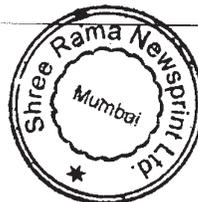


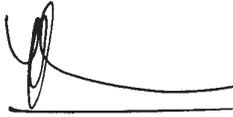
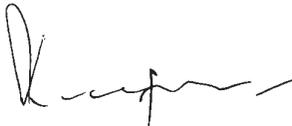
**FORM B**

**(Clause 31(a) of Listing Agreement)**

**Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges**

1.	Name of the Company:	Shree Rama Newsprint Limited
2.	Annual Financial Statements for the year ended:	31 <sup>st</sup> March, 2015
3.	Type of Audit qualification:	<u>Qualified Audit Report</u> "The Company had recognized deferred Tax Asset (DTA) amounting to ₹ 13207.11 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 ₹ 13207.11 lacs."
4.	Frequency of qualification:	Appeared third time
5.	Draw attention to relevant notes in the Annual Financial Statements and management response to the qualification in the Board's Report:	<u>Note 43 (page 48)</u> The Company has not recognized Deferred Tax Asset (DTA) as per AS 22, 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 virtual certainty about the availability of future taxable income and such deferred tax asset would be realized.  <u>Board's Report (page 11)</u> 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.



6.	Additional comments from the Board/Audit Committee chair:	There is a difference of perception between the Management and the Auditors. The company's track record also proves that it has realized DTA in earlier years.
7.	To be signed by:	
CEO/ Managing Director & CFO	 V. D. Bajaj Executive Director 	
Auditors of the Company	For Haribhakti & Co. LLP Chartered Accountants Firm Reg. No. 103423W  Atul Gala Partner Membership No. 048650 	
Audit Committee Chairman	 Lt. Gen (Retd.) Ashok Kapur Chairman, Audit Committee	

**24<sup>th</sup> ANNUAL REPORT**  
**2014 - 2015**



**SHREE RAMA NEWSPRINT LIMITED**

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## BOARD OF DIRECTORS

SHREE KUMAR BANGUR

VIRENDRAA BANGUR

K. L. CHANDAK

LT. GEN. (RETD) ASHOK KAPUR

NARAYAN ATAL

MOHAN M. PHADKE

NAMRATA SHARMA

GANPATRAJ CHOWDHARY (w.e.f. 23.06.2015)

SIDDHARTH CHOWDHARY (w.e.f. 23.06.2015)

KEERTHINARAYANAN A. HEMMIGE (w.e.f. 23.06.2015)

MURLI RANGANATHAN (w.e.f. 23.06.2015)

V. D. BAJAJ

CHAIRMAN

VICE CHAIRMAN

DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

DIRECTOR

DIRECTOR

INDEPENDENT DIRECTOR

INDEPENDENT DIRECTOR

EXECUTIVE DIRECTOR

### Bankers

Bank of India

Oriental Bank of Commerce

Central Bank of India

Axis Bank Ltd.

ICICI Bank Ltd.

### Registered Office & Factory

Village : Barbodhan, Taluka : Olpad,

District : Surat, Gujarat – 395 005.

### Corporate Office :

Shreeniwas House, 4<sup>th</sup> Floor,

Hazarimal Somani Marg, Fort,

Mumbai - 400 001.

Ph.: 022-22013805 / 728

E-mail : ramanewsprint@ramanewsprint.com

website: www.ramanewsprint.com

### Registrar & Transfer Agent

**LINK INTIME INDIA PVT. LTD.**

**Unit : Shree Rama Newsprint Ltd.**

C – 13, Pannalal Silk Mills Compoud,

L.B.S Marg, Bhandup (W),

Mumbai - 400 078.

Ph. : 022-25963838

Fax : 022-25946969

E-mail : rnt.helpdesk@linkintime.co.in

### Auditors

Haribhakti & Co. LLP, Mumbai

### Advocates & Solicitors

Khaitan & Co., Mumbai

### Sr. Vice President (F & A) & Company Secretary

Girish Sharma

# NOTICE

# ANNUAL REPORT 2014 - 2015

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF SHREE RAMA NEWSPRINT LIMITED WILL BE HELD ON WEDNESDAY, 30<sup>TH</sup> SEPTEMBER, 2015 AT 2.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT VILLAGE BARBODHAN, TALUKA OLPAD, DISTRICT SURAT, GUJARAT - 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 2015, 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 M/s. Haribhakti & Co. LLP, 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

#### (3) **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, 2016, amount not exceeding ₹ 30,000/- excluding out of pocket expenses and applicable Service Tax be and is hereby approved.”

#### (4) **Appointment of Mr. Ganpatraj Chowdhary as 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 Section 152 and other applicable provisions if any of the Companies Act, 2013 and other applicable provisions if any and the Rules made thereunder, Mr. Ganpatraj Chowdhary (DIN: 00344816), who was appointed as an Additional Director of the Company by the Board of Directors on 23<sup>rd</sup> June, 2015 pursuant to the provisions of Section 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 u/s 160 of the Companies Act 2013, from a member proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

#### (5) **Appointment of Mr. Siddharth Chowdhary as 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 Section 152 and other applicable provisions if any of the Companies Act, 2013 and other applicable provisions if any and the Rules made thereunder, Mr. Siddharth Chowdhary (DIN: 01798350), who was appointed as an Additional Director of the Company by the Board of Directors on 23<sup>rd</sup> June, 2015 pursuant to the provisions of Section 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 u/s 160 of the Companies Act 2013, from a member proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### (6) **Appointment of Mr. Keerthinarayanan A. Hemmige as 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 Clause 49 of the Listing Agreement, Mr. Keerthinarayanan A. Hemmige (DIN: 07182621), who was appointed as an Additional Director by the Board of Directors on 23<sup>rd</sup> June, 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, 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 22<sup>nd</sup> June, 2020.”

#### (7) **Appointment of Mr. Murli Ranganathan as 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 Clause 49 of the Listing Agreement, Mr. Murli Ranganathan (DIN: 00139748), who was appointed as an Additional Director by the Board of Directors on 23<sup>rd</sup> June, 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, 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 22<sup>nd</sup> June, 2020.”

By Order of the Board  
For Shree Rama Newsprint Limited

Place: Mumbai  
Date: 11.08.2015

V. D. Bajaj  
Executive Director  
DIN: 00034710

# NOTICE



## NOTES:

1. 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.

2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting.
3. The Explanatory Statement Pursuant to section 102(1) of the Companies Act, 2013 in respect of Item nos. 3 to 7 as set out above are annexed hereto. Books of the Company shall remain closed from 22<sup>nd</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive).
4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.

**The instructions for members for voting electronically are as under:-**

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "Shree Rama Newsprint Ltd." from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) <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 RA0000100 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#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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 in the Dividend Bank details field.</b></li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "Shree Rama Newsprint Ltd." on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- 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.

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

- a. Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast vote.
- b. The voting period begins on Saturday 26.09.2015 at 09.00 A.M. and ends on Tuesday 29.09.2015 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 25.09.2015, 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.

# NOTICE



## ANNEXURE TO THE NOTICE

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

#### ITEM No. 3

The Board of Directors of the Company at their meeting held on 11<sup>th</sup> August 2015 has, on recommendation of the Audit Committee appointed M/s. Nanty Shah & Associates as Cost Auditors of the Company for the Financial Year 2015-16 at a remuneration not exceeding ₹ 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. 4

Mr. Ganpatraj Chowdhary (DIN: 00344816) was appointed as an Additional Director of the Company w.e.f. 23<sup>rd</sup> June 2015 by the Board.

Keeping in view his experience and knowledge, the Board considers that the proposed appointment of Mr. Ganpatraj Chowdhary would be of immense benefit to the Company. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Director.

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 in the end.

Except Mr. Ganpatraj Chowdhary and Mr. Siddharth Chowdhary, 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

Mr. Siddharth Chowdhary (01798350) was appointed as an Additional Director of the Company on 23<sup>rd</sup> June 2015 by the Board.

Keeping in view his experience and knowledge, the Board considers that the proposed appointment of Mr. Siddharth Chowdhary would be of immense benefit to the Company. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Director.

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 in the end.

Except Mr. Ganpatraj Chowdhary and Mr. Siddharth Chowdhary, 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. 6

The Board of Directors have appointed Mr. Keerthinarayanan A. Hemmige (DIN: 07182621) as an Additional & Independent Director of the Company on 23<sup>rd</sup> June 2015 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 22<sup>nd</sup> June, 2020. Mr. Keerthinarayanan A. Hemmige is a Commerce graduate and has 20 years of experience in Banking sector.

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

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 in the end.

Except Mr. Keerthinarayanan A. Hemmige, 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. Murli Ranganathan (DIN: 00139748) as an Additional & Independent Director of the Company on 23<sup>rd</sup> June 2015 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 22<sup>nd</sup> June, 2020. Mr. Murli Ranganathan a management professional has worked as MD/CEO for the past 15 years. He has worked for 11 years as Director of Torrent Power Ltd. and as CEO of the T&D business; responsible for Distribution Operations at Ahmedabad, Gandhinagar, Surat, Bhiwandi and Agra.

Keeping in view his experience and knowledge, the Board considers that the proposed appointment of Mr. Murli Ranganathan would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Murli Ranganathan 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 fulfill the conditions specified in the Act and the Rules framed thereunder 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.

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 in the end.

Except Mr. Murli Ranganathan, 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.

**NOTICE****ANNUAL REPORT  
2014 - 2015****DETAILS OF THE DIRECTORS SEEKING APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING  
(In pursuance of Clause 49 of the Listing Agreement and Secretarial Standards issued by Institute of Company Secretaries of India)**

	Item No. 4 of the Notice	Item No. 5 of the Notice	Item No. 6 of the Notice	Item No. 7 of the Notice
<b>Name of Director</b>	<b>Mr. Ganpatraj Chowdhary</b>	<b>Mr. Siddharth Chowdhary</b>	<b>Mr. Keerthinarayanan A. Hemmige</b>	<b>Mr. Murli Ranganathan</b>
Date of Birth/ Age	23.03.1963 52 years	30.08.1984 31 years	18.03.1965 50 years	11.04.1955 60 years
Date of Appointment on Board	23.06.2015	23.06.2015	23.06.2015	23.06.2015
No. of Meetings of the Board attended during the FY 2014-15	N.A.	N.A.	N.A.	N.A.
Qualifications	B. Com	B. Com, MBA in International Accounts & Business Finance	B. Com	Master of Tech., B.E., Management Development Programme
Expertise in specific functional areas	Industrialist And Business Field	Finance Sector	Banking Sector	Management Professional
Terms & Conditions of Appointment	Non Executive Director	Non Executive Director	Independent Director for 5 (five) consecutive years for a term upto 22 <sup>nd</sup> June, 2020.	Independent director for 5 (five) consecutive years for a term upto 22 <sup>nd</sup> June, 2020.
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.
Relationship with other Directors/ Manager and other KMP of the Company	Father of Mr. Siddharth Chowdhary	Son of Mr. Ganpatraj Chowdhary	No relationship	No relationship
Directorship in other Companies	Riddhi Siddhi Gluco Biols Ltd., The All India Starch Manufacturers' Association Pvt. Ltd., Creelotex Engineers Pvt. Ltd., Vicas Vehicles Pvt. Ltd., Vascroft Design Pvt. Ltd., Revival Infrastructure and Recreation Pvt. Ltd., Safari Infrastructure Pvt. Ltd., Adi Finechem Ltd. & Jain International Trade Organisation.	Safari Biotech Ltd., Telecon Infotech Pvt. Ltd., Riddhi Siddhi Gluco Biols Ltd.	NIL	NIL
Membership of Committees of Board of other Companies	NIL	NIL	NIL	NIL
Shareholding in the Company	NIL	NIL	NIL	NIL

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

Place: Mumbai  
Date: 11.08.2015

V. D. Bajaj  
Executive Director  
DIN: 00034710

# BOARD'S REPORT



To

The Members of

## SHREE RAMA NEWSPRINT LIMITED

Your Directors are pleased to present the 24<sup>th</sup> Annual Report and the Audited Accounts for the Financial Year ended 31<sup>st</sup> March 2015.

