



**28<sup>th</sup>**  
**ANNUAL REPORT**  
**2010-11**

# COMPANY INFORMATION

## BOARD OF DIRECTORS

JAMNA PRASAD MAHESHWARI

Managing Director

HEMANT MEHTA

ARVIND BALDWA

NIKHIL RAJPURIA

NISHANT KUMAR

KIRIT PATEL

## COMPANY SECRETARY

ALPESH GANDHI

## AUDITORS

M/S. TALATI & TALATI

Chartered Accountants, Ahmedabad

## BANKERS

- INDIAN OVERSEAS BANK \*
- CORPORATION BANK
- AXIS BANK

## REGISTRAR & SHARE TRANSFER AGENTS

SHAREPRO SERVICES (INDIA) PVT. LTD.,

416-420, 4th Floor, Devnandan Mall,

Opp. Sanyas Ashram, Ellisbridge,

Ahmedabad - 380006

## REGISTERED OFFICE

604, Avdhesh House,

Opp. Shri Guru Govind Gurudwara,

SG Highway, Thaltej, Ahmedabad-380054

Telefax No: [079] 26859223

Email : armspaperltd@gmail.com

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### NOTICE

**NOTICE** is hereby given that the **TWENTY-EIGHTH** Annual General Meeting of the Members of M/s. ARMS PAPER LIMITED will be held on Monday, the 18<sup>th</sup> day of July, 2011 at 11:00 a.m. at 604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej - Gandhinagar Highway, Thaltej, Ahmedabad- 380 054 to transact the following business:-

#### ORDINARY BUSINESS :

- 1] To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2011 and Profit and Loss Account for the year ended on that date together with Directors' and the Auditors' Report thereon.
- 2] To appoint a Director in place of Shri Nishant Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
- 3] To appoint a Director in place of Shri Kirit Patel, who retires by rotation and being eligible, offers himself for re-appointment.
- 4] To consider, and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s. Talati & Talati, Chartered Accountants (ICAI Reg. No. 110758W) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company at a remuneration which may be decided by the Board of Directors on the recommendation of an Audit Committee and reimbursement of out of pocket expenses actually incurred by them in connection with the Audit."

#### NOTES :

- 1] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2] Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting along with a copy of the Annual Report. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting.
- 3] Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold the shares in physical form are

requested to write their Folio Number(s) in the Attendance Slip for attending the meeting.

- 4] The Register of Members and the Share Transfer Books of the Company will remain closed from 11<sup>th</sup> July, 2011 to 18<sup>th</sup> July, 2011 (both days inclusive).
- 5] Members holding shares in physical form are requested to notify the change in addresses, their Pin code numbers, email addresses and telephone numbers, if any to the Company at its Registered office or to M/s. Sharepro Services (India) Private Limited - Registrar & Share Transfer Agents by quoting their folio numbers. Members holding shares in electronic mode may update such details with their respective Depository Participants [DPs].
- 6] Members holding shares in physical form can avail of the nomination facility by filing Form 2B (in duplicate) with the Company or its Registrar & Share Transfer Agent which will be made available on request and in case of shares held in dematerialized form, the nomination has to be lodged with their DPs.
- 7] Members of the Company who have multiple accounts in identical names or joint accounts in the same order are requested to send all the share certificates to the Registrar & Share Transfer Agents **M/s. Sharepro Services (India) Pvt. Ltd.** or to the Registered Office of the Company for consolidation of all such shareholdings into one account to facilitate better service.
- 8] Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to address their questions to the Company Secretary of the Company so as to reach at least seven days before the date of the meeting, so that the information may be made available at the meeting, to the best extent possible.
- 9] In all correspondence with the Company or with its Share Transfer Agents, members are requested to quote their folio number and in case their shares are held in the dematerialized form, they must quote their Client ID and their DP ID Numbers.
- 10] The shares of the Company are in compulsory demat segment. Those members who still continue to hold shares in physical form, are requested to get their shares dematerialized at the earliest.
- 11] Securities and Exchange Board of India vide its circular has made it mandatory for every participant in the securities/capital market to furnish Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders (including joint holders) holding shares in physical form are requested to submit a copy of their PAN Card for the purpose to our Registrar & Share Transfer Agents, **M/s. Sharepro Services (India) Pvt. Ltd.**
- 12] Members are requested to bring the copy of the Annual Report at the meeting.

## 28th Annual Report 2010-11

- 13] In terms of Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd., a brief resume of the retiring directors, who are proposed to be re-appointed at this meeting are as under:

Sr. No.	Name of Director	Date of Birth	Date of Appointment	Qualification	Experience	Committee Membership
1.	Shri Nishant Kumar	30/07/1982	08/10/2008	M.B.A.	7 years as professional	Audit Committee, Remuneration Committee
2.	Shri Kirit Patel	02/08/1948	08/10/2008	B.Com.	12 years	Audit Committee, Remuneration Committee

**For and on behalf of the Board of Directors**

**Place : Ahmedabad**  
**Date : 18th June, 2011**

**Jamna Prasad Maheshwari**  
**Managing Director**

## Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the form attached to the Notice and register the same with M/s. Sharepro Services (India) Pvt. Ltd., at their office situated at 416-420, 4<sup>th</sup> floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad - 380 006.

## DIRECTORS' REPORT

To,  
The Members,  
ARMS PAPER LIMITED,  
AHMEDABAD

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Accounts for the year ended 31<sup>st</sup> March, 2011.

### FINANCIAL RESULTS:

Your company's performance for the financial year 2010-11 is summarized below:

	2010-11 (₹ in lacs)	2009-10 ( in lacs)
Turn over and Other Income	<b>1387.99</b>	<b>1998.31</b>
Profit before Depreciation and Taxes	54.56	154.52
Depreciation	(1.55)	(1.20)
<b>Profit Before Taxes</b>	<b>53.01</b>	<b>153.32</b>
Taxation	(0.05)	(0.69)
<b>Profit after Taxation</b>	<b>52.96</b>	<b>152.63</b>
<b>Add/Less:</b> Prior Period Income	—	11.62
Balance Brought Forward from Last Year	21.93	(142.32)
<b>Balance Carried to Balance Sheet</b>	<b>74.89</b>	<b>21.93</b>

### OPERATIONS:

Your Company has earned a total income from sales and other sources of 1387.99 Lacs as compared to 1998.31 Lacs in the previous year. The total expenditure incurred during the year was 1334.98 Lacs as compared to 1844.99 Lacs in the previous year. The Net Profit after taxation during the year under review is 52.96 Lacs as compared to 152.63 Lacs in the previous year. Your Directors are exploring various new business opportunities that will enable the Company to improve its financial position.

### DIVIDEND:

With a view to conserve the resources, your Directors do not recommend any dividend on the equity share capital of the Company for the year ended 31<sup>st</sup> March, 2011.

### AUDIT COMMITTEE:

The Audit Committee was reconstituted during the year under review and it consists of following members:

1. Shri Hemant Mehta : Chairman
2. Shri Nishant Kumar : Independent Director
3. Shri Kirit Patel : Independent Director

### FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

### DIRECTORS:

There is no change in the Directorship of the Company during the year under review.

Shri Nishant Kumar and Shri Kirit Patel retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Sub section 2AA of Section 217 of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (1) in the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- (2) the directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the Profit for the year ended on that date.
- ₹ (3) the directors to the best of their knowledge and ability have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (4) the directors have prepared the Annual Accounts on a "going concern basis".

