

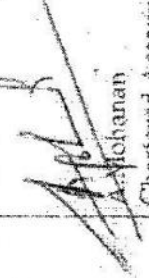
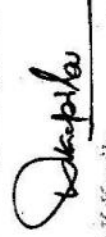


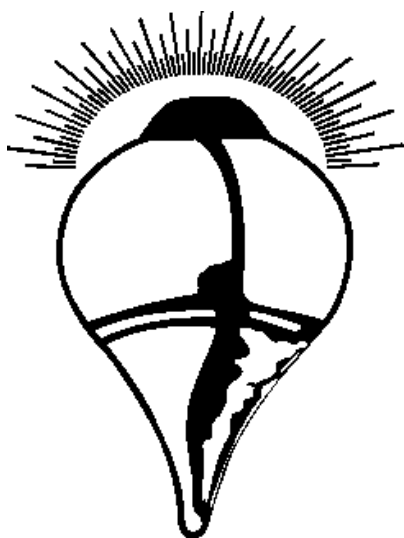
FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

Sl.No	Particulars	Details
1	Name of the Company	SREE SAKTHI PAPER MILLS LIMITED
2	Annual Financial Statements for the year ended	31 st March 2015
3	Type of Audit Observation	Un-Qualified
4	Frequency of Observation	Not Applicable
5	To be Signed by: ➤ CEO/ Managing Director	 Rakkumar Sivatharan Pillai Vice Chairman & Managing Director
	➤ CFO	 Usha Venugopal CFO
	➤ Auditor of the Company	 M/s. Balan & Co. Chartered Accountant
	➤ Audit Committee Chairman	 D K Kapila Audit Committee Chairman

Place : Cochin - 16

Date : 30.05.2015



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BOARD OF DIRECTORS

Mr. A.S. Unny (Chairman) (expired on 17-5-2015)
Dr. S. Rajkumar (Managing Director)
Mr. A. Padmanabhan (Executive Director)
Mr. N. Purushothama Prabhu (Director - Operations)
Mr. S. Sivathanu Pillai (expired on 25-6-2014)
Mr. S. Subramoniam, Director
Mr. S. Giridhar, Director
Mrs. E. Kamalam, Women Director
Mr. T.S. Anantharaman, Director
Mr. U. Gururaja Bhat, Independent Director
Mr. Deveshwer Kumar Kapila, Independent Director
Dr. A.R. K. Rao, Independent Director
Mr. G.K. Ajithkumar, Nominee Director

COMPANY SECRETARY

Mr. R. Ponnambalam

AUDITORS

M/s. Balan & Co.
31/181 D, Anantha, Mahakavi G. Road
Karikkamuri, Cochin - 682 011

BANKERS

Federal Bank Limited
IDBI Bank Limited
Bank of India
State Bank of Travancore
Punjab National Bank

REGISTERED OFFICE

57/2993, "Sree Kailas" Paliam Road
Ernakulam, Cochin - 682 016, Kerala
Tel: 0484-3002000, 2373230, 2371085, 2380497
Fax: 0484-2370395
E-mail: secretary@sreekailas.com
Web: www.sreekailas.com

FACTORIES

Kraft Paper Unit 1 and 2

Industrial Development Area
Muppathadom, Edyar, Aluva - 683 102
Tel: 0484-3002100, 2540622, 2555451
Fax: 0484-2555835

Duplex Board unit

Kanjirapilly, Pariyaram
Chalakydy, Thrissur - 680 721
Tel: 0480-3002100, 2746129, 2747529
Fax: 0480-2746410