### FINANCIAL RESULTS

(₹ in lacs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Revenue from operations	37675.44	40844.76
Profit before Interest, Depreciation and Tax	(3589.17)	1750.80
Finance Cost	(4585.27)	4868.19
Profit before Depreciation and Tax	(8174.44)	(3117.39)
Depreciation	1237.86	(3477.03)
Profit/(Loss) before Tax and Exceptional items	(9412.30)	(6594.42)
Exceptional Items	-	5245.56
Deferred Tax / (Credit)	-	202.06
Extraordinary Items	5159.50	5245.56
Net Profit / (Loss) from ordinary activities	(4252.80)	(1550.92)

### Performance:

During the year under review, the Company produced only Newsprint variety on its machines. The Indian Newsprint Manufacturing Industry which has an installed capacity of about 2.5 million MTS per annum, could operate at 50% of the capacity with a production of 1.24 million MTS, whereas the imports were of the order of about 1.4 million MTS. In this background, the capacity utilization of the Company stood at 84% during the year 2014-15 as against 94% during the year 2013-14. The average selling price of Newsprint continued to decline during the year due to cheaper imports mainly from Russia, Korea, Europe, USA & Canada. The decline in selling price was so steep that it eroded the profit margins and even EBIDTA went into negative territory.

The Company is focusing on improving the operating efficiencies of the plant and reduce both the fixed and variable cost in order to arrest the erosion in profitability and is hopeful of improving its performance during 2015-16.

### DIVIDEND:

Due to the Loss incurred by Company during the year under review, the directors are not able to recommend dividend for the year 2014-15.

### TRANSFER TO RESERVES:

In view of losses, the Company has not proposed to transfer any amount to any reserves of the Company.

### FIXED DEPOSIT:

Company has not accepted or renewed any deposit during the year.

### 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 is attached as Annexure V. All the transaction are done at arms length and pertain to F.Y. 2014-15 period only and as approved in the Board and Audit Committee Meetings held during the F.Y. 2014-15.

### NUMBER OF MEETINGS OF THE BOARD

During the year, four Board Meetings were convened and held on 13<sup>th</sup> May, 2014, 9<sup>th</sup> August, 2014, 28<sup>th</sup> October, 2014 and 2<sup>nd</sup> February, 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors appointed Mr. Ganpatraj Chowdhary and Mr. Siddharth Chowdhary as an Additional Director w.e.f. 23.06.2015 who will hold their positions till the date of the ensuing Annual General Meeting.

The Board of Directors also appointed Mr. Keerthinarayanan A. Hemmige and Mr. Murli Ranganathan as Additional Independent Director w.e.f. 23.06.2015 who will hold their positions till the date of the ensuing Annual General Meeting.

The Company has received notices u/s 160 of the Companies Act, 2013, proposing the candidature of Mr. Ganpatraj Chowdhary and Mr. Siddharth Chowdhary for appointment of directors at the ensuing Annual General Meeting.

The Board of Directors of the Company also took note of the resignation of Mr. Girish Sharma Sr. Vice President (F&A) and Company Secretary w.e.f 25.06.2015

### DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134(3)(c) OF THE COMPANIES ACT, 2013:

The Directors hereby confirm that:-

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the

company for that period;

3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the directors had prepared the annual accounts on a going concern basis;
5. the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
6. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems 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:**

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 CONTROL SYSTEMS:**

The Company has an adequate system of internal 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 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)

**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 risk and that there is no element of risk identified that may threaten the existence of the Company.

**LISTING OF SHARES**

Equity Shares of Company continue to be listed on Bombay Stock Exchange Ltd. (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 (Accounts) Rules, 2014 are furnished as Annexure – II 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 CEO/CFO was placed before the Board of Directors at its meeting held on 27.05.2015.

**PARTICULARS OF EMPLOYEES**

The information required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as per Annexure - III

# BOARD'S REPORT



INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 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 31/03/2015:

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	79,37,826	Masters in Commerce – Gold Medalist	Contractual	65 years	11.09.2013 43 years	Biltube Industries Limited	NIL	No

## 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. Ajay Kumar & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2015. Secretarial Audit Report issued by M/s. Ajay Kumar & Co., Company Secretaries, in form MR-3 forms part of this report and marked as "Annexure-IV"

## CASH FLOW STATEMENT

As required under clause 32 of the listing agreement with the Stock Exchanges, the Cash Flow Statement is attached to the Balance Sheet.

## 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 (CSR)

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

## 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 Central 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 contributed in taking the Company on the path of prosperity. Your Directors further thank the fraternity of Members/Shareholders for their continued confidence reposed in the management of the Company.

For and on behalf of the Board

S. K. Bangur  
Chairman

Place: Mumbai  
Date: 11.08.2015

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

## I. REGISTRATION &amp; OTHER DETAILS:

CIN	L21010GJ1991PLC019432
Registration Date	10 <sup>th</sup> July, 1991
Name of the Company	Shree Rama Newsprint Limited
Category/Sub-category of the Company	Public Company Limited by shares
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>
Whether listed company	Listed
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 Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	N. A.		

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## A. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% change in share holding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1711535	0	1711535	2.94	1711535	0	1711535	2.94	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	26872577	0	26872577	46.21	26616142	0	26616142	45.77	-0.44
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)(1)</b>	<b>28584112</b>	<b>0</b>	<b>28584112</b>	<b>49.15</b>	<b>28327677</b>	<b>0</b>	<b>28327677</b>	<b>48.71</b>	<b>-0.44</b>
<b>FOREIGN:</b>									
Individual (Non resident Individuals/ Foreign Individuals)	246839	0	246839	0.42	246839	0	246839	0.42	0

# ANNEXURE TO BOARD'S REPORT



Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% change in share holding during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Body corporate	564850	0	564850	0.97	564850	0	564850	0.97	0
Institutions	0	0	0	0.00	0	0	0	0.00	0
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0
<b>SUB TOTAL (A)(2)</b>	<b>811689</b>	<b>0</b>	<b>811689</b>	<b>1.40</b>	<b>811689</b>	<b>0</b>	<b>811689</b>	<b>1.40</b>	<b>0</b>
<b>TOTAL SHAREHOLDING OF PROMOTER &amp; PROMOTER GROUP (A)=(A)(1)+(A)(2)</b>	<b>29395801</b>	<b>0</b>	<b>29395801</b>	<b>50.54</b>	<b>29139366</b>	<b>0</b>	<b>29139366</b>	<b>50.10</b>	<b>-0.44</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	13600	44725	58325	0.10	13600	44725	58325	0.10	0
b) Banks / FI	5775	16025	21800	0.04	5775	16025	21800	0.04	0
c) Central Govt	0	0	0	0	75	0	75	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	60725	60725	0.10	0	60725	60725	0.10	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) (Foreign Mutual Funds)	0	12300	12300	0.02	0	12300	12300	0.02	0
<b>Sub-total (B)(1):-</b>	<b>19375</b>	<b>133775</b>	<b>153150</b>	<b>0.26</b>	<b>19450</b>	<b>133775</b>	<b>153225</b>	<b>0.26</b>	<b>0</b>
2. Non-Institutions									
a) Bodies Corp.	3264563	70350	3334913	5.73	3321691	70325	3392016	5.83	0.1
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	16126533	2456520	18583053	31.95	17241258	2414245	19655503	33.8	1.85
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5065276	0	5065276	8.71	4020204	0	4020204	6.91	-1.8
c) Others (specify)									
NRI	1125709	74300	1200009	2.06	1131270	74000	1205270	2.07	0.01
Overseas Corporate Bodies	0	650	650	0	0	650	650	0	0
Trusts	325	0	325	0	325	0	325	0	0
Partnership	0	200	200	0	0	200	200	0	0
Hindu Undivided Family	0	550	550	0	0	550	550	0	0
Clearing Members	424105	0	424105	0.73	590723	0	590723	1.02	0.29
<b>Sub-total (B)(2):-</b>	<b>26006511</b>	<b>2602570</b>	<b>28609081</b>	<b>49.19</b>	<b>26305471</b>	<b>2559970</b>	<b>28865441</b>	<b>49.63</b>	<b>0.44</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>26025886</b>	<b>2736345</b>	<b>28762231</b>	<b>49.46</b>	<b>26324921</b>	<b>2693745</b>	<b>29018666</b>	<b>49.9</b>	<b>0.44</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>55421687</b>	<b>2736345</b>	<b>58158032</b>	<b>100.00</b>	<b>55464287</b>	<b>2693745</b>	<b>58158032</b>	<b>100.00</b>	<b>0.01</b>

## B. Shareholding of Promoter:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	West Coast Paper Mills Ltd.	21124791	36.32	-	21124791	36.32	-	0.00
2	Orbit Udyog Pvt Ltd.	581326	1.00	-	581326	1.00	-	0.00
3	Shree Satyanarayan Investments Co. Ltd.	1492645	2.57	-	1492645	2.57	-	0.00
4	The Diamond Company Ltd.	540348	0.93	-	540348	0.93	-	0.00
5	Gold Mohre Investment Company Ltd.	306435	0.53	-	50000	0.09	-	-0.44
6	Soumya Trade & Fiscal Services Pvt. Ltd	715015	1.23	-	715015	1.23	-	0.00
7	The Indra Company Ltd	528769	0.91	-	528769	0.91	-	0.00
8	Veer Enterprises Ltd	1583248	2.72	-	1583248	2.72	-	0.00
9	Indo Gulf Enterprises Ltd.	564850	0.97	-	564850	0.97	-	0.00
10	Rangnath Shree Kumar	60725	0.10	-	60725	0.10	-	0.00
11	Shree Kumar Bangur	1327885	2.28	-	1327885	2.28	-	0.00
12	Shashi Devi Bangur	25015	0.04	-	25015	0.04	-	0.00
13	Virendraa Bangur	245352	0.42	-	245352	0.42	-	0.00
14	Saurabh Bangur	52558	0.09	-	52558	0.09	-	0.00
15	Ramesh Kumar Rochiram Narang	246839	0.42	-	246839	0.42	-	0.00
	<b>TOTAL</b>	<b>29395801</b>	<b>50.54</b>	<b>-</b>	<b>29139366</b>	<b>50.10</b>	<b>-</b>	<b>-0.44</b>

## C. 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
Opening Bal.	293,95,801	50.54				293,95,801	50.54
Gold Mohore Investment Co. Ltd	3,06,435	0.53	12-03-2015	1,00,000	Open Market Sale	292,95,801	50.37
	2,06,435	0.35	17-03-2015	1,00,000	Open Market Sale	291,95,801	50.20
	1,06,435	0.18	18-03-2015	56435	Open Market Sale	291,39,366	50.10
	50,000	0.09			Closing Bal.	291,39,366	50.10

## D. 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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mitesh N Mehta	12,88,000	2.21	-	-
2	Hassanmiya Suleman Darvesh	7,50,000	1.29	7,50,000	1.29
3	Shaunak Jagdish Shah	3,29,525	0.57	3,29,525	0.57
4	Payal Nivesh And Viniyog Private Limited	3,19,500	0.55	3,19,500	0.55
5	Jagdish Amritlal Shah	3,12,500	0.54	3,12,500	0.54
6	Prasam Trading And Finance Pvt Ltd	2,67,515	0.46	-	-



SN	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	Kapil Sanghai	1,75,000	0.30	1,75,000	0.30
8	Kapil Sanghai	6,600	0.01	-	-
9	Shweta Vanijya Private Limited	1,76,644	0.30	1,76,644	0.30
10	Girija Singhania	1,62,270	0.28	1,22,270	0.21
11	Ritesh Kumar Dutta	1,56,809	0.27	1,80,899	0.31
12	Jaikarni Holdings Private Limited	2,25,152	0.38	3,42,833	0.59
13	Mahendra Vasantrai Doshi	2,56,555	0.44	2,56,555	0.44
14	Maverick Share Brokers Limited	1,24,558	0.21	1,62,743	0.28
15	Shivank Kedia	1,46,314	0.25	1,46,314	0.25
16	Reshmi Petroleum Limited	1,20,899	0.21	1,26,999	0.22
17	SSJ Finance & Securities Pvt Limited	1,17,361	0.20	1,14,361	0.20
18	Susmita Dutta	1,08,899	0.19	1,08,899	0.19