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Since the Company is not engaged in any manufacturing activity, particulars under Section 217(1)(e) of the Companies Act, 1956, regarding Conservation of Energy and Technology Absorption are not applicable. There were no foreign exchange transactions during the year.

### PARTICULARS OF EMPLOYEES:

The information required as per sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2011 is NIL.

### **CORPORATE GOVERNANCE:**

Our Board with well qualified independent Directors' guidance and team work and various committees constituted under corporate governance, the Company is in a position to excel in its activities with complete fair and transparent practices. The Board committees regularly scrutinize the policies and proposals made by the operating management and also provide an unbiased independent assessment of the business procedures.

Pursuant to Clause 49 of the Listing Agreement, Management Discussion and Analysis Report and a Report on Corporate Governance are given as Annexure to this Report.

A certificate from the Statutory Auditors of the Company regarding compliance by the Company of the conditions stipulated under Clause 49 of the Listing Agreement is attached to this Report.

The Company is in the process of implementing the Corporate Governance Voluntary Guidelines 2009, issued by Ministry of Corporate Affairs, in December, 2009.

### **DEMATERIALIZATION:**

The Equity shares of the Company are in compulsory demat segment and are available for trading in the depository system of both National Securities Depository Ltd (NSDL) and the Central Depository Services India Ltd (CDSL). As on 31<sup>st</sup> March, 2011, 5200221 nos. of equity shares forming 94.24% of the equity share capital of the Company stands dematerialized.

### **LISTING OF SHARES:**

The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE). The Bombay Stock Exchange Limited has nationwide terminal and therefore, shareholders/investors are not facing any difficulty in trading in the shares of the Company from any part of the country.

Your Company has paid annual listing fees for financial year 2011-12 to Bombay Stock Exchange Limited and annual custodial fees to National Securities Depository Limited and Central Depository Services (India) Limited.

### **AUDITORS AND AUDITORS' REPORT :**

M/s. Talati & Talati, Chartered Accountants the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received confirmation that their appointment, if made, would be within the ceiling prescribed under Section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

Your Directors recommend re-appointment of M/s. Talati & Talati, Chartered Accountants, as the Statutory Auditors of the Company and fixation of their remuneration.

There is no qualification, observations or adverse comments in the Auditors' Report and hence it does not call for any further explanation.

### **ACKNOWLEDGEMENT:**

Your Directors take this opportunity to acknowledge the co-operation received from Bankers of the Company, Government Agencies and Shareholders for their co-operation.

For and on behalf of the Board of Directors

Place : Ahmedabad  
Date : 7th May, 2011

Jamna Prasad Maheshwari  
Managing Director

### **Declaration:**

The Board of Directors of the Company has approved and adopted Code of Conduct for the directors and Senior Management Personnel. I hereby declare to the best of my knowledge and belief that, all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year.

For and on behalf of the Board of Directors

Place : Ahmedabad  
Date : 7th May, 2011

Jamna Prasad Maheshwari  
Managing Director

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Indian Industry Overview

Indian Paper Industry is more than 140 years old with the first mill having been commissioned in 1867. Today almost every person uses paper in one form or the other. Paper manufacturers use a variety of raw materials like hardwoods, bamboo, recycled fibre, bagasse, wheat straw and rice straw.

Estimated annual turnover of the industry is 29,600 crore approximately and its contribution to the exchequer is around 2,900 crore. The industry provides employment to more than 1,20,000 people directly and to 3,40,000 indirectly.

Demand for paper and paperboard closely follow the economic growth of a country and have a positive co-relation to the prevailing economic trends. In India, the demand drivers and growth triggers have come from a combination of factors:

- the rising level of national income;
- the growing per capita income;
- rising aspiration levels of the people;
- increasing size of the population;
- increasing size of the service industry;
- spread of education and literacy throughout the country;
- government focus on education;
- introduction of computers in rural areas; and,
- higher level of industrial activity and corporate spending.

Globally India ranks 15<sup>th</sup> among the paper producing countries. The industry is highly fragmented with about 700 units spread across the country with capacity ranging from 3 tpd to over 700 tpd.

The product segments in the paper industry can be broadly classified as below:

- Newsprint, Printing & Writing Paper,
- Industrial Paper and other paper.

Of the total consumption in India, Printing and Writing paper accounts for about 35%, Newsprint 20% and Industrial and Speciality Papers 45%. Per capita annual consumption is 8.5 Kg. against the world average of 55 kg. and Asian average of 45 kg. of the total capacity, 39% is wood based, 31% Agro based and the balance 30% waste paper (recycled fibre) based. 35% of the capacity is in North, 30% in West, 30% in South and 5% in East.

## Risk and concerns

Risk may be defined as the possibility that an event (anticipated or unanticipated) can adversely affect business objectives and goals. At Arms, risk governance reconciles estimation, control and quantification through an institutionalized approach, which includes consistent implementation and monitoring, supplemented by audits. The management conducts regular reviews to arrest abnormalities.

All the risks are discussed in the Senior Management meetings periodically to ensure that the risk mitigation plans are implemented and adverse impact of risks is avoided or kept within manageable proportions.

## Internal Control System and their adequacy

The Company has established suitable internal control systems, which provide reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency and ensuring compliance with various legal and regulatory provisions. The Internal Audit Department reviews internal control systems in various business processes and also verifies compliance of the laid down policies and procedures. Reports of the internal auditor are reviewed by the senior management and are also placed before the Audit Committee of the Board. The statutory auditors also review their findings with the senior management and the Audit Committee.

## Financial and Operative Performance

The financial and operative performances are already elaborated in Directors' Report which is a part of this report.

## Cautionary Statement

*Statements in this Report particularly those which relate to "Management Discussion & Analysis" may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement since the Company's operation are influenced by many external and internal factors beyond the control of the Company. Important factors that could make a difference to the Company's operation include global and Indian demand-supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.*



## REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange Limited, a report on Corporate Governance for the year under review is given below:-

### 1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance has several claimants viz. Shareholders and other stakeholders which include suppliers, customers, creditors, bankers, the employees of the Company, the Government and the society at large. The three key aspects of Corporate Governance are accountability, transparency and equality of treatment for all stakeholders. The fundamental objective of Corporate Governance is the "enhancement of Shareholder Value keeping in view the interest of other stakeholders." In the above context, the Company's Philosophy on Corporate Governance is:

- To have systems in place which will allow sufficient freedom to the Board of Directors and Management to take decision towards the progress of the Company and to innovate while remaining within a framework of effective accountability.
- To provide transparent corporate disclosures and adopt high quality accounting practices.

- Timely and proper dissemination of material price sensitive information and ensure insiders do not transact in securities of the Company till such information is made public.
- To adopt good Corporate Governance policies that will contribute to the efficiency of the enterprise, creation of wealth for the Shareholders and country's economy.

### 2) BOARD OF DIRECTORS :

#### (a) Composition of Board of Directors :

The Board of Directors of the Company comprises of six directors having an optimum combination of Non-executive Directors and Independent Directors. The Board of the Company is headed by the Managing Director of the Company and five other directors. All the directors on the Board are well experienced, competent and highly prominent persons from their respective fields. They take active part at the Board as well as Committee Meetings adding value in the decision making process. None of the Independent Directors have any pecuniary relationship with the Company and none of the directors is related to each director.

