Sales Tax	0.00	8.31
Income Tax	334.17	319.90
Other claims not acknowledge as debts	1453.72	4,437.86
<b>Total</b>	<b>2,258.61</b>	<b>5,236.79</b>

- ii) Unexpired Letter of Credits established in respect of Raw Materials is ₹ 958.31 Lacs (as on 31.03.2015 ₹ 4.47 Lacs)

- iii) Bank guarantees issued by banks ₹ 125.00 Lacs (as on 31.03.2015 ₹ 329.91 Lacs).

Other commitments:

- iv) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance) ₹ 39.98 lacs (as on 31.03.2015 ₹ 112.41 Lacs ).

- v) Arrears of dividend on Cumulative Preference Shares from 15th April 1998 to 15th Dec. 2001 aggregate ₹ 2,069.95 Lacs

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / Tribunals / Courts /authorities.

## 28. Employee Benefits:

### I. Gratuity (Unfunded) :

The Company has a Defined Benefit Gratuity plan. The unfunded plan provides for a lump sum payment to employees, at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of continuous service.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and liability recognized in the balance sheet for the plan.

Particulars	For the year ended March 31, 2016 (₹ in lacs)	For the year ended March 31, 2015 (₹ in lacs)
	Gratuity	
<b>Changes in present value of Obligation</b>		
(a) Present value of Obligation as at 1st April	313.44	275.62
(b) Interest Cost	24.76	25.77
(c) Past Service Cost	-	-
(d) Current Service Cost	29.59	19.31
(h) Benefits Paid	(63.68)	(35.16)
(i) Actuarial (Gains)/Loss	6.38	27.90
(j) Present value of obligation as at 31 <sup>st</sup> March	<b>310.49</b>	<b>313.44</b>

Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
<b>Amount recognized in the Balance Sheet</b>		
(a) Present value of obligation as at 31 <sup>st</sup> March	310.49	313.44
(b) Fair value of plan assets as at 31 <sup>st</sup> March	-	-
(c) (Asset)/Liability recognized in the balance sheet		
- Non-Current Liability	262.69	262.56
- Current Liability	47.80	50.88

Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>		
(a) Current service cost	29.59	19.31
(b) Past Service Cost	-	-
(c) Interest Cost	24.76	25.77
(d) Curtailment Cost/(Credit)	-	-
(e) Settlement Cost/(Credit)	-	-
(f) Net Actuarial (Gain)/Loss	6.38	27.90
(g) Employer's Contribution		
(h) Total Expenses recognized in the Statement of Profit & Loss	60.73	72.98
<b>Details of Assumption</b>		
(a) Discounted Rate	7.99%	7.90%
(b) Salary Escalation	5.00%	4.50%
(c) Attrition Rate	2.00%	2.00%

<b>Experience Adjustments</b>					
Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined Benefit Obligation at end of the Period	310.49	313.44	275.62	279.20	219.13
Experience adjustments on plan Liabilities (gain)/Loss	(2.78)	(1.86)	10.67	29.77	*

\*The Management has relied on the overall actuarial valuation conducted by the actuary. However experience adjustments are not readily available for the year 2011-12 and hence not disclosed.

The estimates of future salary increases are considered taking into account inflation, seniority promotion and other relevant factors.

## II. Leave Encashment (Unfunded):

Particulars	For the year ended March 31, 2016 (₹ in lacs)	For the year ended March 31, 2015 (₹ in lacs)
	<b>Leave Encashment</b>	
<b>Changes in present value of Obligation</b>		
(a) Present value of Obligation as at 1st April	105.72	103.95
(b) Interest Cost	8.35	9.71
(c) Past Service Cost	-	-
(d) Current Service Cost	13.83	12.66
(h) Benefits Paid	(28.97)	(32.43)
(i) Actuarial (Gains)/Loss	6.37	11.82
(j) Present value of obligation as at 31 <sup>st</sup> March	<b>105.32</b>	<b>105.72</b>

Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
<b>Amount recognized in the Balance Sheet</b>		
(a) Present value of obligation as at 31 <sup>st</sup> March	(105.32)	(105.72)
(b) Fair value of plan assets as at 31 <sup>st</sup> March	-	-
(c) (Asset)/Liability recognized in the balance sheet	(105.32)	(105.72)
- Non-Current Liability	(72.04)	(76.04)
- Current Liability	(33.27)	(29.68)

## Notes to the Financial Statements



Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
<b>Expenses recognized in the Statement of Profit and Loss</b>		
(a) Current service cost	13.83	12.66
(b) Past Service Cost	-	-
(c) Interest Cost	8.35	9.72
(d) Curtailment Cost/(Credit)	-	-
(e) Settlement Cost/(Credit)	-	-
(f) Net Actuarial (Gain)/Loss	6.37	11.82
(g) Employer's Contribution	-	-
(h) Total Expenses recognized in the Statement of Profit & Loss	28.55	34.20
<b>Details of Assumption</b>		
(a) Discounted Rate	7.99%	7.90%
(b) Salary Escalation	5.00%	4.50%
(c) Attrition Rate	2.00%	2.00%

29. Interest free Loan under Sales Tax deferral scheme from Government of Gujarat was fully paid on July 03, 2015.

30. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ( MSME Act ) are as under :

Particulars	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)
(a) Amount remaining unpaid to any supplier at the end of the year		
Principal	7.23	Nil
Interest due there on	0.63	Nil
(b) the amount of interest paid in terms of section 16 of MSME Act along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of the year	0.63	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

31. Balance with Excise Dept. being Cenvat Credit receivable ₹ 2719.52 lacs (as on 31.03.2015 ₹ 2,650.35 Lacs) is realizable subject to adequate excise duty leviable on finished goods.

32. Break-up of consumption of imported and indigenous Raw Materials, Chemicals, packing material, coal, stores and spares.

Particulars	For the Year ended March 31, 2016		For the Year ended March 31, 2015	
	Value (₹ In lacs)	%	Value (₹ In lacs)	%
<b>Raw Material (Before considering sale of out throw)</b>				
Indigeneous	11,719.04	55.96	11,597.99	56.14
Imported	9,224.19	44.04	9,059.33	43.86
	<b>20,943.24</b>	<b>100.00</b>	<b>20,657.32</b>	<b>100.00</b>
<b>Chemicals, Packing Materials, Coal and Stores and Consumables</b>				
Indigeneous	10,929.81	93.11	11,084.27	96.81
Imported	808.80	6.89	365.06	3.19
	<b>11738.61</b>	<b>100.00</b>	<b>11,449.33</b>	<b>100.00</b>

## 33. Value of Imports calculated on C.I.F. basis:

Particulars	For the Year ended March 31, 2016 (₹ In lacs)	For the Year ended March 31, 2015 (₹ In lacs)
a) Capital Goods	-	-
b) Raw Materials & Chemicals	9,972.87	9,093.35
c) Spare Parts and Components	955.94	534.68
<b>Total</b>	<b>10,928.81</b>	<b>9,628.03</b>

## 34. Expenditure in Foreign Currency:

Particulars	For the Year ended March 31, 2016 (₹ In lacs)	For the Year ended March 31, 2015 (₹ In lacs)
Traveling Expenses	-	0.59
	-	<b>0.59</b>

## 35. Earnings in Foreign Exchange:

Particulars	For the Year ended March 31, 2016 (₹ In lacs)	For the Year ended March 31, 2015 (₹ In lacs)
Export of goods calculated on F.O.B basis	623.26	837.37

36. During the year the Company has booked profit of ₹ 1,460.00 Lacs on account of additional consideration of sale of 170 acres unused land as per the Deed of Conveyance executed by Company. Further, the Company has also obtained the requisite approval for transfer of land from the government of gujrat.