**E. Shareholding of Directors and Key Managerial Personnel:**

SN	Name of the Director / Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	S. K. Bangur (Chairman)	1327885	2.28	1327885	2.28
2	Virendraa Bangur (Vice-Chairman)	245352	0.42	245352	0.42
3	K. L. Chandak (Non-Executive Director)	6250	0.01	6250	0.01
4	Girish Sharma (Company Secretary)	200	0.00	100	0.00

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	24230.95	6168.90	124.73	30524.58
ii) Interest due but not paid	213.54	-	-	213.54
iii) Interest accrued but not due	10.18	-	-	10.18
<b>Total (i+ii+iii)</b>	<b>24454.67</b>	<b>6168.90</b>	<b>124.73</b>	<b>30748.30</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	42.79	42.79
* Reduction	259.11	3129.99	-	3389.10
<b>Net Change</b>	<b>259.11</b>	<b>3129.99</b>	<b>42.79</b>	<b>3431.89</b>
<b>Indebtedness at the end 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>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(₹)

SN.	Particulars of Remuneration	VAISHNAV DAS BAJAJ	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5744645	5744645
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	809623	809623
	(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)	6554268	6554268
	Ceiling as per the Act	4800000	4800000

## B. 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	Mr. S.K. Bangur	Mr. Virendraa Bangur	Mr. K. L. Chandak	
<b>Independent Directors</b>								
Fee for attending board committee meetings	40,000	40,000	36,000	16,000	-	-	-	1,32,000
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>40,000</b>	<b>40,000</b>	<b>36,000</b>	<b>16,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,32,000</b>
<b>Other Non-Executive Directors</b>								
Fee for attending board committee meetings	-	-	-	-	4,000	4,000	8,000	16,000
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,000</b>	<b>4,000</b>	<b>8,000</b>	<b>16,000</b>
<b>Total (B)=(1+2)</b>	<b>40,000</b>	<b>40,000</b>	<b>36,000</b>	<b>16,000</b>	<b>4,000</b>	<b>4,000</b>	<b>8,000</b>	<b>1,48,000</b>
<b>Total Managerial Remuneration (A+B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,48,000</b>

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹)

SN	Particulars of Remuneration			
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,92,782	-	13,92,782
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,97,527	-	1,97,527
	(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>15,90,309</b>	<b>-</b>	<b>15,90,309</b>

## ANNEXURE TO BOARD'S REPORT



### 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)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

S. K. Bangur  
Chairman

Place: Mumbai  
Date: 11.08.2015

## ANNEXURE – II

**INFORMATION AS PER SECTION 134(3)(m) READ WITH COMPANIES (ACCOUNTS), RULES, 1988 AND FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2015**

**1. Energy Conservation Measures Taken in FY 2014-15**

- i) Energy saving by arresting steam leakages at various points in plant.
- ii) PM1 Vacuum blower pick up save all connection changed from Delta to Star.
- iii) Energy saving by switching off lights in DIP electrical sub station.
- iv) Energy saving by reducing TG frequency from 50 Hz to 49.20 Hz.
- v) Compressed air consumption reduced by installing amplifier at FDP-2 ENSO Washer.
- vi) Energy saving by switching off lights during day time in finishing house area.
- vii) PM2 Vacuum. pump No.852-79-04 power saving by replacing worn-out V-pulleys.
- viii) PM2 Vacuum pump No.852-79-10 power saving by replacing worn-out V-pulleys.
- ix) PM2 Vacuum pump No.852-79-07 power saving by replacing worn-out V-pulleys.
- x) PM2 Couch pit agitator No.3 worn out V-Pulleys replaced.
- xi) PM2 Couch pit agitator No.2 worn out V-Pulleys replaced.

**2. Water Conservation Measures Taken in FY 2014-15**

- i) At wet end of PM1 and PM2 , 1" fresh water line manual valve position changed for better control.
- ii) In FDP-1 additional duplex water filters installed in recycled water line to save fresh water consumption.
- iii) In FDP-2 recycled water line modified with instrument valve.
- iv) Better process control resulted in reduction in purging.

**3. Impacts of Measures (1 & 2 )**

Reduction in power consumption and fresh water consumption for manufacturing Newsprint has been achieved during financial year as given below:

Reduction in power consumption (KWH/Day)	25828
Reduction in fresh water consumption (M <sup>3</sup> /Day)	1200

**B. TECHNOLOGY ABSORPTION****1. Efforts in brief made towards technology absorption, adoption and innovation:**

Started replacing Magnetic Chokes in FTL with Electronic Chokes.

**2. Benefits derived as a result of above efforts:**

Electronic choke consumes less power as compared to Magnetic chokes. Hence, it saves energy.

**3. Details of Project Development work in field of Energy which are in progress:**

- i) Replacement of Existing Disc Filter Shower Pump with energy efficient one.
- ii) Star connection of motors which have loading less than 40%.
- iii) Replacement of dryer hood exhaust metallic fans with FRP fans.
- iv) Energy saving at PM2 by reducing speeds of dry end pulper and trim pulper.
- v) Energy saving by replacing higher rating of FDP-2 Gold MC Pump.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

(₹/ Lacs)

	<b>Current year ended 31.03.2015</b>	Previous year ended 31.03.2014
Foreign Exchange Earning	<b>677.20</b>	32.08
Foreign Exchange Used	<b>9628.62</b>	7632.04

# ANNEXURE TO BOARD'S REPORT



## FORM - A

Form of Disclosure of particulars with respect to Conservation of Energy

### A) Power and Fuel Consumption

Sr. No.	Particular	For the Year ended 31.03.2015	For the Year ended 31.03.2014
1	<b>Electricity</b>		
	<b>a) Purchased</b>		
	Units (Kwh in thousand)	3,340.00	6,470.00
	Total Amounts (₹ Lacs )	591.33	739.78
	Rate/Unit (₹)	17.70	11.43
	<b>b) Own Generation</b>		
	I. Through Diesel Generator		
	Units (Kwh in thousand)	-	3.00
	Unit per Litre of Diesel/Oil	-	3.14
	Rate/Unit (₹)		
	II. Through Steam Turbine/ Generator		
	Units (Kwh in thousand)	1,12,688.00	1,29,614.00
	Rate/Unit (₹)	4.74	4.31
2	<b>Coal</b>		
	Quantity (MT)	1,45,706.00	1,69,502.00
	Total Cost (₹ in lacs)	6,560.70	7,214.93
	Average rate (₹ per MT)	4,502.69	4,257.00
3	<b>Lignite</b>		
	Quantity (MT)	-	674.31
	Total Amount (₹ Lacs)	-	16.38
	Avg. Rate (₹/MT)	-	2,429.00
4	<b>Furnace Oil</b>		
	Quantity (K.Ltr)	Nil	Nil
	Total Amount (₹ in lacs)	Nil	Nil
	Average rate (₹/ K. Ltr)	Nil	Nil

### B) Consumption per MT of Production

Particular	For the Year ended 31.03.2015	For the Year ended 31.03.2014
Electricity (kwh)	1130	1,095
Furnace Oil (litr)	Nil	Nil
Coal (kgs)	1420	1,393
Lignite (kgs)	Nil	5

## FORM- B

Form for disclosure of particulars with respect to technology absorption.

### RESERCH AND DEVELOPMENT (R & D)

- Based on Lab/ and plant trials innovative single component Retention and drainage aid programme was established in Paper machines effectively with cost reduction.
- Plant trials of new Krofta chemicals taken in Deinking plants and established. Results with respect to Krofta water clarification have been consistent and beneficial to the process It was further extended to Paper machine.
- Plant trials of new concept stickies and biocide chemical was taken but results were not effective techno-commercially, hence discontinued.
- Plant trial of Fluff control chemical was taken in Paper machine but result was not found encouraging, hence discontinued.
- New OBA samples were evaluated in the lab and alternative chemical was selected.

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULES 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	43:1		
(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	0%	₹ 79.38 Lacs in 2014-15 against ₹ 35.18 Lacs in 2013-14 (Part of the year, i.e. from 11.09.2013)	
		<b>Mr. Girish Sharma</b> Sr. VP (F&A) & Company Secretary)	0%	₹ 15.90 Lacs in 2014-15 against ₹ 16.62 Lacs in 2013-14	
(iii)	The percentage increase in the median remuneration of employees in the financial year;		0%		
(iv)	The number of permanent employees on the rolls of company;		452		
(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 2014-15/ 2013-14 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;	(₹/Crores)			
		<b>Market capitalization</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>Variation</b>
			34.31	39.55	-5.24
		<b>Price earnings ratio</b>	<b>31.03.2015</b>	<b>31.03.2014</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 ₹10 per share as on 31.03.2015 whereas the market quotation was ₹ 5.90 as on 31.03.2015 i.e., (-) 0.59%			
(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 are 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 2014-15/ 2013-14 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; and	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.			

For and on behalf of the Board

S. K. Bangur  
ChairmanPlace: Mumbai  
Date: 11.08.2015



## Annexure IV

**Form No. MR- 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[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 Barbodhan, Taluka: Olpad  
Surat, Gujarat

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 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:

I 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, 2015 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, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(not applicable during the audit period)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (not applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(not applicable during the audit period)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(not applicable during the audit period)

vi) **OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY**

No other law is specifically applicable to the Company. The Company has also confirmed the same.

vii) **OTHER LAWS APPLICABLE TO THE COMPANY**

The adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environmental laws etc. to the extent of their applicability to the Company.

I am not offering any comments on compliance of Secretarial Standards issued by The Institute of Company Secretaries of India as the same were not notified during the financial year ended on 31<sup>st</sup> March, 2015.

I have examined compliance with the listing agreement entered into by the Company with stock exchange.

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

I 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.

I 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.

I further report that during the audit period there is no specific event / actions in the Company having a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

sd/-  
**(Ajay Kumar)**  
**Ajay Kumar & Co.**  
FCS No. 3399  
C.P. No. 2944

Date: 27.05.2015  
Place: Mumbai

## 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:
a-1) [Associate]- The West Coast Paper Mills Ltd.	(a) ICD taken @ 13.25%	(a) Need Based	(a) ₹1,24,50,388.57	(a) 02.02.2015	NIL
a-2) [Promoter Group]- Veer Enterprises Ltd.	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 50,00,000	(a) 09.08.2014	
	(b) ICD taken @ 18%	(b) Need Based	(b) ₹ 25,00,000	(b) 02.02.2015	
	(c) Repayment of ICD	(c) Need Based	(c) ₹ 25,00,000	(c) 21.05.2015	
a-3) [Promoter Group]- Orbit Udyog (P) Ltd	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 25,00,000	(a) 09.08.2014	
	(b) ICD taken @ 18%	(b) Need Based	(b) ₹ 25,00,000	(b) 02.02.2015	
	(c) Repayment of ICD	(c) Need Based	(c) ₹ 25,00,000	(c) 21.05.2015	
a-4) [Promoter Group]- Shree Satyanarayan Investment Co. Ltd	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 50,00,000	(a) 09.08.2014	
	(b) ICD taken @ 18%	(b) Need Based	(b) ₹ 50,00,000	(b) 09.08.2014	
a-5) [Promoter Group]- The Diamond Co. Ltd.	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 50,00,000	(a) 09.08.2014	
	(b) ICD taken @ 18%	(b) Need Based	(b) ₹ 50,00,000	(b) 09.08.2014	
	(c) ICD taken @ 18%	(c) Need Based	(c) ₹ 25,00,000	(c) 02.02.2015	
	(d) Repayment of ICD	(d) Need Based	(d) ₹ 25,00,000	(d) 21.05.2015	
a-6) [Promoter Group]- Saumya Trade & Fiscal Services Pvt. Ltd .	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 25,00,000	(a) 09.08.2014	
a-7) [Promoter Group]- Gold Mohore Investment Co. Ltd	(a) ICD taken @ 18%	(a) Need Based	(a) ₹ 25,00,000	(a) 02.02.2015	
	(b) Repayment of ICD	(b) Need Based	(b) ₹ 25,00,000	(b) 21.05.2015	
a-8) (Promoters are Trustees) Shree Madhusudan Trust	(a) Leave and Licence Agreement for Corporate Office at Mumbai	(a) 01.09.2014-31.08.2017	(a) ₹ 50,000/- p.m. plus maintenance charges.	(a) 02.02.2015	

For and on behalf of the Board

Place: Mumbai  
Date: 11.08.2015S. K. Bangur  
Chairman



## CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

(The Corporate Governance Report is for the Year under review i.e. from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015)

### 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

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

Sr. No.	Name of Director	Position	No. of Board Meetings attended	Attendance at last AGM	No. of other Public Co. Directorships**	No. of Committee Membership in other Public Company*	
						Chairman	Member
1.	Mr. Shree Kumar Bangur #	Non-Executive Director-Promoter, Chairman	1	No	9	-	-
2.	Mr. Virendraa Bangur #	Non-Executive Director-Promoter, Vice-Chairman	1	No	6	-	-
3.	Mr. K.L. Chandak	Non-Executive Director	2	No	2	-	2
4.	Mr. V. D. Bajaj	Executive Director	4	Yes	-	-	-
5.	Lt. Gen. (Retd.) Ashok Kapur	Non-Executive Independent Director	4	Yes	-	-	-
6.	Mr. Narayan Atal	Non-Executive Independent Director	4	No	5	2	2
7.	Mr. Mohan M. Phadke	Non-Executive Independent Director	4	Yes	-	-	-
8.	Smt. Namrata Sharma (w.e.f. 09.08.2014)	Non-Executive Independent Director	3	No	-	-	-

\*This relates to Committee referred to in clause 49 of the Listing Agreement, viz. Audit Committee and Investor Grievance Committee.