The details of all directors of the Company along with the number of directorship and committee membership held by them as on date are as under:

Sr. No.	Name of Director	Category of Directorship	Number of other Directorship	Number of Committee Membership / Chairmanship in the Company
1	Shri Jamna Prasad Maheshwari	Chairman & Managing Director	Nil	Member –Shareholder's /Investor's Grievance Committee
2	Shri Hemant Mehta	Director	Nil	Chairman– Audit Committee Member – Shareholder's /Investor's Grievance Committee
3	Shri Arvind Baldwa	Director	1	—
4	Shri Nikhil Rajpuria	Independent Director	1	Chairman -Shareholder's / Investor's Grievance Committee Member – Remuneration Committee
5	Shri Nishant Kumar	Independent Director	Nil	Member – Audit Committee and Remuneration Committee
6	Shri Kirit Patel	Independent Director	Nil	Chairman – Remuneration Committee Member – Audit Committee

#### Note :

As provided in Clause 49 of the Listing Agreement, none of the directors is member of more than ten Board Level Committees or the Chairman of more than five Committees.

## Arms Paper Limited

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(b) **Number of Board Meetings:**

During the year under review, the Board of Directors met six times on 10<sup>th</sup> April, 2010; 27<sup>th</sup> May, 2010; 10<sup>th</sup> August, 2010; 27<sup>th</sup> October, 2010; 1<sup>st</sup> December, 2010 and 12<sup>th</sup> January, 2011. The

maximum gap between two Board Meetings did not exceed four months as provided in Clause 49 of the Listing Agreement. Adequate information for the businesses to be transacted at Board Meeting are circulated as part of Board papers to enable the Board Members to take appropriate decisions.

(c) **Attendance at Board Meetings and Annual General Meeting of the Company:**

The attendance of the Directors at the board meetings held during the year under review and at the last Annual General Meeting held on 5<sup>th</sup> August, 2010 are as under:-

Sr. No.	Name of Director	Number of Board Meeting Attended	Attendance at last AGM
1	Shri Jamna Prasad Maheshwari	6	Yes
2	Shri Hemant Mehta	6	Yes
3	Shri Arvind Baldwa	5	Yes
4	Shri Nikhil Rajpuria	2	Yes
5	Shri Nishant Kumar	6	Yes
6	Shri Kirit Patel	5	Yes

(d) **Code of conduct**

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel are strictly complying with the Code of Conduct. A declaration signed by the Managing Director is attached and forms part of the Annual Report of the Company.

(A) **Audit Committee**

(i) **Constitution of Committee**

- The composition of the Committee is in conformity with Clause 49(II) (A) of the Listing Agreement.
- Shri Nishant Kumar, Chairman of the Audit Committee was present at the Annual General Meeting held on 5<sup>th</sup> August, 2010 to reply the shareholders' queries.
- The Audit Committee provides an overview on the reporting process of the Company's financial and accounting mechanism and ensures that disclosures in its financial statements are correct, sufficient and credible.
- The Committee reviews the efficacy of the internal control mechanism and monitors the risk management policies adopted by the Company. The Committee also reviews the report furnished by the internal and statutory auditors and ensures that suitable follow-up actions are taken. Besides, the Committee also examines accounting, taxation and disclosure aspects of all significant transactions.

### 3) **COMMITTEES OF THE BOARD**

The following committees have been constituted by the Board of Directors:

- (A) Audit Committee
- (B) Remuneration Committee
- (C) Shareholders'/Investors' Grievances Committee

All decisions pertaining to the constitution of the committees, appointment of members and fixing of terms of service for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:-

### (ii) Composition of the Committee

The Audit Committee comprises of three Directors viz.:-

Sr. No.	Name of Director	Position held in the Committee
1.	Shri Hemant Mehta	Chairman
2.	Shri Nishant Kumar	Member
3.	Shri Kirit Patel	Member

All the existing members of the Audit Committee possess financial expertise and knowledge. The Company Secretary of the Company acts as the Secretary to the

Committee. At the invitation of the Committee, the Managing Director, the Statutory Auditors and the Head of Finance Department do attend the Audit Committee Meetings to answer and clarify the queries raised by the Committee Members.

### (iii) Number of meetings and attendance of members in the meeting :

During the year under review, four meetings of Audit Committee were held on 27<sup>th</sup> May, 2010; 10<sup>th</sup> August, 2010; 27<sup>th</sup> October, 2010 and 12<sup>th</sup> January, 2011 to consider, discuss and review the quarterly results, annual accounts and other financial matters to be placed before the Board for their approval.

The attendance of the members at the Audit Committee Meetings are as under:-

Sr. No.	Name of Director	Position held in the Committee	No. of Meetings Attended
1.	Shri Hemant Mehta	Chairman	4
2.	Shri Nishant Kumar	Member	4
3.	Shri Kirit Patel	Member	4

## (B) Remuneration Committee

### (i) Terms of Reference :

The Remuneration Committee recommends remuneration, promotions, increments etc. for the Managing Director and other Managerial Personnel. The recommendations so made by the Remuneration Committee and confirmed by the Board of Directors are subject to the approval of the shareholders in the general meeting.

### (ii) Composition of the Remuneration Committee

The Remuneration Committee comprises of three Independent Directors viz.:-

Sr. No.	Name of Director	Position held in the Committee
1.	Shri Kirit Patel	Chairman
2.	Shri Nikhil Rajpuria	Member
3.	Shri Nishant Kumar	Member

During the year under review, two meetings of remuneration committee were held on 01.04.2010 & 01.08.2010. The attendance details of members are as under:

Sr. No.	Name of Director	Position held in the Committee	No. of Meetings Attended
1.	Shri Kirit Patel	Chairman	2
2.	Shri Nikhil Rajpuria	Member	2
3.	Shri Nishant Kumar	Member	2

**(iii) Details of Remuneration paid to the Directors :**

**(i) Shri Jamna Prasad Maheshwari**

Particulars	Amount ( )
Salary	4,20,000
Contribution to Provident Fund	9,360
Perquisites	---
<b>TOTAL</b>	<b>4,29,360</b>
Service Contract	5 years
Period of Contract	30 <sup>th</sup> June, 2008 to 29 <sup>th</sup> June, 2013

**(C) Shareholders'/Investors' Grievance Committee**

**(i) Composition of the Committee**

The Shareholders'/Investors' Grievance Committee comprises of three directors viz.:

Sr. No.	Name of Director	Position held in the Committee
1.	Shri Nikhil Rajpuria	Chairman
2.	Shri Jamna Prasad Maheshwari	Member
3.	Shri Hemant Mehta	Member

The Company Secretary of the Company is designated as the Compliance Officer as required by SEBI/Listing Agreement.

**(ii) Terms of Reference of the Committee**

The Committee supervises the mechanism for redressal of investor grievances and ensures cordial investor relations. Apart from looking into redressal of shareholder's and investor's

grievances, the main functions of the Committee are:-

- Transfer/Transmission of shares
- Issue of Duplicate Share Certificate/ Dividend Warrants
- Complaints relating to non-receipt of Annual Report, Dividend etc.
- Split-up/Consolidation/Sub-division of Shares
- Any other query/matter which may be brought forward by the Compliance Officer

The Registrar and Share Transfer Agent – M/s. Sharepro Services (I) Pvt. Ltd. attends to all the Shareholders'/Investors' complaints on regular basis. The routine correspondence and letters received from the shareholders are replied back in time directly by the Compliance Officer whereas the complaints of serious nature are brought at the meeting and taken care thereof.