**FINANCIAL HIGHLIGHTS (7 YEARS)**

(Rs. in Lakhs)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Sales (Gross)	14416.14	14753.18	19081.81	20837.99	21766.94	21554.41	16405.45
Sales (Net)	13708.63	14152.04	18292.83	19792.31	20505.57	20306.81	15452.58
Total Income	13928.84	14312.82	18356.74	19837.31	20565.49	20443.01	15660.39
Profit before tax	483.66	706.96	1052.75	1023.57	702.9	143.26	(1528.71)
Profit after tax	331.79	464.43	701.33	660.33	469.12	116.08	(1178.14)
Earnings Per Share (Rs.)	2.02	2.83	4.27	4.02	2.85	0.71	(7.97)
Dividend Rate (%)	15.00	18.00	21.00	21	15	6	0
Reserve & Retained Earnings	1887.90	2010.77	2309.61	2568.79	2749.47	2750.18	1509.61
Share Capital	1643.62	1643.62	1643.62	1643.62	1643.62	1643.62	2643.62
Shareholders' Funds	3531.52	3654.39	3953.24	4212.41	4393.09	4393.08	4253.23
Fixed Assets(Gross Block)	6543.26	6918.93	7748.46	10357.61	10838.2	10985.32	9252.19
Fixed Assets (Net Block)	4772.94	4826.66	5287.67	7472.88	7451.11	7145.04	5835.68

**NOTICE**

Notice is hereby given that the 24th Annual General Meeting of the Company will be held on Wednesday 30th September, 2015 at 2.00 p.m, at Hotel Abad Plaza M.G.Road, Ernakulam, Cochin - 35 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended on 31st March, 2015 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Kamalam (DIN - 01791001) who retires by rotation in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. T S Anantharaman (DIN - 00480136) who retires by rotation in accordance with Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. Appointment of Auditors

To re-appoint auditors of the Company to hold office from the conclusion of this AGM to the conclusion of the twenty sixth AGM and to fix their remuneration and to pass the following resolution thereof.

“RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s Balan & Co, Chartered Accountants (ICAI Firm Regn. No.000340S) be and is hereby re-appointed as auditors of the Company, to hold office for a period of two (2) years, from the conclusion of this AGM to the conclusion of twenty sixth AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) at such remuneration plus service

tax, out-of-pocket, travelling and living expenses etc, as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS**5. Appointment of Mr. Ayyadevara Rama Koteswara Rao (DIN 01246376) as an Independent Director**

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

“RESOLVED THAT, pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) as read with Schedule IV to the Companies Act 2013, Mr. Ayyadevara Rama Koteswara Rao (holding DIN 01246376), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to one year for another term up to the conclusion of the 25th Annual General Meeting of the Company in the Calendar year 2016, not liable to retire by rotation.”

6. Approval for Related Party Transactions

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum for the financial year 2015-16 as mentioned herein below:

Particulars of Parties	Nature of Transaction	Annual Amount Rs. Lacs
Dr. S .Rajkumar	Lease Building - Rent	15.00
S. Subramoniam	Lease Building - Rent	05.00
A. Padmanabhan	Lease Building - Rent	05.75



Particulars of Parties	Nature of Transaction	Maximum Limit in Rs. Lacs
A. Ganesh	Lease Building - Rent	01.50
Shri Kailash Logistics Limited	Lease Building - Rent	04.00
Shri Kailash Logistics Limited	Freight Services	400.00
Sree Sakthi Constructions and Infrastructure Limited	Civil Works	10.00
Maharaj Continental Trades Limited	Commission	150.00
Sree Giri Packagings Limited	Purchase of Raw Materials	3500.00
Verizon Industrial Aids Limited	Purchase of Raw Materials	1050.00
Carto Packs	Purchase of Raw Materials	100.00
Carto Packs	Sale of Paper	370.00

7. To Re-appoint Dr. S. Rajkumar (DIN 01790870) as Managing Director.

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 Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Dr. S. Rajkumar (holding DIN 01790870) as Managing Director of the Company for a period of One (1) year effective from 14th August 2015 to 13th August 2016, on the terms and conditions including remuneration and perquisites as approved by the Board of Directors at their meeting held on 30th July 2015 as detailed in the Explanatory Statement to this item annexed to this notice as per Section 102 of the Companies Act, 2013, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Dr. S. Rajkumar (holding DIN 01790870).”