\*\*Excluding Private, Foreign and companies registered under Section 8 of the Companies Act, 2013.

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

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 Listing Agreement. As on 31<sup>st</sup> March, 2015, Board of Directors of the Company consists of eight (8) Directors comprising one (1) Executive Director and seven (7) Non-Executive Directors including four (4) Independent Directors.

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 2014 to 31<sup>st</sup> March 2015. The intervening period between the Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year ended 31<sup>st</sup> March 2015 the Company had four Board Meetings. These were on 13<sup>th</sup> May 2014, 9<sup>th</sup> August 2014, 28<sup>th</sup> October 2014 and on 2<sup>nd</sup> February 2015.

**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. During the year under review the Company made payment of sitting fees of ₹ 4000/- per meeting to Non-Executive Directors for attending meetings of Board, Audit Committee and Remuneration Committee. The Company does not pay any other remuneration or commission to the Non-Executive Directors of the Company. Further, it is not a policy of the Company to give loans and advances to its Directors.

The Company did not have any material pecuniary relationship or transactions with the Non-Executive Directors during the year under review.

Sometimes, the Company does enter into contracts with Companies in which some of the Directors of the Company are interested as Director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weightage to them. 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.

**CEO/CFO Certification:-** As required under clause 49(X) of the listing agreement with stock exchanges, the Executive Director/Chief Financial Officer (CFO) has certified to the Board the financial statements for the year ended 31<sup>st</sup> March 2015.

**4) Audit Committee**

Terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Agreements 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 2015**

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

Name of the Member	Status
Lt. Gen. (Retd.) Ashok Kapur	Non-Executive Independent Director (Chairman)
Shri Narayan Atal	Non-Executive Independent Director
Shri V. D. Bajaj	Executive Director
Shri Mohan M. Phadke	Non-Executive Independent Director

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

(i) 13<sup>th</sup> May 2014, (ii) 9<sup>th</sup> August 2014 (iii) 28<sup>th</sup> October 2014, (iv) 2<sup>nd</sup> February 2015.

Attendances of Members at Audit Committee Meetings were as under:

Name of the Member	No. of Meetings attended
Lt. Gen. (Retd.) Ashok Kapur	4
Shri Narayan Atal	4
Shri V. D. Bajaj	4
Shri Mohan M. Phadke	4

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 Chairman of the Audit Committee Lt. Gen. (Retd.) Ashok Kapur along with Shri Mohan Phadke & Shri V. D. Bajaj, attended the previous Annual General Meeting. Lt. Gen (Retd.) Ashok Kapur & Shri V. D. Bajaj answered the queries raised by the shareholders.

**5) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted on 16<sup>th</sup> January 2004 to decide the remuneration of Executive Director. The Nomination and Remuneration Committee was last reconstituted on 9<sup>th</sup> August 2014. The composition of the Remuneration Committee during the year under review was as follows:-

Name of Member	Status
Lt. Gen. (Retd.) Ashok Kapur	Non-Executive Independent Director (Chairman)
Shri Narayan Atal	Non-Executive Independent Director
Shri K. L. Chandak	Non-Executive Director

During the year under review, 1 (one) meeting of the Nomination and Remuneration Committee was held on 9<sup>th</sup> August, 2014

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



The Nomination and Remuneration Committee in compliance with Clause 49(IV)(B) laid down before the board the Remuneration Policy relating to the remuneration of the directors, key managerial personnel and other employees.

## 6) Details of remuneration for the year ended 31<sup>st</sup> March 2015

### (i) To Executive Director

Name	Salary & Allowance	Commission	Perquisites	Retirement Benefits
Mr. V. D. Bajaj Executive Director	51,00,600	NIL	22,29,546	NIL

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 2015, the Company paid remuneration to Non-executive directors by way of sitting fees of ₹ 4000/- per meeting for attending meetings of Board, Audit Committee and Nomination and Remuneration Committee. 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
Mr. S. K. Bangur	13,27,885
Mr. Virendraa Bangur	2,45,352
Mr. 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. K. L. Chandak	Non-Executive Director (Chairman)
Mr. Narayan Atal	Non-Executive Independent Director
Mr. V. D. Bajaj	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.

### Name and designation of Compliance Officer:

Mr. Girish Sharma-Company Secretary

During the year ended 31<sup>st</sup> March 2015, there were six Stakeholders Relationship Committee Meetings held on:-

(i) 30<sup>th</sup> April 2014 (ii) 13<sup>th</sup> May 2014 (iii) 30<sup>th</sup> July 2014 (iv) 9<sup>th</sup> August 2014 (v) 28<sup>th</sup> October 2014 (vi) 2<sup>nd</sup> February 2015

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

Name of Member	No. of Meetings attended
Mr. K. L. Chandak	6
Mr. Narayan Atal	6
Mr. V. D. Bajaj	6

## 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
21 <sup>st</sup> AGM – 2012	September 22, 2012	Saturday	2.30 P.M.
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.

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

21<sup>st</sup> AGM - To reclassify the Authorized Share Capital of the Company by issuing upto 30,00,000/- (Thirty lac only) Cumulative Redeemable Non Convertible Preference Shares of ₹ 100/- each aggregating to ₹ 30,00,00,000/- (Rupees Thirty crore only) on a private placement basis to any persons or entities including the persons or entities in the Promoter Group (known as S. K. Bangur group).

EGM - To approve the change of name of the Company from "Rama Newsprint & Papers Limited" to "Shree Rama Newsprint Limited"

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)

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

## 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 Clause 49 V

The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Clause 49 V of the Listing Agreement.

## 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

- (i) Quarterly results are published in English and vernacular newspapers as prescribed under Listing Agreement. The annual report is also posted to every shareholder of the Company.
- (ii) The Company's website: [www.ramanewsprint.com](http://www.ramanewsprint.com) is regularly updated with financial results and any Official news releases are given directly to the press.

## 11) General Shareholder Information

- (i) Annual General Meeting

Date & Time: Please refer to Notice of the Annual General Meeting being sent alongwith the Annual Report.

Venue: Registered Office at Village Barbodhan, Taluka Olpad, Dist. Surat, Gujarat-395005.

- (ii) The Company has furnished information as required by Clause 49 (viii) of the Listing Agreement of the Stock Exchanges, relating to the appointment and re-appointment of Directors.
- (iii) Financial Year: 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015

## 12) Dates of Book Closure

22<sup>nd</sup> September, 2015 to 30<sup>th</sup> September, 2015

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

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

Stock Market price data for the year ended 31<sup>st</sup> March 2015

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April, 2014	8.34	6.76	8.45	6.80	22,939	22,198
May, 2014	10.80	6.98	10.70	6.90	25,376	22,277
June, 2014	10.18	8.43	10.25	8.45	25,725	24,270
July, 2014	8.85	7.07	8.75	7.00	26,300	24,892
August, 2014	7.98	6.71	7.90	6.75	26,674	25,233
September, 2014	10.83	6.56	10.80	6.55	27,355	26,220
October, 2014	8.33	7.12	8.30	7.20	27,894	25,911
November, 2014	9.97	7.40	10.00	7.35	28,822	27,740
December, 2014	8.45	6.90	8.40	6.65	28,808	26,469
January, 2015	7.75	6.95	7.90	6.90	29,844	26,776
February, 2015	7.49	6.21	7.65	6.25	29,560	28,044
March, 2015	7.73	5.25	7.55	5.40	30,024	27,248



SRNL Share Price Performance

## 14) Stock Codes & ISIN No.

Bombay Stock Exchange 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 75 complaints from Shareholders and same were attended and no complaints were outstanding as on 31.03.2015.

## 17) Distribution of Shareholding as on 31<sup>st</sup> March 2015

No. of Shares	No. of Shareholders	No. of Shares
Upto 500	89729	6457033
501 – 1000	2403	1982701
1001 – 2000	1400	2132073
2001 – 3000	542	1384839
3001 – 4000	232	841646
4001 – 5000	299	1417904
5001 – 10000	390	2950962
10001 and above	364	40990874
Total	95359	58158032

## 18) Pattern of Shareholding as on 31<sup>st</sup> March 2015

1. Category	No. of shares held	Percentage of shareholding
1. Promoters	29139366	50.10
2. Mutual Funds & UTI	58325	0.10
3. Banks, Financial Institutions	21800	0.04
4. Foreign Institutional Investors	60725	0.10
5. Foreign Mutual Funds	12300	0.02
1. Others		
a) Private Corporate Bodies	3392016	5.83
b) Indian Public	23675782	40.71
c) NRIs / OCBs	1205920	2.07
d) Others	591798	1.03
Grand Total	58158032	100.00

## 19) Dematerialization of Shares

As on 31<sup>st</sup> March 2015, 55464287 shares of the Company representing 95.37% of total paid-up share capital were held in dematerialized form and the balance 2693745 shares representing 4.63% 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:-

### SHREE RAMA NEWSPRINT LTD.

Shreeniwas House, 4<sup>th</sup> Floor,  
Hazarimal Somani Marg,  
Fort, Mumbai - 400 001.  
Tel. No: 022-22013805 / 728 / 612/ 7072  
Email: [grievances@ramanewsprint.com](mailto:grievances@ramanewsprint.com)  
Contact Person: Company Secretary/  
Compliance Officer

### 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)

## 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.

**Certification from CEO and CFO of the Company**

To  
The Board of Directors  
Shree Rama Newsprint Limited  
Surat, Gujarat.

I have reviewed the financial results and the cash flow statement of Shree Rama Newsprint Limited for the financial year ended 31<sup>st</sup> March, 2015 and certify that:

- (a) These results and 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

Mumbai  
23<sup>rd</sup> June, 2015

**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

Dated: 23<sup>rd</sup> June 2015

**AUDITOR'S CERTIFICATE  
ON CORPORATE GOVERNANCE**



**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To The Members of**

**Shree Rama Newsprint Limited**

We have examined the compliance of conditions of Corporate Governance by Shree Rama Newsprint Limited ('the Company'), for the year ended on March 31, 2015, as stipulated in clause 49 of the Equity Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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 the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 and on behalf of  
**Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No 103523W

Atul Gala  
Partner  
Membership No.: 048650

Place: Mumbai  
Date: August 11, 2015

**Management's Discussion & Analysis****Paper Industry**

India is the fastest growing market for paper globally and it presents an exciting scenario; the installed capacity of the industry currently stands at 12.75 million MT p.a. of which writing & printing paper accounts for 4.10 million MT, packaging grades for about 5.9 million MT and newsprint is about 2.5 million MT. The long-term growth drivers i.e. GDP growth rate, purchasing power, increasing population, spread of education and literacy, government initiatives etc which remain intact, will ensure that the Indian paper industry will continue to grow tremendously. In line with the new government and renewed optimism alongwith the 'Make in India' initiative and effort, we believe it will bring a boost to the industrial development and overall growth of the economy. The continued thrust on universal education through 'Sarva Shiksha Abhiyan' and 'Right to Education', the paper consumption in India is likely to cross 20 million MT by 2025. However, growth in Indian Paper Industry during 2014-15 was moderate and is likely to be the same in 2015-16.