**(iii) Number of Complaints:**

During the year under review, details of the complaints are as under:-

Opening Balance as on 01.04.2010	: Nil
Complaints received during the year	: 1
<b>Total</b>	<b>: 1</b>
Complaints redressed during the year	: 1
Closing Balance as on 31.03.2011	: Nil

**4) GENERAL BODY MEETINGS**

The details about the Location, Time and Venue of last three Annual General Meetings and Extra Ordinary General Meeting are as under:-

Particulars	Date	Time	Venue
25 <sup>th</sup> Annual General Meeting	18.08.2008	03.00 pm	604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, S.G. Highway, Thaltej, Ahmedabad-380 054
Extra Ordinary General Meeting	30.04.2009	4:00 pm	604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, S.G. Highway, Thaltej, Ahmedabad – 380 054.
26 <sup>th</sup> Annual General Meeting	31.08.2009	3.00 pm	604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, S.G. Highway, Thaltej, Ahmedabad – 380 054.
27 <sup>th</sup> Annual General Meeting	05.08.2010	4.00 pm	604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, S.G. Highway, Thaltej, Ahmedabad – 380 054.

**Note :**

- No Special Resolution was passed at the last three Annual General Meetings of the Company.
- A Special Resolution was passed at the Extra Ordinary General Meeting of the Company held on 30<sup>th</sup> April, 2009 for Change of Name.
- No Resolution was passed through Postal Ballot during the year.

**5) DISCLOSURES**

There are no materially significant transactions with the related parties that may have potential conflict with Company's interest at large.

There were no cases of non-compliance, penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

No personnel have been denied access to the Audit Committee.

The Company complies with all the mandatory requirements and one non-mandatory requirement of Clause 49 of Listing Agreement viz. constitution of Remuneration Committee of the Board of Directors of the Company.

**6) CEO CERTIFICATION**

A Certificate from the Chief Executive Officer (CEO) on financial statements is issued pursuant to the provisions of Clause 49 of the Listing Agreement and is annexed to the Corporate Governance Report and forms part of the Annual Report.

**7) MEANS OF COMMUNICATION**

The Board of Directors of the Company approves and takes on record the Un-audited Quarterly Results and Audited Annual Results in the proforma prescribed by the Stock Exchange and announces forthwith the results to the Stock Exchange where the equity shares of the Company are listed. The approved financial results are faxed immediately after the Board Meeting to the Stock Exchanges and are published normally in leading daily newspapers in English and Local Language i.e. Gujarati.

**8) ADDITIONAL INFORMATION FOR SHAREHOLDERS**

**1] Annual General Meeting :**

The details of the 28<sup>th</sup> Annual General Meeting to be held is as under:-

Date	: 18 <sup>th</sup> July, 2011
Day	: Monday
Time	: 11:00 a.m.
Venue	: 604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej – Gandhingar Highway, Thaltej, Ahmedabad–380 054.

## Arms Paper Limited

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### 2] Financial Calendar:

Quarterly Results	Tentative Dates of Board Meeting for F.Y. 2011-12
1 <sup>st</sup> Quarter ended on 30 <sup>th</sup> June, 2011	Within 45 days of the end of the quarter
2 <sup>nd</sup> Quarter ended on 30 <sup>th</sup> September, 2011	
3 <sup>rd</sup> Quarter ended on 31 <sup>st</sup> December, 2011	
Audited yearly Results for the year ended on 31 <sup>st</sup> March, 2012	Within 60 days of the end of the financial year

### 3] Book Closure Date :

The Shares Transfer books and Register of Members will remain closed from 11<sup>th</sup> day of July, 2011 to 18<sup>th</sup> Day of July, 2011 (both days inclusive).

### 4] Listing on Stock Exchanges:

Name of Stock Exchange where Shares of the Company are Listed	Scrip Code
Bombay Stock Exchange Limited	532397

### 5] ISIN Number:

Demat ISIN Number in NSDL & CDSL for Equity Shares: **INE971A01014**

### 6] Shares' Prices Data:

Month	High ( )	Low ( )	Close ( )	Volume No. of Shares
April, 2010	14.50	11.00	12.88	43,542
May, 2010	14.00	11.00	13.11	16,405
June, 2010	13.40	10.82	11.84	11,855
July, 2010	13.12	11.00	12.37	21,446
August, 2010	13.00	10.84	11.48	10,10,875
September, 2010	12.43	9.31	10.16	1,75,989
October, 2010	11.82	8.74	8.74	29,760
November, 2010	10.60	7.22	8.73	74,840
December, 2010	10.75	7.03	8.89	22,255
January, 2011	9.54	7.14	7.40	18,136
February, 2011	9.25	6.51	8.28	27,902
March, 2011	10.19	7.43	9.39	63,537

\*the share price data is collected form [www.bseindia.com](http://www.bseindia.com)

### 7] Registrar and Share Transfer Agents:

Entire Share Transfer work and dematerialization / rematerialization work is handled by Registrar & Share Transfer Agents M/s. Sharepro Services (India) Private Limited, Ahmedabad - 380 006.

### 8] Share Transfer System:

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. The request for dematerialization of shares are also processed by the R & T agent within stipulated period and unloaded with the concerned depositories.

## 9] Distribution of Holdings as on 31st March, 2011

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	5640	92.247	680618	12.334
501 - 1000	200	3.271	165536	3.000
1001 - 2000	103	1.685	161193	2.921
2001 - 3000	43	0.703	110976	2.011
3001 - 4000	21	0.343	72240	1.309
4001 - 5000	25	0.409	121273	2.198
5001 - 10000	27	0.442	206977	3.751
10001 and above	55	0.900	3999387	72.476
<b>TOTAL</b>	<b>6114</b>	<b>100.00</b>	<b>5518200</b>	<b>100.00</b>

## 10] Dematerializations of shares and liquidity

As on 31<sup>st</sup> March, 2011, 94.24% of the total Equity Shares are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The details of which are as under:-

Mode of Holding	No. of Shares	% of Holding
DEMAT	5200221	94.24
PHYSICAL	317979	5.76
<b>TOTAL</b>	<b>5518200</b>	<b>100.00</b>

## 11] Shareholding Pattern of the Company as on 31st March, 2011

Category	No of Shares held	% of Share Holding
<b>1) Promoters Holding :</b>		
i. Indian Promoters Relatives & Associates (including Body Corporates)	1922709	34.84
ii) Foreign Promoters	-	-
<b>Sub Total (A)</b>	<b>1922709</b>	<b>34.84</b>
<b>2) Non Promoters Holding :</b>		
i. Mutual Funds and UTI	-	-
ii. Banks & Financial Institutions	-	-
<b>Sub Total (B)</b>	<b>-</b>	<b>-</b>
<b>3) Others</b>		
i. Private Corporate Bodies	988634	17.92
ii. Indian Public	2606507	47.24
iii. NRIs/OCBs/FIIs	350	0.00
<b>Sub Total (C)</b>	<b>3595491</b>	<b>65.16</b>
<b>Grand Total( A+B+C)</b>	<b>5518200</b>	<b>100</b>

## Arms Paper Limited

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### 12) Address for Correspondence

**a) Company**

Arms Paper Limited  
604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej-Gandhinagar Highway,  
Thaltej, Ahmedabad - 380 054.  
Telefax : [079] 26859223      Email : armspaperltd@gmail.com

**b) Registrar & Share Transfer Agents**

Sharepro Services (I) Pvt. Ltd.,  
416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad - 380 006.  
Phone No. [079] 26582381-84      Fax No. [079] 26582385  
Email: sharepro@shareproservices.com

**For and on behalf of the Board of Directors**

**Place : Ahmedabad**  
**Date : 7th May, 2011**

**Jamna Prasad Maheshwari**  
**Managing Director**

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### **Certificate by Chief Executive Officer (CEO)**

We hereby certify that :

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2011 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading;
  - (ii) These statements together 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 our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We further confirm that :
- (i) there were no significant changes in internal control over financial reporting during the year;
  - (ii) there were no significant changes in accounting policies during the year and
  - (iii) there were no instances of significant fraud of which we are aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

**Place : Ahmedabad**  
**Date : 7th May, 2011**

**Jamna Prasad Maheshwari**  
**Managing Director**

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**Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement.**

**To**  
**The members**  
**Arms Paper Limited**

1. We have reviewed the implementation of Corporate Governance by Arms Paper Ltd. ("the Company") during the year ended 31<sup>st</sup> March, 2011, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was limited to review of 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.