37. The erstwhile promoter of the Company had executed Share Purchase Agreement (SPA) on 21<sup>st</sup> May 2015 for sale of an aggregate of 2,82,77,677 shares of the Company to Riddhi Siddhi Gluco Biols Ltd. ("The Acquirer") for a consideration aggregating to ₹ 1 Lac only, subject to release of the Corporate Guarantees etc. The terms and condition of SPA is compiled and entire transaction was completed on 26-08-2015 after transfer of shares in favour of "The Acquirer" and release of corporate guarantees, etc.

38. The Company has not recognized Deferred Tax Asset (DTA) as per Accounting Standard 22- 'Accounting for taxes on income' for the current year. However the DTA created upto 31st March, 2014 has not been reversed, since the management believes that with infusion of fresh funds and restructuring of the existing debt, there is a certainty about the availability of future taxable income and such deferred tax asset would be realized.

## 39. Earnings per share:

Sr. No	Particulars	For the Year ended March 31, 2016 (₹ In lacs)	For the Year ended March 31, 2015 (₹ In lacs)
a)	Net Profit/(Loss) before extraordinary items (₹ in Lacs)	(3,417.85)	(9,412.30)
b)	Net Profit/(Loss) after extraordinary items (₹ in Lacs)	(3,417.85)	(4,252.80)
c)	Weighted average number of equity shares of ₹10 each outstanding during the year (No. of shares)	9,94,69,507	5,81,58,032
d)	Basic Earnings per Share before extraordinary items (₹)	(3.44)	(16.18)
e)	*Diluted Earnings per Share before extraordinary items (₹)	(3.44)	(16.18)
f)	Basic Earnings per Share after extraordinary items (₹)	(3.44)	(7.31)
g)	*Diluted Earnings per Share after extraordinary items (₹)	(3.44)	(7.31)

\*The conversion of optionally convertible redeemable debentures of ₹ 7,000 lacs into equity shares would result into decrease in loss per share, However it is ignored being anti dilutive.

40. The Company is mainly engaged in newsprint and writing & printing paper business in India and there is no other reportable business and geographical segment as required by Accounting Standard – 17 "Segment Reporting".

## Notes to the Financial Statements



### 177.4 Related Party Disclosures under Accounting Standard 18:

#### i) Related Party Relationships

a-1)	Associate	The West Coast Paper Mills Ltd.*
a-2)	Promoter Group	Veer Enterprises Ltd *
a-3)	Promoter Group	Orbit Udyog (P) Ltd*
a-4)	Promoter Group	Shree Satyanarayan Investment Co. Ltd*
a-5)	Promoter Group	The Diamond Co. Ltd.*
a-6)	Promoter Group	The Thirumbadi Rubber Co. Ltd.*
a-7)	Promoter Group	The Indra Co. Ltd.*
a-8)	Promoter Group	Saumya Trade & Fiscal Services Pvt. Ltd.*
a-9)	Promoter Group	Gold Mohore Investment Co. Ltd.*
b)	Promoter Group (incoming promoter)-Holding Company	Riddhi Siddhi Gluco Biols Limited w.e..f. 21.05.2015
b)	Key Management Personnel	Mr. V D Bajaj – Executive Director Mr. P.K.Mundra –President Finance and Company Secretary
c)	Enterprises owned or significantly influenced by Relatives of Key Management Personnel	-

\* ceased to be related party relationship w.e.f. 21.05.2015

#### ii) Transactions with Related Parties:

(₹ In Lacs)