**Newsprint Industry**

The average per capita consumption of Newsprint in India is about 1.8kgs as against the average of 3.5 kgs of Asian countries and a Global average of 9kgs. The newsprint consumption is about 2.64 million MT of which imports are of 1.39 million MT and production of 1.24 million MT. The global newsprint estimates the production of about 37 million MT with consumption of 32 million MT and a surplus of about 5 million MT which is being dumped in countries like India at cheaper rates & thus harming the domestic industry. The domestic industry is compelled to sell its product with landed cost of 'cheaper imports' as benchmark & as a result suffer huge losses. The newsprint industry is likely to grow at 6% p.a. in the next five years and the industry demand is likely to grow to 5.5 million MT by the year 2025. With no major capacity expansion in Newsprint Industry in sight, dynamics of the imported Newsprint in terms of the quality and the landed cost will continue to govern the industry in future.

**COMPANY'S PERFORMANCE & OUTLOOK**

This has been discussed in length in the Board's Report.

**SWOT Analysis****Strengths**

- 1) Strategic location of the plant, good proximity to both market for its finished product and source of its raw material i.e. wastepaper and chemicals.
- 2) Close proximity to Hazira & Magdala ports for import of waste paper and coal and export of finished goods.
- 3) Swing facility on the Paper Machine to produce Newsprint / Writing & Printing grades of paper as the market situation may demand.
- 4) Countrywide customer base and Dealer / Distributor network.
- 5) Customer's appreciation of company's products.
- 6) Sufficient land and other infrastructure available with the Company for future expansion and growth.

**Weakness**

The Company manufactures its products with 100% recycled fibre, which is perceived a shade below high end products manufactured from virgin pulp. However, company's products both Newsprint Paper and Writing Print Paper are well accepted in the market place due to continuous Research & Development and Technological improvements which have helped the company to improve the quality of its products.

**Opportunities**

With the increased outlay by Government for growth in the education sector and an equally robust demand for paper, the company can take the advantage of this enormous potential for the paper industry and gain from it. Being an eco-friendly process based on recycling, the Company also can benefit from the increased awareness of global warming among its customers as can be seen from trends in developed countries.

**Threats**

- 1) The Company imports about 40% of the raw material, which is prone to the foreign exchange fluctuations.
- 2) The Company is susceptible to cyclicality in International newsprint market and the availability & prices of recycled fibre across the globe.
- 3) The wood resources and availability are limited across the country and cost of wood is much higher in India as compared to elsewhere around the world.
- 4) With withdrawal of energy as a core sector status by the Government of India, coal availability has become challenging.

**Internal Control Systems & its Adequacy**

The company has adequate system of internal controls 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 has appointed external firm of Chartered Accountants who carry out Internal Audit throughout the year on regular basis and with a pre-planned audit schedule. Their suggestions and recommendations are reviewed by the Management regularly so as to enhance the quality of Internal Control System. The audit reports are reviewed by the Management and the Audit Committee of the Board from time to time. The company has also implemented Total Productive Maintenance (TPM) process to improve productivity, efficiency in administrative functions and elimination of losses.

**Human Resources**

The management believes that human resources is fundamental to the success of any organization. Therefore, the Company accords due emphasis and thrust on developing and nurturing its human resource by hiring the right manpower and organizing various training programs to improve their productivity. The Company recruits trainees in various departments and provides them with appropriate training to equip them to take up the responsibilities in the Company. Proper care is also taken for the safety, health and well-being of its employees.

**Cautionary Statement**

The Report on Management's Discussion and Analysis contains forward-looking statements which are 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. There are a number of factors such as global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this annual report and accounts should be construed as a profit forecast.



## 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, 2015, 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, but not for the purpose of expressing an opinion on whether the Company

has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 ₹ 13207.11 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 ₹ 13207.11 lacs.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 31st March, 2015, 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. 40 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 share purchase agreement entered into with acquirer in May 2015 coupled with write back of ICD liabilities and further issuance of equity shares and optionally convertible redeemable debentures, which will improve networth of Company as explained in detail in above referred note.
- ii. Note No. 33 to the financial statements where in balance with excise authorities amounting to ₹ 2650.35 lacs represent Cenvat Credit Receivable as at March 31, 2015 which in the opinion of the management is realizable, subject to adequate excise duty leviable on finished goods.
- iii. Note No. 38 to the financial statements wherein, the Company has accounted for sale of 170 acres of its unused land as per 'Agreement to Sell' executed by the Company. The Company has received substantial portion of the sale proceeds and also No Objection from the term lenders for the aforesaid sale. The requisite formalities/ approvals for transfer of land are in progress, which has subsequently been received.

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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, 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. 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 effects of the matter described in the Basis for Qualified Opinion 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, 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, 2015, and taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

- g. 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 29 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 and on behalf of  
**Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No 103523W

Place: Mumbai  
Date: May 27, 2015

Atul Gala  
Partner  
Membership No. 048650

**ANNEXURE TO 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, 2015]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. 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 or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3 (iii)(a) and 3 (iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (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 not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, and there have been serious delays in a large number of cases. According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount ₹ in lacs	Period to which the amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax	35.76	June 2014 to August 2014	5 <sup>th</sup> /6 <sup>th</sup> of next Month	16/4/2015
Gujarat Value Added Tax / Central Sales Tax Act	VAT CST Deferment	260.96	May 2014	31/5/2014	24/4/2015
Gujarat State Electricity Act	Electricity Duty including interest	1271.49	2011-12 to 2014-15	10 <sup>th</sup> of next Month	28/4/2015
Gujarat Pollution Control Board	Water Cess	205.73	2013-14 & 2014-15	10 <sup>th</sup> of next Month	28/4/2015

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, on account of 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	319.90	FY 2006-07	ITAT, Mumbai
Sales Tax/ VAT	VAT	8.31	FY 2006-07	The Joint Commissioner of Commercial Tax, Appeal – 2, Baroda

- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The accumulated losses of the Company are more than fifty percent of its net worth. Further, the Company has incurred cash losses during the financial year covered by our audit but not in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company defaulted in repayment of its dues to Banks. The particulars of delay which related to installments (including interest ) during the year ended March 31, 2015 are as follows :

<b>Particulars</b>	<b>Amount ( Including interest ) ₹ in lacs</b>	<b>Period of Delay ( in days )</b>
Bank – Term Loan	1,446.42	0 – 60
	484.04	60-120
	175.29	120-180

Further, the Company has not issued any debentures.

- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xii) 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

For and on behalf of  
**Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No 103523W

Place: Mumbai  
Date: May 27, 2015

Atul Gala  
Partner  
Membership No. 048650

# BALANCE SHEET



## BALANCE SHEET AS AT 31ST MARCH 2015

PARTICULARS	NOTE	AS AT 31.03.2015 (₹)in Lacs	AS AT 31.03.2014 (₹)in Lacs
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	5,815.80	5,815.80
(b) Reserves and Surplus	2	(6,661.83)	(2,080.99)
		(846.03)	3,734.81
<b>(2) Non - Current Liabilities</b>			
(a) Long - Term Borrowings	3	12,482.08	15,746.79
(b) Other Long Term Liabilities	4	167.52	124.73
(c) Long - Term Provisions	5	338.60	288.64
		12,988.20	16,160.16
<b>(3) Current Liabilities</b>			
(a) Short - Term Borrowings	6	11,180.04	11,447.81
(b) Trade Payables	7	11,370.95	14,274.08
(c) Other Current Liabilities	8	8,149.71	6,897.98
(d) Short - Term Provisions	9	80.56	90.93
		30,781.26	32,710.80
	<b>TOTAL</b>	<b>42,923.43</b>	<b>52,605.77</b>
<b>II ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed Assets (Net)			
(i) Tangible Assets	10	20,352.66	21,823.78
(ii) Capital Work - In - Progress	11	65.76	37.56
(b) Non - Current Investments	12	1.63	1.63
(c) Deferred Tax Asset (Net)	43	13,207.11	13,207.11
(d) Long - Term Loans & Advances	13	216.74	204.08
		33,843.90	35,274.16
<b>(2) Current Assets</b>			
(a) Inventories	14	3,857.01	7,283.84
(b) Trade Receivables	15	2,040.87	5,167.78
(c) Cash and Bank Balances	16	266.56	221.51
(d) Short - Term Loans and Advances	17	2,801.42	3,205.50
(e) Other Current Assets	18	113.67	1,452.98
		9,079.53	17,331.61
	<b>TOTAL</b>	<b>42,923.43</b>	<b>52,605.77</b>

Significant Accounting Policies and Notes 1 to 49 to Financial Statements

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

Atul Gala  
Partner  
Membership No.048650

For and on the behalf of Board of Directors

Shri Shree Kumar Bangur	Shri Virendraa Bangur	
Shri Kanhaiya Lal Chandak	Lt. General Ashok Kapur	
Shri Narayan Atal	Shri Mohan M. Phadke	
Smt. Namrata Sharma	Shri V. D. Bajaj	

Place: Mumbai  
Date : 27th May, 2015

Girish Sharma  
Sr. VP (F & A) & Company Secretary

# STATEMENT OF PROFIT AND LOSS

## ANNUAL REPORT 2014 - 2015

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

PARTICULARS	NOTE	FOR THE YEAR ENDED 31.03.2015 (₹) in Lacs	FOR THE YEAR ENDED 31.03.2014 (₹) in Lacs
<b>I INCOME</b>			
Revenue from Operations (Gross)	19	37,803.98	41,015.95
Less: Excise Duty		(128.54)	(171.19)
Revenue from Operations (Net)		<u>37,675.44</u>	<u>40,844.76</u>
Other Income	20	81.21	8.23
Total		<u>37,756.65</u>	<u>40,852.99</u>
<b>II EXPENSES</b>			
Cost of Materials Consumed	21	24,055.11	27,122.88
Changes in Inventories of Finished Goods and Work-in-Progress	22	2,967.28	(3,315.68)
Employees Benefits Expenses	23	1,586.11	1,628.57
Finance Costs	24	4,585.27	4,868.19
Exchange Fluctuation (Net)	-	34.64	369.69
Depreciation	10	1,237.86	3,477.03
Other Expenses	25	12,702.68	13,296.73
Total		<u>47,168.95</u>	<u>47,447.41</u>
Profit/(Loss) before exceptional, extraordinary items and tax		(9,412.30)	(6,594.42)
Exceptional Items	26	-	5,245.56
Profit/(Loss) before extraordinary items and tax		(9,412.30)	(1,348.86)
Extraordinary Items	41	5,159.50	-
Profit/(Loss) before Tax		(4,252.80)	(1,348.86)
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax	43	-	202.06
Profit/(Loss) for the period		<u>(4,252.80)</u>	<u>(1,550.92)</u>
Earnings Per Equity Share (Nominal value ₹10 each)			
(1) Basic and Diluted Before Extraordinary Items		(16.18)	(2.67)
(2) Basic and Diluted After Extraordinary Items		(7.31)	(2.67)

Significant Accounting Policies and Notes 1 to 49 to Financial Statements

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

Atul Gala  
Partner  
Membership No.048650

For and on the behalf of Board of Directors

Shri Shree Kumar Bangur	Shri Virendraa Bangur
Shri Kanhaiya Lal Chandak	Lt. General Ashok Kapur
Shri Narayan Atal	Shri Mohan M. Phadke
Smt. Namrata Sharma	Shri V. D. Bajaj

Place: Mumbai  
Date : 27th May, 2015

Girish Sharma  
Sr. VP (F & A) & Company Secretary

# NOTES



**31st March, 2015**      31st March, 2014  
(₹ in lacs)                      (₹ in lacs)

## NOTE 1

### **SHARE CAPITAL:**

Authorised:

20,30,00,000 Equity Shares of ₹ 10/- each

(Previous Year 23,30,00,000 Equity Shares of ₹10/-each)

20,300.00

20,300.00

30,00,000 Preference Shares of ₹100/-each

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

3,000.00

3,000.00

23,300.00

23,300.00

Issued, Subscribed & Paidup:

5,81,58,032 Equity Shares (previous year 5,81,58,032 Equity Shares of ₹10/-each) of ₹10/- each fully paid-up

5,815.80

5,815.80

5,815.80

5,815.80

a) Reconciliation of Shares Outstanding during the year:

No Shares have been issued or bought back during the current year & preceding year.