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.

3. We state that no major investor grievances are pending for period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee and certified by the Company.
4. On the basis of our review and according to the information and explanations provided to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange have been complied with in all material respect by the Company.

**For, Talati & Talati**  
**Chartered Accountants**  
(Firm Reg No: 110758W)

**Place : Ahmedabad**  
**Date : 7th May, 2011**

**Anand Sharma**  
**Partner**  
( M/No. 129033 )

## AUDITORS' REPORT

To  
The Members of ARMS PAPER Limited,  
Ahmedabad.

1. We have audited the attached Balance Sheet of **ARMS PAPER LIMITED** as at 31<sup>st</sup> March 2011, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the companies (Auditors' Report) (Amendments) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that;
  - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with this Report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v. On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011.
    - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
    - (c) In the case of the Cash Flow statement, of the cash flows for the year ended on that date.

**For, Talati and Talati**  
**Chartered Accountants**  
(Firm Reg No: 110758W)

**Place : Ahmedabad**  
**Date : 7th May, 2011**

**Anand Sharma**  
**Partner**  
( M/No. 129033 )

### **ANNEXURE TO THE AUDITORS' REPORT** **(Referred to in paragraph (3) of our Report of even date)**

- i)
  - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The Company has a phased program of physical verification of its fixed assets, which in our opinion, is reasonable, having regard to the size of the Company and nature of its business. During the year, the company has physically verified some of the assets and no material discrepancies were noticed on such verification.
  - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

- ii) There is no stock of Finished goods (except goods in transit), hence clauses relating to physical verification and procedure of physical verification, discrepancies noticed on such verification do not arise.
- iii) a. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, Firms & other parties listed in the register maintained u/s. 301 of the Companies Act, 1956. Accordingly, clause (iii) (b), (c) & (d) of the order are not applicable.
- e. According to information and explanation given to us, the Company has not taken any Loans, secured or unsecured, from companies, firms or other parties covered in the Register maintained u/s 301 of the Companies Act, 1956. Consequently, Clause (iii) (f) and (g) of Paragraph 4 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also with regard to the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal controls.
- v) In our opinion and according to the information and explanations given to us, there were no transactions exceeding 5 Lacs with any party covered under section 301 of the Companies Act, 1956 that needs to be entered into the register maintained under the said section. Hence clause (v) (b) of the order is not applicable.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public are not applicable to the Company.
- vii) In our opinion, the Company has an internal audit system commensurate with the size of the company and nature of its business.
- viii) The Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the Company.
- ix) According to the information & explanations given to us, undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date of becoming payable.
- x) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the banks. The company does not have any debentures.
- xii) In our opinion and according to the explanations given to us, the Company has not granted any loans against security by way of pledge of Shares, Debentures and other Securities. Therefore the provisions of this Clause of the Order are not applicable to the Company.
- xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditors' Report) Order 2003 is not applicable to the Company.
- xiv) In our opinion, the Company is not dealing or trading in shares, securities, Debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xv) 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.
- xvi) In our opinion and according to the information and explanations given to us, the term loans availed by the Company during the year were prima facie applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, no funds which have been raised on short-term basis have been used for long term investment, and vice versa.
- xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) During the year covered by our audit report, the Company has not issued any debentures. Accordingly, the provision of clause (xix) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xx) The Company has not raised money through public issue during the year.
- xxi) Based on the audit procedures performed and representation obtained from management we report that, no case of fraud on or by the Company has been noticed or reported for the year under audit.

**For, Talati and Talati**  
**Chartered Accountants**  
(Firm Reg No: 110758W)

**Anand Sharma**  
**Partner**  
( M/No. 129033 )

**Place : Ahmedabad**  
**Date : 7th May, 2011**

# Arms Paper Limited

## BALANCE SHEET AS AT 31ST MARCH, 2011

( )

PARTICULARS	SCHEDULE	AS AT 31.03.2011	AS AT 31.03.2010
<b>I. SOURCES OF FUNDS :</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	55,040,000	55,040,000
(b) Reserves and Surplus	2	12,956,942	7,661,025
		<u>67,996,942</u>	<u>62,701,025</u>
<b>2. Loan Funds</b>			
(a) Secured Loans	3	236,551	12,288,098
<b>3. Deferred Tax Liabilities</b> (Refer Note No 5 of schedule 15 B)			
		79,201	73,832
<b>TOTAL</b>		<u><u>68,312,694</u></u>	<u><u>75,062,955</u></u>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed Assets</b>			
(a) Gross Block	4	741,929	741,929
(b) Less : Depreciation		296,862	141,693
(c) Net Block		<u>445,067</u>	<u>600,236</u>
<b>2. Investments</b>			
		-	-
<b>3. Current Assets, Loans and Advances</b>			
(a) Inventories	5	5,539,316	-
(b) Sundry Debtors	6	5,224,923	16,088,023
(c) Cash and Bank Balance	₹ 7	627,979	60,060
(d) Loans and Advances	8	<u>72,516,827</u>	<u>64,598,691</u>
		<u>83,909,045</u>	<u>80,746,774</u>
<b>Less: Current Liabilities and Provisions</b>			
(a) Current Liabilities	9	10,241,131	1,642,394
(b) Provisions		5,800,287	4,641,661
		<u>16,041,418</u>	<u>6,284,055</u>
<b>NET CURRENT ASSETS</b>		<u><u>67,867,627</u></u>	<u><u>74,462,719</u></u>
<b>TOTAL</b>		<u><u>68,312,694</u></u>	<u><u>75,062,955</u></u>
<b>Notes forming part of Accounts</b>	15		

The Schedules referred above form an integral part of Financial Statements

As per our attached report of even date

**For, Talati & Talati**  
**Chartered Accountants**  
(Firm Reg. No 110758W)

For and on behalf of the Board

**Jamna Prasad Maheswari**  
**Managing Director**

**Anand Sharma**  
**Partner**  
M.No. 129033

**Alpesh Gandhi**  
**Company Secretary**

**Hemant Mehta**  
**Director**

**Place : Ahmedabad**  
**Date : 07-05-2011**

**Place : Ahmedabad**  
**Date : 07-05-2011**

## 28th Annual Report 2010-11

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

( )