Type of Related Party	Nature of the transaction	Year Ended 31.03.2016	Outstanding as on 31.03.2016		Year Ended 31.03.2015	Outstanding as on 31.03.2015	
			Receivable	Payable		Receivable	Payable
The West Coast Paper Mills Ltd.	ICD taken	-	-	-	124.50	-	70.00
	ICD Paid/ Written off	-	-	-	5,159.50	-	-
	Reimbursement of Exp.	-	-	7.68	(4.13)	5.93	-
Veer Enterprises Ltd	Rent Paid	2.95	-	3.38	17.12	-	3.60
	ICD taken	-	-	-	75.00	-	75.00
	ICD Repaid	-	-	-	25.00	-	-
	Interest on ICD	-	-	-	8.81	-	-
	Reimbursement of Exp.	0.21	-	-	1.17	-	-
Orbit Udyog (P) Ltd.	Rent Paid	0.44	-	0.76	2.46	-	0.76
	ICD taken	-	-	-	50.00	-	25.00
	ICD Repaid	-	-	-	25.00	-	-
	Interest on ICD	-	-	-	3.78	-	-
	Reimbursement of Exp.	0.11	-	-	-	-	-
Shree Satyanarayan Investment Co. Ltd.	Rent Paid	2.70	-	3.65	15.30	-	-
	ICD taken	-	-	-	100.00	-	175.00
	Interest on ICD	-	-	-	18.15	-	-
The Diamond Co. Ltd.	ICD taken	-	-	-	125.00	-	175.00
	ICD Repaid	-	-	-	25.00	-	-
	Interest on ICD	-	-	-	19.32	-	-
The Thirumbadi Rubber Co. Ltd.	ICD taken	-	-	-	-	-	50.00
	Interest on ICD	-	-	-	4.90	-	-
The Indra Co. Ltd.	ICD taken	-	-	-	-	-	25.00
	Interest on ICD	-	-	-	2.45	-	-
Saumya Trade & Fiscal Services Pvt. Ltd.	ICD taken	-	-	-	25.00	-	25.00
	Interest on ICD	-	-	-	2.63	-	-



## Notes to the Financial Statements

## ANNUAL REPORT 2015 - 2016

(₹ In Lacs)

Type of Related Party	Nature of the transaction	Year Ended 31.03.2016	Outstanding as on 31.03.2016		Year Ended 31.03.2015	Outstanding as on 31.03.2015	
			Receivable	Payable		Receivable	Payable
Gold Mohore Investment Co. Ltd	ICD taken	-	-	-	25.00	-	-
	ICD Repaid	-	-	-	25.00	-	-
	Interest on ICD	-	-	-	1.10	-	-
Riddhi Siddhi Gluco Biols Limited	ICD taken	16,795.31	-	693.16	-	-	-
	ICD Repaid	16,102.14	-	-	-	-	-
	Interest on ICD	272.80	-	245.52	-	-	-
Mr. V D Bajaj ( KMP )	Managerial Remuneration	68.71	-	1.62	79.38	-	-
Mr. P K Mundra ( KMP )	Salary	11.24	-	1.88	-	-	-

Corporate Guarantee given by Riddhi Siddhi Gluco Biols Limited of ₹ 2,300 lacs as at March 31, 2016.( March 31, 2015 Nil ).

Corporate Guarantee given by The West Coast Paper Mills Ltd. as at March 31, 2016 is Nil (31st March,2015 ₹ 24,625 lacs).

### 42. Particulars of Derivative Instruments:

- The Company has entered into forward contract of USD 4.57 lacs (Previous Year – ₹ Nil) to offset its foreign currency risks related to buyers credit denominated in currencies other than the Indian Rupee..
- No Derivative Instruments are acquired for speculation purpose.
- Foreign currency exposures that are not hedged by the derivative instruments or otherwise are:

Particular	As at March 31, 2016 (₹ In lacs)	As at March 31, 2015 (₹ In lacs)
USD (In Lacs)	12.02	15.24
Equivalent to Rupees (₹ In Lacs)	796.01	953.81

### 43. Operating Lease

- Operating Lease payment recognized in statement of Profit & Loss amounting to ₹ 39.88 lacs (Previous Year ₹ 93.56 lacs)
- The Company had written off Inter Corporate Deposits of ₹ 5,159.50 lacs given by The West Coast Paper Mills Ltd. in accounting year 2014-15 in pursuance to Share Purchase Agreement dated 21/05/2015.
  - The Company has raised ₹ 6,000 lacs by way of preferential issue of equity shares and ₹ 3,000 lacs by way of unlisted Zero coupon – OFC issue both totaling to ₹ 9,000 lacs during the year 2015-16 apart from borrowings restructured as per JLF decision on 31/03/2015 which reduced finance cost. Further, Considering the improvements in the working during the year 2015-16 over the pervious year 2014-15 and the Company having neither the intention nor the necessity of liquidation or of curtailing materially the scale of the operations, the accounts have been prepared on going concern basis.
  - The Company is incurring losses and hence debenture redemption reserve is not created.
  - Previous year figures have been regrouped / rearranged wherever necessary.