b) Terms/Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

The Share holders have right to received interim dividend declared by the Board of Directors and final dividend proposed by the Board of Directors and approved in the Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

c) Shareholder holding more than 5% of shares

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
West Coast Paper Mills Ltd	21124791.00	36.32	21,124,791.00	36.32

d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

## NOTE 2

### **RESERVES & SURPLUS:**

Capital Reserve	10,953.85	10,953.85
Surplus/(Deficit) in Profit and Loss		
Opening Balance	(13,034.83)	(11,483.92)
Less: Impact of Depreciation as per Companies Act 2013 (refer Note No 10)	(328.05)	
Add: Profit/(Loss) for the Current Year	<u>(4,252.80)</u>	<u>(1,550.92)</u>
Closing Balance	<u>(17,615.68)</u>	<u>(13,034.83)</u>
	<u><b>(6,661.83)</b></u>	<u><b>(2,080.99)</b></u>

**NOTE 3**

	<b>31st March, 2015</b>	<b>31st March, 2014</b>
	<u>(₹ in lacs)</u>	<u>(₹ in lacs)</u>
<b><u>LONG TERM BORROWINGS:</u></b>		
<b><u>Secured</u></b>		
Term Loans from:		
Bank		
- ICICI Bank - Facility - A	6,480.42	7,374.27
- ICICI Bank - Facility - B	3,814.16	4,028.07
	<u>10,294.58</u>	<u>11,402.34</u>
Working Capital Term Loan from :		
Bank		
- ICICI Bank - Facility - C	2,187.50	3,937.50
	<u>2,187.50</u>	<u>3,937.50</u>
<b><u>Unsecured</u></b>		
Interest Free Sales Tax Loan from Government of Gujarat (Refer Note No. 31)	-	406.95
	<u>-</u>	<u>406.95</u>
	<b><u>12,482.08</u></b>	<b><u>15,746.79</u></b>

1) The Term Loans and Working Capital Term Loan are secured by first charge ranking par passu on all immovable properties of the company, both present and future and hypothecation of the company's moveable machinery, spares, tools and accessories, present and future, subject to prior charges created on Company's stock of raw materials, stock in process, finished goods, consumable stores etc. in favour of the Company's bankers for securing borrowings for working capital requirements and Corporate guarantee by The West Coast Paper Mills Ltd.

2) Repayment Schedule:	Commencing From
ICICI Bank - Facility - A : 32 quarterly instalments	15.08.2013
ICICI Bank - Facility - B : 32 quarterly instalments	28.12.2014
ICICI Bank - Facility - C : 16 quarterly instalments	15.08.2013

**NOTE 4**

**OTHER LONG TERM LIABILITIES:**

Trade Deposits	167.52	124.73
	<u>167.52</u>	<u>124.73</u>

**NOTE 5**

**LONG TERM PROVISIONS:**

Provision for Employee Benefits (Refer Note No. 28)	338.60	288.64
	<u>338.60</u>	<u>288.64</u>

**NOTE 6**

**SHORT TERM BORROWINGS:**

**Secured**

Cash Credit from Banks	8,809.04	6,092.81
------------------------	----------	----------

**Unsecured**

Inter Corporate Deposits		
- From Related Parties (Refer Note No. 41)	620.00	5,355.00
- From Others	1,751.00	-
	<u>11,180.04</u>	<u>11,447.81</u>

Cash Credit are secured by hypothecation of the Company's stocks of finished goods, stock in process, raw materials, stores and spares, book debts, etc. and by a second charge created on all immovable properties of the company, present and future.

# NOTES



**31st March, 2015**    31st March, 2014  
(₹ in lacs)                      (₹ in lacs)

**NOTE 7**

**TRADE PAYABLES:**

Acceptances	4,074.41	6,065.21
Trade Payable other than MSME (Refer Note No. 32)	7,296.54	8,208.87
	<b>11,370.95</b>	<b>14,274.08</b>

**NOTE 8**

**OTHER CURRENT LIABILITIES:**

Current Maturities:

- Interest Free Sales Tax Loan-Govt. of Gujarat (Refer Note No.31)	667.91	406.95
- Term Loan from ICICI Bank Facility - A	893.85	798.31
- Term Loan from ICICI Bank Facility - B	250.00	250.00
- Term Loan from ICICI Bank Facility - C	1,750.00	1,750.00
Interest accrued but not Due	46.24	10.18
Interest accrued and Due	691.73	537.45
Other Liabilities	3,849.98	3,145.08
	<b>8,149.71</b>	<b>6,897.98</b>

**NOTE 9**

**SHORT TERM PROVISIONS:**

Provision for Employee Benefits (Refer Note No. 28)	80.56	90.93
	<b>80.56</b>	<b>90.93</b>

**Note: 10**

**TANGIBLE FIXED ASSETS:**

(₹ in lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Addition during the year	Deduction/ ajustment during the year	As at 31.03.2015	As at 01.04.2014	Depreciaton for the year	Adjustment made during the year	Total As At 31.03.2015	As at 31.03.2015	As at 31.03.2014
Freehold Land	177.42	0.00	0.00	177.42	0.00	0.00	0.00	0.00	177.42	177.42
Buildings	9933.86	16.03	0.00	9949.89	4189.75	248.29	297.68	4735.72	5214.17	5744.11
Plant & Machinery	61789.31	76.08	0.00	61865.39	45985.77	957.15	29.24	46972.16	14893.23	15803.54
Furniture & Fittings	298.19	0.20	0.00	298.39	270.64	19.79	-24.75	265.68	32.71	27.55
Office Equipment	283.60	2.85	0.00	286.45	229.98	10.68	27.25	267.91	18.54	53.62
Vehicles	49.20	0.53	0.90	48.83	31.66	1.95	-1.37	32.24	16.59	17.54
<b>Total</b>	<b>72531.58</b>	<b>95.69</b>	<b>0.90</b>	<b>72626.37</b>	<b>50707.80</b>	<b>1237.86</b>	<b>328.05</b>	<b>52273.71</b>	<b>20352.66</b>	<b>21823.78</b>
Previous Year	71070.00	1502.72	41.14	72531.58	47240.49	3477.03	9.72	50707.80	21823.78	23829.51

**Note: 11**

**CAPITAL WORK - IN - PROGRESS:**

(₹ in lacs)

Description	As at 01.04.2014	Addition during the year	Deduction/ ajustment during the year	As at 31.03.15				As at 31.03.15	As at 31.03.2014
	Administration Building		5.46		5.46				5.46
Plant & Machinery	37.56	54.89	32.16	60.29				60.29	37.56
<b>Total</b>	<b>37.56</b>	<b>60.35</b>	<b>32.16</b>	<b>65.75</b>				<b>65.76</b>	<b>37.56</b>
Previous Year	521.83	1009.09	1493.36	37.56				37.56	521.83

**NOTE 12**

**NON - CURRENT INVESTMENTS:**

Investments in Equity Instruments:

Trade Investments

**A) QUOTED: EQUITY SHARES**

	<b>31st March, 2015</b>	31st March, 2014
	<u>(₹ in lacs)</u>	<u>(₹ in lacs)</u>
50 Equity Shares of ₹10/-each of the International Paper APPM Ltd.	0.08	0.08
03 Equity Shares of ₹10/-each of the Bengal & Assam Co. Ltd.	0.03	0.03
1000 Equity Shares of ₹1/- each of Orient Paper & Ind. Ltd.	0.12	0.12
1000 Equity Shares of ₹1/- each of Orient Cement Ltd.	0.12	0.12
250 Equity Shares of ₹2/- each of West Coast Paper Mills Ltd.	0.02	0.02
165 Equity Shares of ₹10/- each of Shree Vindhya Paper Mills Ltd.	0.13	0.13
50 Equity Shares of ₹10/- each of Nath Pulp & Paper Mills Ltd.	0.04	0.04
500 Equity Shares of ₹10/- each of Pudumjee Pulp & Paper Mills Ltd.	0.15	0.15
300 Equity Shares of ₹2/- each of Ballarpur Industries Ltd.	0.28	0.28
100 Equity Shares of ₹10/- each of Sirpur Paper Mills Ltd.	0.07	0.07
50 Equity Shares of ₹10/- each of Citadel Realty & Developers Ltd	0.06	0.06
180 Equity Shares of ₹10/-each of J.K.Lakshmi cement ltd.	0.31	0.31
100 Equity Shares of ₹10/-each of Mysore paper mills Ltd.	0.01	0.01
600 Equity Shares of ₹10/-each of Tamilnadu Newsprint and Papers Ltd.	0.18	0.18
	1.61	1.61
100 Equity Shares of ₹10/-each of Titaghur Paper Mills Ltd.	0.02	0.02
	<b>1.63</b>	<b>1.63</b>

Note:

Market Value of Quoted Investments as on 31st March, 2015 is ₹3.90 lacs

(As on 31st March, 2014 - ₹1.51 lacs)

**NOTE 13**

**LONG TERM LOANS & ADVANCES:**

(Unsecured, Considered Good, Unless otherwise stated)

Capital Advance	-	-
Security Deposits	216.74	204.08
	<b>216.74</b>	<b>204.08</b>

**NOTE 14**

**INVENTORIES:**

(As taken, valued and certified by Management)

Raw Materials (including goods in transits ₹36.50 lacs previous year ₹ 104.86 lacs)	949.13	1,193.96
Coal	228.11	166.21
Chemicals	159.73	336.99
Stores & Spares	1,686.86	1,786.20
Work-In-Progress	90.67	148.79
Finished Goods (including Sales in transits ₹11.24 Lacs previous year ₹ 191.17 lacs)	742.51	3,651.67
	<b>3,857.01</b>	<b>7,283.84</b>

# NOTES



	<b>31st March, 2015</b>	31st March, 2014
	<u>(₹ in lacs)</u>	<u>(₹ in lacs)</u>
<b>NOTE 15</b>		
<b><u>TRADE RECEIVABLES:</u></b>		
(Unsecured, Considered Good, unless stated otherwise)		
Outstanding for a period exceeding six months from the date they are due for payments.	12.47	41.63
Others	2,028.40	5,126.15
	<u><b>2,040.87</b></u>	<u><b>5,167.78</b></u>
<b>NOTE 16</b>		
<b><u>CASH AND BANK BALANCES:</u></b>		
Cash & Cash Equivalents:		
- Cash on hand	1.37	1.75
- Balances with Bank in Current Accounts	30.28	1.40
Other Bank Balances:		
- Margin/Deposit accounts (against LC/Bank Guarantee)	234.91	218.36
	<u><b>266.56</b></u>	<u><b>221.51</b></u>
<b>NOTE 17</b>		
<b><u>SHORT TERM LOANS &amp; ADVANCES:</u></b>		
(Unsecured, Considered Good, unless otherwise stated)		
- Advances recoverable in cash or in kind or for value to be received	76.54	55.96
- Balances with Excise and Sales Tax Authorities	2,656.40	3,094.43
- Income Tax Deducted at Source	68.48	55.11
	<u><b>2,801.42</b></u>	<u><b>3,205.50</b></u>
<b>NOTE 18</b>		
<b><u>OTHER CURRENT ASSETS:</u></b>		
Interest Receivable	12.49	13.88
Export Incentive & Benefit Receivable	59.40	29.10
Insurance Claims Receivable	41.78	-
Receivable against sale of Land	-	1,410.00
	<u><b>113.67</b></u>	<u><b>1,452.98</b></u>
	<b>Year ended</b>	<b>Year ended</b>
	<b>31 st March, 2015</b>	<b>31 st March, 2014</b>
	<u><b>₹ in Lacs</b></u>	<u><b>₹ in Lacs</b></u>
<b>NOTE 19</b>		
<b><u>REVENUE FROM OPERATIONS (GROSS):</u></b>		
Sale of Products		
- Finished Goods	37,477.03	40,611.18
Other Operating Revenue		
- Export Incentives	11.49	0.74
- Scrap	138.50	303.65
- Interest	10.61	59.77
- Other	166.35	40.61
	<u><b>37,803.98</b></u>	<u><b>41,015.95</b></u>

**NOTE 20**

**OTHER INCOME:**

	<b>Year ended 31 st March, 2015 ₹ in Lacs</b>	<b>Year ended 31 st March, 2014 ₹ in Lacs</b>
Dividends	0.02	0.07
Interest on FD with Banks and Others	81.19	7.59
Unclaimed Balances/ Excess Provision W/Back	-	0.57
	81.21	8.23