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>INCOME :</b>			
Sales & Services	10	127,931,976	198,436,482
Other Income	11	5,327,919	1,394,713
Increase/(Decrease) in Stock	12	5,539,316	-
Total		<u>138,799,211</u>	<u>199,831,195</u>
<b>EXPENDITURE:</b>			
Purchases		129,231,266	178,573,986
Administrative & Selling Expenses	13	3,242,305	2,853,792
Interest & Financial Charges	14	869,185	2,951,362
Depreciation		155,169	119,862
Total		<u>133,497,925</u>	<u>184,499,002</u>
<b>PROFIT BEFORE TAX</b>		<b>5,301,286</b>	<b>15,332,193</b>
Add/(Less) :			
Provision for Deferred Tax		(5,369)	(69,405)
Provision For Taxation		(983,267)	(2,372,909)
Mat Credit Entitlement	₹	<u>983,267</u>	<u>2,372,909</u>
<b>PROFIT AFTER TAX</b>		<b>5,295,917</b>	<b>15,262,789</b>
Add/(Less) Prior Period Income		-	1,162,142
Balance brought forward		<u>2,193,229</u>	<u>(14,231,702)</u>
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b><u>7,489,146</u></b>	<b><u>2,193,229</u></b>
Earning Per Share - Basic / Diluted (Face Value 10/- Share) (Refer Note No 8 of schedule 15 B )		<b>0.96</b>	<b>2.98</b>

**Notes forming part of Accounts** 15

The Schedules referred above form an integral part of Financial Statements

As per our attached report of even date

**For, Talati & Talati**  
**Chartered Accountants**  
(Firm Reg. No 110758W)

**Anand Sharma**  
**Partner**  
M.No. 129033

**Place : Ahmedabad**  
**Date : 07-05-2011**

**Alpesh Gandhi**  
**Company Secretary**

For and on behalf of the Board

**Jamna Prasad Maheswari**  
**Managing Director**

**Hemant Mehta**  
**Director**

**Place : Ahmedabad**  
**Date : 07-05-2011**

# Arms Paper Limited

## SCHEDULE FORMING PART OF THE BALANCE SHEET

PARTICULARS	As At 31.03.2011	As At 31.03.2010
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
Authorised : 6000000 Equity Shares of 10/- each	<b>60,000,000</b>	60,000,000
Issued, Subscribed and Paid up :		
5518200 Equity Shares of 10/- each fully paid up (Previous year 5518200 Equity Shares of 10/- each)	<b>55,182,000</b>	55,182,000
Less : Calls In Arrears (Others)	<b>(142,000)</b>	(142,000)
	<b><u>55,040,000</u></b>	<u>55,040,000</u>

### SCHEDULE - 2 : RESERVES AND SULPLUS

Capital Reserve		
Balance as per last account	<b>5,467,796</b>	5,467,796
Profit & Loss Account balance carried forward	<b>7,489,146</b>	2,193,229
	<b><u>12,956,942</u></b>	<u>7,661,025</u>

### SCHEDULE - 3 : SECURED LOANS

Cash Credit		
From Banks: (Secured against hypothecation of stock and Bookdebt)	₹ -	11,893,171
Other Loan		
From Financial Institution (Repayable within one year - 1,74,500/- , PY 1,58,376/-)	<b>236,551</b>	394,927
	<b><u>236,551</u></b>	<u>12,288,098</u>

### SCHEDULE - 4 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION FUND				NET BLOCK	
	As on 01.04.10	Addition	Deduction	As on 31.03.11	Upto 01.04.10	Provided	Deduction	Upto 31.03.11	As on 31.03.11	As on 31.03.10
Assets										
<b>TANGIBLE ASSETS</b>										
Computer	61,000	-	-	<b>61,000</b>	33,541	10,051	-	<b>43,592</b>	<b>17,408</b>	27,459
Air Conditioner	30,000	-	-	<b>30,000</b>	7,746	3,095	-	<b>10,841</b>	<b>19,159</b>	22,254
Office Equipment	5,800	-	-	<b>5,800</b>	1,564	589	-	<b>2,153</b>	<b>3,647</b>	4,236
Vehicle	645,129	-	-	<b>645,129</b>	98,842	141,434	-	<b>240,276</b>	<b>404,853</b>	546,287
<b>Total</b>	<b>741,929</b>	-	-	<b>741,929</b>	<b>141,693</b>	<b>155,169</b>	-	<b>296,862</b>	<b>445,067</b>	<b>600,236</b>
Previous Year	79,300	662,629	-	741,929	21,831	119,862	-	141,693	600,236	57,469

## 28th Annual Report 2010-11

PARTICULARS	As At 31.03.2011	As At 31.03.2010
<b>SCHEDULE - 5 : INVENTORIES</b>		
Paper (Goods-in-transit) (Above Inventories taken, valued & certified by the Management)	5,539,316	-
	<u>5,539,316</u>	<u>-</u>
 <b>SCHEDULE - 6 : SUNDRY DEBTORS</b>		
(Unsecured, considered good, unless otherwise stated.)		
Exceeding Six Months	-	-
Others	5,224,923	16,088,023
	<u>5,224,923</u>	<u>16,088,023</u>
 <b>SCHEDULE - 7 : CASH AND BANK BALANCES</b>		
Cash on Hand	3,194	1,678
Balance with Scheduled Banks:		
In Current Account	624,785	38,873
In Fixed Deposits including interest accrued thereon	-	19,509
	<u>627,979</u>	<u>60,060</u>
₹		
 <b>SCHEDULE - 8 : LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated )		
Advances recoverable in cash or kind	61,008,274	54,887,642
Balance with Government, Semi-Government and others	144,313	72,098
Advance Income Tax & MAT Credit	11,364,240	9,638,951
	<u>72,516,827</u>	<u>64,598,691</u>
 <b>SCHEDULE - 9 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>a) Current Liabilities</b>		
Sundry Creditors		
- For Micro, Small & Medium enterprise (Refer Note No 1 of schedule 15 B)	-	-
- For Others	10,241,131	1,633,254
- Advances received from customers	-	9,140
	<u>10,241,131</u>	<u>1,642,394</u>
 <b>b) Provisions</b>		
For Income Tax	5,614,178	4,630,911
For Gratuity, Bonus and Leave Encashment	186,109	10,750
	<u>5,800,287</u>	<u>4,641,661</u>
	<u>16041418</u>	<u>6284055</u>

# Arms Paper Limited

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

PARTICULARS	2010-11	2009-10
<b>SCHEDULE - 10 : SALES &amp; SERVICES</b>		
Paper Sales	127,931,976	188,194,246
Commission Income (TDS Current Year Nil, Previous year 11,29,719)	-	10,242,236
	<u>127,931,976</u>	<u>198,436,482</u>
<b>SCHEDULE- 11 : OTHER INCOME</b>		
Interest on FDR	83	61,739
Interest Income Others (TDS C.Y. 5,25,412 P.Y. 1,59,778/-)	5,254,122	1,332,974
Insurance Recovery (Net of expense 74,301)	73,714	-
	<u>5,327,919</u>	<u>1,394,713</u>
<b>SCHEDULE - 12 : INCREASE / (DECREASE) IN INVENTORIES</b>		
Opening Stock - Paper	-	-
Closing Stock - Paper	5,539,316	-
	<u>5,539,316</u>	<u>-</u>
<b>SCHEDULE - 13 : ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
Payment to & provision for Employees ₹		
Salary, Bonus & Gratuity	844,769	354,317
Contribution to P.F. & E.F.P.F.	24,355	20,380
	<u>8,69,124</u>	<u>3,74,697</u>
Director's Remuneration	429,360	240,360
Auditor's Remuneration	71,695	60,665
Electricity Expenses	31,877	39,027
Insurance Expenses	-	44,127
Repairs & Maintenance Building	9,078	7,428
Repairs & Maintenance Vehicle	25,233	9,315
Rent, Rates & Taxes	258,523	243,992
Legal & Professional Expenses	99,242	123,958
Advertisement, Stationery & Communication	234,892	203,336
Freight & Forwarding Paper Sales.	1,100,975	1,418,398
Travelling & Conveyance	95,288	52,035
Miscellaneous Expenses	17,018	36,454
	<u>3,242,305</u>	<u>2,853,792</u>
<b>SCHEDULE - 14 : INTEREST &amp; FINANCIAL CHARGES</b>		
Interest to Bank	835,968	2,426,457
Bank Charges	1,602	481,388
Interest Expenses - Others	31,615	43,517
	<u>869,185</u>	<u>2,951,362</u>



### SCHEDULE - 15 : NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011

#### A) SIGNIFICANT ACCOUNTING POLICIES:

##### 1) BASIS OF ACCOUNTING:

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India, the provisions of the Companies Act 1956, and the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. All Incomes and Expenditures having material bearing on the Financial Statements are recognized on accrual basis.