The Notes referred to above forms an integral part of the Financial Statements

As per our attached report of even date

**For HARIBHAKTI & CO. LLP**

Chartered Accountants  
ICAI FRN No. 103523W

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date : May 30, 2016

For and on the behalf of Board of Directors

**Ganpatraj L. Chowdhary** (Chairman) (DIN No : 00344816)

**V. D. Bajaj** (Executive Director) (DIN No : 00034710)

**Siddharth G. Chowdhary** (Director) (DIN No : 01798350)

**P.K. Mundra** - (President Finance & Company Secretary)

Place: Ahmadabad  
Date : May 30, 2016

## SHREE RAMA NEWSPRINT LIMITED

CIN: L21010GJ1991PLC019432

Regd. Office: Village Barbodhan, Taluka Olpad, District Surat, Gujarat – 395 005.

### ATTENDANCE SLIP

(To be signed and handed over at the entrance of the meeting hall)

**25<sup>th</sup> ANNUAL GENERAL MEETING ON SATURDAY, 10<sup>TH</sup> SEPTEMBER, 2016 AT 2:00 PM**

**AT VILLAGE BARBODHAN, TALUKA OLPAD, DISTRICT SURAT, GUJARAT – 395005**

Name of the Member \_\_\_\_\_

Name of the Joint holder \_\_\_\_\_

(To be filled in if first named joint holder does not attend the meeting)

Name of the Proxy holder \_\_\_\_\_

(To be filled in if proxy form has been duly deposited with the Company)

Folio No. \_\_\_\_\_ DPID / Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_

\_\_\_\_\_  
Member's / Proxy's Signature

(To be signed at the time of handling over this slip)

----- (TEAR HERE) -----

## SHREE RAMA NEWSPRINT LIMITED

CIN: L21010GJ1991PLC019432

Regd. Office: Village Barbodhan, Taluka Olpad, District Surat, Gujarat – 395 005.

### PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the Member(s) :

E-mail Id :

Registered address:

Folio No./ \*Client ID/ \*DP ID:

I/We, being the member(s) of \_\_\_\_\_ Shares of Shree Rama Newsprint Ltd., hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_,

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> ANNUAL GENERAL MEETING of the Company, to be held on Saturday, 10<sup>th</sup> September, 2016 at 2.00 p.m. at the Registered Office of the Company, and at any adjournment thereof in respect of such resolutions as are indicated below:

----- (TEAR HERE) -----

\*\*I wish my above proxy to vote in the manner as indicated in the box below.

Sr.	Resolutions	For	Against
1	Adoption of Statement of Profit & Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2016		
2	Appointment of Mr. Siddharth Chowdhary, Director of the Company retire by rotation.		
3	Reappointment of M/s. Haribhakti & Co., Statutory auditor of the Company.		
4	Reappointment of Cost Auditor of the Company		
5	Appointment of Mr. Utkarsh Shah as an Independent Director of the Company		
6	Appointment of Mrs. Pallavi Mittal as an Independent Director of the Company		
7	Appointment of Mr. K. L .Chandak as an Independent Director of the Company		
8	Empowering the Board to borrow money up to a limit of ₹ 1200 crores u/s180(1)(c)		
9	Empowering the Board to create mortgage/ security upto a limit of Rs.1200 crores u/s180(1)(a)		
10	Create, offer and issue equity shares on preferential basis as per strategic debt restructuring scheme of Reserve Bank of India		

\*Applicable for investors holding shares in electronic form.

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

Note: (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

(2) \*\*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner he/she thinks appropriate.