**NOTE 21**

**COST OF MATERIAL CONSUMED:**

Consumption of Raw Materials				
Opening Stock	1,193.96		2,186.25	
Add: Purchases	20,131.69		22,050.20	
	21,325.65		24,236.45	
Less: Closing Stock	949.13	20,376.52	1,193.96	23,042.48
Consumption of Chemicals		3,207.25		3,534.62
Consumption of Packing Material		471.34		545.78
		24,055.11		27,122.88

**NOTE 22**

**CHANGES IN INVENTORIES OF FINISHED  
GOODS AND WORK-IN-PROGRESS:**

Opening Stock:				
- Finished Goods		3,651.68		330.84
- Work-in-Progress		148.79		153.95
		3,800.47		484.79
Closing Stock:				
- Finished Goods		742.52		3,651.68
- Work-in-Progress		90.67		148.79
		833.19		3,800.47
		2,967.28		(3,315.68)

**NOTE 23**

**EMPLOYEES BENEFITS EXPENSES:**

Salaries, Wages and Allowances	1,332.39	1,401.24
Contribution to Provident and Other Funds (Refer Note No 28)	107.38	118.08
Gratuity and Leave Encashment (Refer Note No 28)	107.19	64.34
Staff Welfare Expenses	39.15	44.91
	1,586.11	1,628.57

# NOTES



		Year ended 31 st March, 2015 ₹ in Lacs		Year ended 31 st March, 2014 ₹ in Lacs
<b>NOTE 24</b>				
<b><u>FINANCE COSTS:</u></b>				
Interest Expense				
Term Loans	2,276.75		2,508.38	
Others	<u>2,084.43</u>	4,361.18	<u>2,147.69</u>	4,656.07
Bank Charges		224.09		212.12
		<u>4,585.27</u>		<u>4,868.19</u>
<b>NOTE 25</b>				
<b><u>OTHER EXPENSES:</u></b>				
Power and Fuel		7,632.28		8,558.32
Consumption of Stores & Spares		1,233.46		1,276.32
Water Charges		512.38		548.20
Repairs and Maintenance:				
- Building	0.83		0.15	
- Plant and Machinery	268.33		245.55	
- Others	<u>86.37</u>	355.53	<u>83.00</u>	328.70
Insurance		53.44		97.34
Raw Material Handling and Operation Charges		911.39		829.49
Rent (Refer Note No 48)		93.56		168.72
Rates and Taxes		28.20		35.35
Excise Duty and Cess		(6.74)		15.70
Director's Sitting Fees		1.48		1.44
Legal and Professional Fees		128.83		108.15
Payment to Auditors:				
- Audit Fees	4.75		4.75	
- Taxation Matters	0.60		0.60	
- Reimbursement of Expenses	0.14		0.29	
- Other Capacity	<u>1.25</u>	6.74	<u>1.88</u>	7.52
Selling Expenses		477.38		177.80
Commission on Sales		830.66		691.91
Sundry Expenses		443.19		448.49
Loss on Sale of Fixed Assets		0.90		3.28
		<u>12,702.68</u>		<u>13,296.73</u>
<b>NOTE 26</b>				
<b><u>EXCEPTIONAL ITEMS:</u></b>				
Profit on Sale of Land (Refer Note No.38)		-		5,245.56
		-		5,245.56

## 27. Significant Accounting Policy

## a) BASIS OF PREPARATION

The financial statements have been prepared to comply with all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

## b) Use of estimates

-The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting Year. Such Estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Differences between actual results and estimates are recognized in the Year in which the results are known / materialized.

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.

## 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. Representing Custom.duty. Rebate entitlement against export made under scheme of Duty Drawback.

## 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.

## v) Rent

Rent Income is recognized on the accrual basis based on agreement entered by the Company with the tenants.

## d) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation 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 interest.

## e) Borrowing cost:

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial Year of time to get ready for intended use. All other borrowing costs are charged to the revenue.

## f) Depreciation:

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.

## g) Foreign Currency Transactions:

i) Fixed Assets acquired out of foreign currency loans are recorded at the actual transaction rate. As per revised Accounting Standard – 11 "The Effects of changes in Foreign Exchange Rates", the gain or loss due to exchange rate fluctuations on repayment of such loans during the year is recorded at the actual transaction rates and consequent adjustments are made to the Statement of Profit & Loss. The gain or loss on translation of such loan liabilities at the year-end is adjusted in the Statement of Profit & Loss.

ii) Foreign Currency Current Assets and Current Liabilities are recorded at the actual transaction rate. The gain or loss arising out of settlement/ translation of the assets and liabilities at the closing rates due to exchange fluctuations is recognized as income/ expenditure in the Statement of Profit and loss.

iii) 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 are recognized in Statement of Profit & loss.



#### h) Impairment of Assets:

The carrying value of assets of the Company's cash generating units 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 amount 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 and 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. As per the assessment conducted by the Company at March 31, 2015, there were no indications that the fixed assets have suffered an impairment loss.

#### i) Taxation:

Income-tax expense comprises current tax (i.e. amount of tax for the Year determined in accordance with the income-tax law), 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.

##### ii) Deferred taxation:

In compliance with Accounting Standard – 22 issued by the Institute of Chartered Accountants of India, The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets, subject to the consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that the sufficient future taxable income will be available against which such deferred tax can be realized. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realizations of the assets.

#### j) Earnings per Share:

Basic earnings per share is calculated by dividing the net profit after tax 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 attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

#### k) Inventories:

Inventories are valued at Lower of cost and NRV whichever is lower. The costs for the purpose of valuation are determined as under:

--Finished goods and Stock-in-process	: - Manufacturing cost
--Raw materials & others	: - Weighted Average cost
--Coal & Chemicals	: - FIFO
--Stores & Spares	: - Weighted Average cost

#### l) 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.

#### m) Investments:

Investments are classified into Non-Current investments and current investments. Non-Current investments are valued at cost. Provision for diminution in value of Non-Current investments is made if in the opinion of management such a decline is other than temporary and Current investments are valued at cost or market/fair value, whichever is lower.

#### n) Research & Development Expenditure:

Revenue expenditure on research & development is charged to Statement of Profit & Loss account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

#### o) Preliminary and Issue Expenses:

Preliminary and share/debenture issue expenses are amortized over a Year of ten years.

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

#### q) 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.

r) 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 estimated 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. Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.

t) Employee Benefits

Contributions to defined contribution schemes such as Provident Fund etc. are charged to the Statement of Profit and Loss account as incurred. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave encashment. Such defined benefits are charged to the Statement of Profit and Loss account based on valuations, as at the balance sheet date, conducted by independent actuaries.

28. The Company has classified various employee benefits as under:

A. Defined Contribution Plans

a. Provident fund

b. State defined contribution plans

Employers' Contribution to Employees' State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes, to fund the benefits. These funds are recognized by the Income tax authorities.

The Company has recognized the following amounts in the Statement of Profit and Loss Account.

Sr. no.	Particulars	Year Ended 31.03.2015 (₹ in lacs)	Year Ended 31.03.2014 (₹ in lacs)
(i)	Contribution to Provident Fund	106.59	116.78
(ii)	Contribution to Employee's State Insurance Scheme	0.79	1.32
<b>Total</b>		<b>107.38</b>	<b>118.10</b>

B. Defined Benefit Plans

a. Leave Encashment (Unfunded)

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

The Company has recognized ₹ 34.21 Lacs ( Previous Year ₹ 30.79 Lacs) in statement of profit and loss based on actuarial valuation

a. Gratuity (Unfunded)

Particulars	Year ended 31.03.2015 (₹ in lacs)	Year ended 31.03.2014 (₹ in lacs)
<b>Gratuity</b>		
<b>Changes in present value of Obligation</b>		
(a) Present value of Obligation as at 1st April	275.62	279.20
(b) Interest Cost	25.77	23.23
(c) Past Service Cost	-	-
(d) Current Service Cost	19.31	20.98
(h) Benefits Paid	(35.16)	(37.12)
(l) Actuarial (Gains)/Loss	27.90	(10.67)
(j) Present value of obligation as at 31 <sup>st</sup> March	<b>313.44</b>	<b>275.62</b>
<b>Amount recognized in the Balance Sheet</b>		
(a) Present value of obligation as at 31 <sup>st</sup> March	313.44	275.62
(b) Fair value of plan assets as at 31 <sup>st</sup> March	-	-
(c) (Asset)/Liability recognized in the balance sheet		
- Non-Current Liability	262.56	219.34
- Current Liability	50.88	56.28

# NOTES



Particulars	Year ended 31.03.2015 (₹ in lacs)	Year ended 31.03.2014 (₹ in lacs)
<b>Expenses recognized in the Statement of Profit and Loss Account</b>		
(a) Current service cost	19.31	20.98
(b) Past Service Cost	-	-
(c) Interest Cost	25.77	23.23
(d) Curtailment Cost/(Credit)	-	-
(e) Settlement Cost/(Credit)	-	-
(f) Net Actuarial (Gain)/Loss	27.90	(10.67)
(g) Employer's Contribution	-	-
(h) Total Expenses recognized in the P & L A/c	72.98	33.55

### Details of Assumption

(a) Discounted Rate	7.90%	9.35%
(b) Salary Escalation	4.50%	4.50%
(c) Attrition Rate	2.00%	2.00%

: Experience Adjustments					
Particulars	31 <sup>st</sup> Mar 2015	31 <sup>st</sup> Mar 2014	31 <sup>st</sup> Mar 2013	31 <sup>st</sup> Mar 2012	31 <sup>st</sup> Mar 2011
Defined Benefit Obligation at end of the Period	313.44	275.62	279.20	219.13	194.35
Experience adjustments on plan Liabilities (gain)/Loss	(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 2010-11 and 2011-12 and hence not disclosed.

- 29 (a). Other Claims against the Company not acknowledged as debts ₹ 5,236.79 Lacs (as on 31.03.2014 ₹ 4,616.85 Lacs).  
 (b). Unexpired Letter of Credits established in respect of Plant & Machinery, Raw Materials and Stores & Spares ₹ 4.47 Lacs (as on 31.03.2014 ₹ 1,238.41 Lacs)  
 (c). Bank guarantees issued by banks ₹ 329.91 Lacs (as on 31.03.2014 ₹ 333.33 Lacs).  
 (d). Arrears of dividend on Cumulative Preference Shares from 15<sup>th</sup> April 1998 to 15<sup>th</sup> Dec. 2001 aggregate ₹ 2,069.95Lacs.
30. Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance) ₹ 112.41 lacs (as on 31.03.2014 ₹ 136.11 Lacs ).
31. Interest free Loan under Sales Tax deferral scheme from Government of Gujarat is ₹667.91 Lacs. out of which ₹ 260.96 Lacs paid on 24<sup>th</sup> April,2015 and balance ₹ 406.95 Lacs will be due on 31<sup>st</sup> May 2015.
32. Based on the Information available with the company regarding the status of the suppliers as defined under the Micro Small and Medium Enterprise Development Act, 2006 (The MSMED), no suppliers are outstanding for more than 45days as per the terms & conditions of the order.
33. Balance with Excise Dept. being Cenvat Credit receivable ₹.2,650.35 lacs (as on 31.03.2014 ₹. 2,640.64 Lacs) is realizable subject to adequate excise duty leviable on finished goods.
34. Break-up of consumption of imported and indigenous raw materials, chemicals, packing material and stores and spares.

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	Value (₹ In lacs)	%	Value (₹ In lacs)	%
Indigeneous	15,661.96	62.10	20,000.85	70.92
Imported	9,556.75	37.90	8,398.35	29.08
	<b>25,218.71</b>	<b>100.00</b>	28,399.20	100.00

35. Value of Imports calculated on C.I.F. basis:

Particulars	Year ended 31.03.2015 (₹ In Lacs)	Year ended 31.03.2014 (₹ In Lacs)
a) Capital Goods	----	----
b) Raw Materials & Chemicals	9,093.35	7,099.90
c) Spare Parts and Components	534.68	532.14
<b>Total</b>	<b>9,628.03</b>	<b>7,632.04</b>

36. Expenditure in Foreign Currency:

Particulars	Year ended 31.03.2015 (₹ In Lacs)	Year ended 31.03.2014 (₹ In Lacs)
a) Traveling Expenses	0.59	-----
b) Interest on FCNR Loans	-----	-----
c) Others	-----	-----
	<b>0.59</b>	-----

37. Earnings in Foreign Exchange:

Particulars	Year ended 31.03.2015 (₹ In Lacs)	Year ended 31.03.2014 (₹ In Lacs)
Export of goods calculated on F.O.B basis	677.20	32.08

38. The company has accounted for sale of 170 acres of its unused land as per the Agreement to Sell executed by the company in the F Y 2013-14 . The Company has received the sale proceeds and also No Objection from the term lenders for aforesaid sale. The requisite formalities / approval for transfer of land are in progress.