##### 2) USE OF ESTIMATES:

The presentation of the Financial Statements, in conformity with the Generally Accepted Accounting policies, require the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

##### 3) REVENUE RECOGNITION:

Sales are stated net of rebate, trade discount and inter-divisional transfers. It excludes Central Sales Tax and State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rights connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch of the goods.

Interest on deposits is recognized on accrual basis.

##### 4) FIXED ASSETS AND DEPRECIATION:

Fixed Assets are stated at cost of acquisition or construction, net of accumulated depreciation, cenvat credit and adjustments arising from exchange rate variations relating to borrowings attributed to fixed assets. Cost includes incidental expenses capitalized from time to time on their due recognition, trial run expenses and interest attributable to the project till the date of commissioning.

The company has provided depreciation on all Fixed Assets on "Written Down Value Method" on pro-rata basis in accordance with the Section 205 (2)(a), at the rates specified in Schedule XIV of the Companies Act 1956.

##### 5) INVENTORIES:

Closing stock of goods traded is valued at lower of cost or net realizable value. Cost is determined using the absorption costing principles. Cost includes cost of material and related expenses.

##### 6) EMPLOYEES RETIREMENT BENEFITS:

###### (a) Short Term

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

###### (b) Long Term

The Company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

###### Defined Contribution Plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's Payments to the defined contributions plans are reported as expenses during the period in which the employee perform the services that the payment covers.

###### Defined Benefit Plans

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expense over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining term i.e. almost equivalent to the average balance working period of employees.

###### Other Employee Benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit converts and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid.

## Arms Paper Limited

### 7) TAXATION:

A provision for Current Tax has been made at the current tax rate based on assessable income or on the basis of Sec. 115JB of the Income Tax Act, 1961 (Minimum Alternative Tax), whichever is higher.

Deferred Tax resulting from "timing differences that are temporary in nature" between accounting and taxable profit is accounted for, using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the asset will be realised in future.

### 8) EARNING PER SHARE:

Basic earning 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 earning 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.

### 9) CASH FLOW STATEMENT:

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in Cash Flow Statement consist of cash on hand and demand deposits with banks.

### 10) PROVISIONS AND CONTINGENT LIABILITIES:

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.

## B) NOTES TO THE FINANCIAL STATEMENTS:

- 1) Based on the information / documents / parties identified by the company and to the extent information available/gathered, with respect to information as required to be disclosed as per Micro, Small & Medium Enterprise Development Act, 2006, there is no transaction with such parties during the year.
- 2) Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17) issued by the Institute of Chartered Accountants of India, the Company operates mainly in trading of paper products and all other activities are incidental thereto, which have similar risk and return, accordingly, there is no separate reportable Segment disclosure is required.

### 3) Auditor's Remuneration:

	2010-11	2009-10
(a) As Auditor	44120	38605
(b) For Tax Audit	11030	11030
(c) For Other Services	16545	11030
Total	71695	60665

### 4) i) Managerial Remuneration:

	2010-11	2009-10
(a) Salary	420000	231000
(b) Contribution to Provident Fund	9360	9360
Total	429360	240360

(ii) The Remuneration to Managing Directors of the Company has been paid as agreed to, which is lower than the permissible minimum remuneration as provided in Schedule XIII of the Companies Act, 1956. As such, computation of net profits under Section 349 of the Companies Act, 1956 has not been given.

(iii) The above excludes provision for gratuity and leave encashment, since these are based on actuarial valuation done on an overall company basis.

### 5) Deferred Tax Liability:

As required by the Accounting Standard 22" Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax liability during the year amounting to 5,369.

	31.03.2011	31.03.2010
Depreciation	79201	73832
Net Deferred Tax Liability	79201	73832
Net incremental Liability charged to P & L A/c	5369	69405

6) Disclosure pursuant to AS 15 (revised) "Employees Benefits"

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised as expense for the year are as under:

	<b>2010-11</b>
Employer's Contribution to Provident Fund	<b>10446</b>
Employer's Contribution to Pension Scheme	<b>23269</b>

**Defined Benefit Plan**

In the current year, the Company has adopted Accounting Standard 15 (AS-15) (Revised) "Employee Benefits" which is mandatory from accounting periods starting from Dec 7, 2006. Accordingly, the Company has provided for gratuity (unfunded) and leave encashment (unfunded) based on actuarial valuation done as per Projected Unit Credit Method.

**I. Reconciliation of opening and closing balance of Defined Benefit Obligation**

	<b>Gratuity 2010-11</b>	<b>Leave Encashment 2010-11</b>
Opening Defined Benefit Obligation	-	-
Excess / Short Provision	-	-
Service Cost	33067	63728
Interest Cost	-	-
Actuarial (Gain) / Loss	59909	-
Benefits paid	-	-
Closing Defined Benefit Obligation	92976	63728

**II. Reconciliation of opening and closing balance of fair value of plan assets**

	<b>Gratuity 2010-11</b>
Opening fair value of plan assets	-
Expected return	-
Actuarial Gain / (Loss)	-
Employer Contribution	-
Benefits paid	-
Closing fair value of plan assets	-

**III. Reconciliation of fair value of assets and obligation**

	<b>Gratuity 2010-11</b>	<b>Leave Encashment 2010-11</b>
Fair value of plan assets	-	-
Present value of obligation	92976	63728
Amount recognised in Balance Sheet	92976	63728

**IV. Expense recognised during the year (under the head "Administrative & Selling Exp" of Schedule '13')**

	<b>Gratuity 2010-11</b>	<b>Leave Encashment 2010-11</b>
Service Cost	33067	63728
Interest Cost	-	-
Expected return on plan assets	-	-
Actuarial (Gain) / Loss	59909	-
Net Cost included in 'Employee Benefit Expense'	92976	63728

**V. Investment Details**

	<b>% invested in 2010-11</b>
Investments	Nil

**VI. Actuarial Assumptions**

	<b>Gratuity 2010-11</b>	<b>Leave Encashment 2010-11</b>
Discount Rate (per annum)	7.66%	7.66%
Rate of escalation in salary (per annum)	6.00%	6.00%

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Actuarial valuation done for the first time this year and hence previous year figures have not been given.

## Arms Paper Limited

### 7) Related Party Disclosure:

#### (a) List of Related Parties and Relationships:

- |     |  |                     |
|-----|--|---------------------|
| i.  | Concern where significant interest exists. | Nil                 |
| ii. | Key Management Personnel and Relatives.    |                     |
|     | Shri. Jamna Prasad Maheshwari              | - Managing Director |
|     | Shri. Hemant Chinubhai Mehta               | - Director          |
|     | Shri. Arvind Baldwa                        | - Director          |

#### (b) Disclosure of Related Party Transactions

Nature of Transaction	Key management personnel	
	2010-11	2009-10
Directors' Remuneration ( Shri Jamna Prasad Maheshwari )	429360	240360

### 8) Earning per share:

Particulars		31.03.2011	31.03.2010
Net profit for the year attributable to Equity Shareholders		5295917	16424931
Weighted average number of Equity Shares outstanding	Numbers	5504000	5504000
Basic and diluted earnings per share (face value of 10 each)		0.96	2.98

9) Previous year figures have been re-arranged and re-grouped, wherever necessary to make them comparable with those of current year.

10) Information pursuant to provisions of paragraph 3, 4, 4-B, 4-C, 4-D & 4-E of part II, Schedule VI of the Companies Act, 1956.

a) Details of Goods Traded:	2010-11		2009-10	
Product – Papers	Qty. KG	Amount	Qty. KG	Amount
Opening Stock	Nil	Nil	Nil	Nil
Purchases	₹651669	129231266	5674297	178573986
Sales	3550743	127931976	5674297	188194246
Closing Stock	100926	5539316	Nil	Nil

	2010-11	2009-10
b) Expenditure in Foreign Currency	-	-
c) Earnings in Foreign Currency:	-	-
d) The amount remitted during the year in foreign currency for dividend		
- Number of non-resident shareholders		
- Number of shares held by them		

As per our attached report of even date

**For, Talati & Talati**  
Chartered Accountants  
(Firm Reg. No 110758W)

**Anand Sharma**  
Partner  
M.No. 129033

Place : Ahmedabad  
Date : 07-05-2011

For and on behalf of the Board

**Jamna Prasad Maheshwari**  
Managing Director

**Hemant Mehta**  
Director

Place : Ahmedabad  
Date : 07-05-2011

**BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE:**

I Registration Details

Registration No  State Code   
 Balance Sheet Date

II Capital Raised during the year (Amount in Thousands)

Public Issue  Right Issue   
 Bonus Issue  Private Placement

III Position of Mobilisation and Deployment of Funds (Amount in Thousands)

Total Liabilities  Total Assets

**Sources of Funds:**

Paid up Capital  Reserves & Surplus   
 Secured Loans  Deferred Liability   
 Current Liability

**Application of Funds:**

Net Fixed Assets  Investments   
 Current Assets  Misc. Expenditure

IV Performance of Company (Amount in <sup>₹</sup> thousands)

Total Income  Total Expenditure   
 Profit Before Tax  Profit After Tax   
 Earning per Share in Rs.  Dividend Rate %

V Generic Names of Three Principal Product/Services Of Company (as per monetary terms)

Item Code No. (ITC Code)   
 Products Description

## Arms Paper Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-2011 (Amt. in )	2009-2010 (Amt. in )
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit (Loss ) before Tax</b>	<b>5301286</b>	<b>15332193</b>
Adjustments for :		
Depreciation	155169	119862
Interest Payment	869185	2951362
Adjustments of earlier years:	0	1162142
Operating Profit before Working Capital changes	6325640	19565559
Adjustments for		
Increase/Decrease in Trade Debtors	10863100	139779268
Increase/Decrease in Current Liability	9757363	(123147296)
Increase / Decrease in Stock	(5539316)	0
Increase/Decrease in Loans & Advances	(7918136)	(22082086)
<b>Net Cash from operating Activities (A)</b>	<b>13488651</b>	<b>14115445</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	0	(662629)
<b>Net Cash from investing activities (B)</b>	<b>0</b>	<b>(662629)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Secured Loans	(12051547)	(13307566)
Interest Payment	(869185)	(2951362)
<b>Net Cash from financing activities (C)</b>	<b>(12920732)</b>	<b>(16258928)</b>
Net Cash increase in Cash & Cash equivalents (A+B+C)	567919	(2806112)
Cash & Cash equivalents at the beginning of the year	60059	2866171
Cash & Cash equivalents at the end of the year	627979	60059

As per our attached report of even date

**For, Talati & Talati**  
**Chartered Accountants**  
(Firm Reg. No 110758W)

**Anand Sharma**  
**Partner**  
M.No. 129033

**Place : Ahmedabad**  
**Date : 07-05-2011**

**Alpesh Gandhi**  
**Company Secretary**

For and on behalf of the Board

**Jamna Prasad Maheswari**  
**Managing Director**

**Hemant Mehta**  
**Director**

**Place : Ahmedabad**  
**Date : 07-05-2011**

**ARMS PAPER LTD.**

**Registered Office:** 604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej - Gandhinagar Highway, Thaltej, Ahmedabad- 380 054 (Gujarat)

**ATTENDANCE SLIP**

Annual General Meeting

Regd. Folio. No. / DP Client ID \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the **28<sup>th</sup> ANNUAL GENERAL MEETING** of the Company at the Registered Office situated at 604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej - Gandhinagar Highway, Thaltej, Ahmedabad- 380 054 (Gujarat) at 11.00 a.m. on Monday, July 18, 2011.

(Member's/Proxy's name in block letters)

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

**Note:** Please fill in the attendance slip and hand it over at the ENTRANCE OF THE COMPANY  
Members are requested to bring their copies of the Annual Report to the meeting.

**ARMS PAPER LTD.**

**Registered Office:** 604, Avdhesh House, Opp. Shri Guru Govind Gurudwara, Sarkhej - Gandhinagar Highway, Thaltej, Ahmedabad- 380 054 (Gujarat)

**PROXY FORM**

Regd. Folio No. / DP Client ID \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

Being a member / members of the above named Company, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_ or failing him

\_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_

of \_\_\_\_\_ as my / our proxy to vote for me/us and on my/our behalf at

the 28<sup>th</sup> Annual General Meeting to be held on 11.00 a.m. on Monday, 18<sup>th</sup> July, 2011 at the Registered Office of the

Company situated at 604, Avdhesh House, Opp. Shri Guru Govind Dwara, S. G. Highway, Thaltej, Ahmedabad-54

at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.



**Note:** The instrument of proxy should be deposited at the Registered office of the Company not Less than 48 (Forty Eight) hours before the time of holding the meeting.





**Registration form for service of documents through electronic mode**

To,  
Arms Paper Limited  
604, Avdhesh House,  
Opp. Shri Guru Govind Gurudwara,  
Thaltej,  
Ahmedabad – 380 054

**Sub.: Electronic Mode of service of documents**  
**Re: MCA Circular – Green Initiative**

I/We agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending all communication through e-mail.

Folio No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

Name of 1<sup>st</sup> Registered Holder : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

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

Email ID (to be registered) : \_\_\_\_\_

PAN : \_\_\_\_\_

Important Notes : \_\_\_\_\_  
: \_\_\_\_\_  
: \_\_\_\_\_

Shareholders are requested to keep Company informed as and when there is any change in the e-mail address.

Date : \_\_\_\_\_

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





# BOOK-POST

Address for Correspondence:

**The Company Secretary**

**ARMS PAPER LTD**

604, Avdhesh House, Opp GuruGovind Gurudwara, S.G. Highway, Thaltej, Ahmedabad - 380054

Gujarat. INDIA | Telefax: +91 79 26859223 | Email: [armspaperltd@gmail.com](mailto:armspaperltd@gmail.com)