39. The accumulated losses of the Company as at 31st March,2015 have exceeded the net worth. The Company will make requisite reference to the BIFR within 60 days from the date of finalization of the duly audited accounts of the Company by the members at the forthcoming Annual General Meeting, as required under section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 for determination of the measures to be adopted.

40. The accounts have been prepared on the basis of 'Going Concern Concept' despite continuing losses in the recent past, since as a result of the measures initiated by the Company as mentioned in Note No. 41 & 42 the Management is confident about positive results in the near future.

41. Pursuant to the Share Purchase Agreement (SPA) dated 21<sup>st</sup> May 2015, the Promoters of the Company have sold an aggregate of 2,82,77,677 shares of the company to Riddhi Siddhi Gluco Biols Ltd. ("The Acquirer") for a consideration aggregating ₹ 1,00,000/- (Rupees One lac only) subject to release of the Corporate Guarantees aggregating to ₹ 246.25 crores given by The West Coast Paper Mills Ltd. ("WCPML") to secure certain loans availed by the Company. Pursuant to the terms of the said SPA, WCPML have also agreed for settlement of their Inter Corporate Deposits (ICDs) amounting to ₹ 52,29,50,389/- given to the Company at ₹ 70,00,000/- (Rupees Seventy Lacs only) and to waive interest on the said ICDs w.e.f. 1<sup>st</sup> April, 2014.

Accordingly, the ICDs amounting to (₹). 51,59,50,389/- stand waived.

42. The Company has called an Extraordinary General meeting of the Shareholders of the Company on 20-06-2015 for approving the issue of 6,00,00,000 Equity Shares in the Company to the incoming Promoters (Acquirer) and Optionally Convertible Redeemable Debentures ("OCD") amounting to ₹ 30,00,00,000/- to ICICI Bank Ltd. on Preferential basis. Upon such issue and allotment of 6,00,00,000 Equity Shares, the net Worth will improve.

43. The Company has not recognized Deferred Tax Asset (DTA) as per AS 22, 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 virtual certainty about the availability of future taxable income and such deferred tax asset would be realized.

44. Earnings per share:

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
a) Net Profit/(Loss) before extraordinary items (₹. in Lacs)	(9412.31)	(1550.92)
b) Net Profit/(Loss) after extraordinary items (₹. in Lacs)	(4252.80)	(1550.92)
c) Weighted average number of equity shares of ₹10 each outstanding during the year (No. of shares)	58158032	58158032
d) Basic/Diluted Earnings per Share before extraordinary items (₹)	(16.81)	(2.67)
e) Basic/Diluted Earnings per Share after extraordinary items (₹)	(7.31)	(2.67)

## NOTES



45. The Company's products namely newsprint and writing & printing paper are classified under one segment, hence segment information as per accounting standard 17 is not required to be disclosed.

46. Related Party Disclosures:

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)	Key Management Personnel	Mr. V D Bajaj – Executive Director
c)	Enterprises owned or significantly influenced by Relatives of Key Management Personnel	----

Note: In respect of above parties, there is no provision for doubtful debts as on 31<sup>st</sup> March, 2015 and no amount has been written off or written back during the year in respect of debts due from/to them.

ii) Transactions with Related Parties:

(₹ In Lacs)

Type of Related Party	Nature of the transaction	Year Ended 31.03.2015	Outstanding as on 31.03.2015		Year Ended 31.03.2014	Outstanding as on 31.03.2014	
			Receivable	Payable		Receivable	Payable
Associate (The West Coast Paper Mills Ltd.) *	Rent Paid	----	----	----	1.10	----	----
	ICD taken	124.50	----	70.00	1,775.00	----	5,105.00
	ICD Written off	5,159.50	----	----	35.00	----	----
	Interest on ICD	-----	----	----	537.81	----	----
	Reimbursement of Exp.	-4.13	5.93	----	-----	----	----
	Purchase	-----	----	----	-----	----	----
	Sale	-----	----	----	236.80	----	----
Veer Enterprises Ltd	Rent Paid	17.12	----	3.60	16.93	----	----
	ICD taken	75.00	----	75.00	75.00	----	25.00
	ICD Repaid	25.00	----	----	50.00	----	----
	Interest on ICD	8.81	----	----	3.20	----	----
	Reimbursement of Exp.	1.17	----	----		----	----
Orbit Udyog (P) Ltd.	Rent Paid	2.46	----	0.76	2.40	----	----
	ICD taken	50.00	----	25.00	50.00	----	----
	ICD Repaid	25.00	----	----	50.00	----	----
	Interest on ICD	3.78	----	----	1.87	----	----
Shree Satyanarayan Investment Co. Ltd.	Rent Paid	15.30	----	----	15.00	----	----
	ICD taken	100.00	----	175.00	125.00	----	75.00
	ICD Repaid	----	----	----	50.00	----	----
	Interest on ICD	18.15	----	----	8.84	----	----
The Diamond Co. Ltd.	ICD taken	125.00	----	175.00	125.00	----	75.00
	ICD Repaid	25.00	----	----	50.00	----	----
	Interest on ICD	19.32	----	----	8.82	----	----

# NOTES

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Type of Related Party	Nature of the transaction	Year Ended 31.03.2015	Outstanding as on 31.03.2015		Year Ended 31.03.2014	Outstanding as on 31.03.2014	
			Receivable	Payable		Receivable	Payable
The Thirumbadi Rubber Co. Ltd.	ICD taken	----	----	50.00	50.00	----	50.00
	Interest on ICD	4.90	----	----	5.47	----	----
The Indra Co. Ltd.	ICD taken	----	----	25.00	25.00	----	25.00
	Interest on ICD	2.45	----	----	2.62	----	----
Saumya Trade & Fiscal Services Pvt. Ltd.	ICD taken	25.00	----	25.00	25.00	----	----
	ICD Repaid	----	----	----	25.00	----	----
	Interest on ICD	2.63	----	----	0.89	----	----
Gold Mohore Investment Co. Ltd.	ICD taken	25.00	----	----	25.00	----	----
	ICD Repaid	25.00	----	----	25.00	----	----
	Interest on ICD	1.10	----	----	0.89	----	----
Key Management Personnel (Mr. V D Bajaj)	Managerial Remuneration Paid	79.38	----	----	75.54	----	----

\*Corporate Guarantee given by WCPM of (₹).246.25 crores as on 31<sup>st</sup> March,2015.( 31<sup>st</sup> March,2014 (₹).246.25 crores )

#### 47. Particulars of Derivative Instruments:

- (a) The Company has not entered into any forward contract to offset its foreign currency risks arising from the amounts denominated in currencies other than the Indian Rupee..
- (b) No Derivative Instruments are acquired for speculation purpose.
- (c) Foreign currency exposures that are not hedged by the derivative instruments or otherwise are:

Particular	As on 31.03.2015	As on 31.03.2014
USD(In Lacs)	15.24	20.57
Equivalent to Rupees (₹ In Lacs)	953.81	1,236.27

#### 48. Operating Lease

- a) Operating Lease payment recognized in statement of Profit & Loss amounting to ₹. 93.56 Lacs ( Previous Year ₹. 168.72 Lacs.)
- b) General description of leasing arrangement :
  - i) Leased Assets : Employees Flats, Office Space, etc.
  - ii) Future lease rentals are determined on the basis of agreed terms.
  - iii) At the expiry of the lease term, the company has an option either to return the asset or extend the term by giving notice in writing.

#### 49. Previous year figures have been regrouped / rearranged wherever necessary.

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

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date : 27th May, 2015

For and on the behalf of Board of Directors

Shri Shree Kumar Bangur	Shri Virendraa Bangur
Shri Kanhaiya Lal Chandak	Lt. General Ashok Kapur
Shri Narayan Atal	Shri Mohan M. Phadke
Smt. Namrata Sharma	Shri V. D. Bajaj

Girish Sharma  
Sr. VP (F & A) & Company Secretary

# CASH FLOW STATEMENT



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Pursuant to clause 32 of the listing agreements with Stock exchanges)

Particular	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
	₹ in Lacs	₹ in Lacs
<b>A Cash Flow from Operating Activities</b>		
Profit/(Loss) before extraordinary items and tax	(9,412.30)	(1,348.86)
<b>Adjustments for:</b>		
Depreciation	1,237.86	3,477.03
Interest	4,585.27	4,868.19
Other Income (Dividend)	(0.02)	(0.07)
Profit on Sale of Fixed Assets (Net)	0.90	5,242.28
Operating Profit /(Loss) before Working Capital Changes	<u>3,588.29</u>	<u>3,102.87</u>
(Increase)/Decrease in Inventory	3,426.83	(1,774.20)
(Increase)/Decrease in Debtors	3,126.91	(964.48)
(Increase)/Decrease in Loans and Advances	391.43	45.51
(Increase)/Decrease in Other Current Assets	1,339.31	(1,394.50)
Increase/(Decrease) in Trade payable	(2,903.13)	2,641.27
Increase/(Decrease) in Liabilities	1,294.52	1,635.45
Increase/(Decrease) in Provision	39.60	(3.13)
Cash Generated from Operations	<u>6,715.46</u>	<u>185.92</u>
Extraordinary Item	3,127.17	1,939.93
<b>Net Cash from Operating Activities</b>	<u>8,286.67</u>	<u>1,939.93</u>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(95.69)	(1,502.72)
(Increase)/Decrease in Capital Work-in-Progress	(28.20)	484.27
Sale of Fixed Assets	-	5,273.70
Interest Received	-	-
Dividend Received	0.02	0.07
<b>Net Cash from/(used in) Investing Activities</b>	<u>(123.87)</u>	<u>4,255.32</u>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Short Borrowings	(267.77)	671.11
Proceeds from Long Borrowings	(3,264.70)	(1,919.80)
Repayment of Borrowings	-	-
Payment of Interest	(4,585.27)	(4,868.19)
<b>Net Cash Used in Financing Activities</b>	<u>(8,117.74)</u>	<u>(6,116.88)</u>
<b>D Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	45.06	78.37
<b>E Cash &amp; Cash Equivalents (Opening Balance)</b>	221.51	143.14
<b>F Cash &amp; Cash Equivalents (Closing Balance)</b>	<u>266.56</u>	<u>221.51</u>

Note : Previous year figures have been re-grouped/ rearranged wherever necessary.

Above Statement has been prepared by applying "Indirect Method" as referred in Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

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

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date : 27th May, 2015

For and on the behalf of Board of Directors

Shri Shree Kumar Bangur	Shri Virendraa Bangur
Shri Kanhaiya Lal Chandak	Lt. General Ashok Kapur
Shri Narayan Atal	Shri Mohan M. Phadke
Smt. Namrata Sharma	Shri V. D. Bajaj

Girish Sharma  
Sr. VP (F & A) & Company Secretary



# 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)

**24<sup>th</sup> ANNUAL GENERAL MEETING ON WEDNESDAY, 30th SEPTEMBER 2015 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: \_\_\_\_\_,

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

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, 30th September 2015 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:

\*\*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, 2015		
2	Appointment of Statutory Auditor		
3	Ratification of Remuneration to Cost Auditor of the Company		
4	Appointment of Mr. Ganpatraj Chowdhary as Director of the Company		
5	Appointment of Mr. Siddharth Chowdhary as Director of the Company		
6	Appointment of Mr. Keerthinarayanan A. Hemmige as Independent Director of the Company		
7	Appointment of Mr. Murli Ranganathan as an Independent Director of the Company		

\*Applicable for investors holding shares in electronic form.

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

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.



**BY COURIER**

If undelivered, please return to:

**SHREE RAMA NEWSPRINT LIMITED**

Village Barbodhan, Taluka Olpad,  
District Surat, Gujarat - 395005.