8. To Re-appoint Mr. N Purushothama Prabhu (DIN 00384830) as Whole Time Director and fixing his remuneration.

To consider and if thought fit to pass with or without modifications, the following as an Ordinary Resolution

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 and any other applicable provisions if any of the Companies Act, 2013 and rules made hereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. N. Purushothama Prabhu (holding DIN 00384830) as a Whole Time Director of the Company designated as “Director- Operations” for a period of One (1) year effective from 13th August 2015 to 12th August 2016, on the terms and conditions including remuneration and perquisites as approved by the Board of Directors at their meeting held on 30th July 2015 and as detailed in the Explanatory Statement to this item annexed to this notice as per Section 102 of the Companies Act, 2013, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr N Purushothama Prabhu (holding DIN 00384830).”

9. To Re-appoint Mr. A Padmanabhan (DIN 00037472) as Whole Time Director and fixing his remuneration.

To consider and if thought fit to pass with or without modifications, the following as an Ordinary Resolution

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 and any other applicable provisions if any of the Companies Act, 2013 and rules made hereunder (including any statutory modification(s) or re-enactment thereof for the time



being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. A. Padmanabhan (holding DIN 00037472) as a Whole-time Director of the Company for a period of One (1) year effective from 1st August 2015 to 31st July 2016, on the terms and conditions including remuneration and perquisites as approved by the Board of Directors at their meeting held on 30th July 2015 and as detailed in the Explanatory Statement to this item annexed to this notice as per Section 102 of the Companies Act, 2013, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. A. Padmanabhan (holding DIN 00037472)

By order of the Board of Directors
For Sree Sakthi Paper Mills Limited

Sd/-

Cochin -16
30th July 2015

R. Ponnambalam
Company Secretary

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- The instrument appointing proxy (duly completed, stamped and signed) 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 24th Annual General Meeting of the Company.
- Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution on the letterhead of the Company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.
- With effect from 1st April 2014, inter alia, provisions of Section 149 of Companies Act, 2013 has been brought into force. In terms of the said Section read with Section 152 (6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Profile of Directors seeking re-appointment as stipulated in terms of Clause 49 of the listing agreement with the stock exchanges is provided in the report on corporate governance, which forms an integral part of this annual report.
- 5. The Register of Members and Share Transfer Books of the Company will remain closed from 23-9-2015 to 30-9-2015 (both days inclusive).**
- All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 5.30 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
- Shareholders are requested to bring their copy of the Annual Report to the meeting.
- Members/Proxies should fill the attendance slip for attending the Meeting.
- Members who hold shares in dematerialized form are required to write their client ID and DPID numbers, and those who hold shares in physical form are requested to write their Folio number in attendance slip for attending the meeting.
- The information on the Directors appointment or reappointment is provided as per Clause 49 of the Listing Agreement and is given in the Corporate Governance Section of this Annual Report.
- Under the provisions of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Unclaimed/unpaid dividend amount relating to Financial year 2006-07 have been transferred to the 'Investor Education and Protection Fund' established by the Central Government. Those members who have not encashed their dividend warrants for the financial year 2007-08 to 2013-14 may lodge a claim with the Company immediately especially relating to the year 2007-08 as the unpaid dividend for the said year is due to be remitted into I.E.P Fund by 27th October 2015.
- Copies of the Annual Report 2015 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/



Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company / M/s. Bigshare Services Pvt. Ltd
14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / M/s. Bigshare Services Pvt. Ltd.
15. A Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed hereto.

16. Information and other instructions relating to e-voting are as under:

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iii) The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
- (iv) The Board of Directors of the Company has appointed M/s Lakshmmi Subramanian &

Associates, as Scrutinizer to scrutinize the Venue Voting and remote e-voting process in a fair and transparent manner and they has communicated their willingness to be appointed and will be available for same purpose.

- (v) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23-09-2015.
- (vi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 23-09-2015 only shall be entitled to avail the facility of remote e-voting / Venue Voting.
- (vii) The voting period begins on 27/09/2015 at 09.00 AM and ends on 29/09/2015 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23/09/2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (viii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ix) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.sreekailas.com and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30th September, 2015.
- (xi) Instructions and other information relating to remote e-voting:**
 - a) The shareholders should log on to the e-voting website www.evotingindia.com.



- b) Click on Shareholders.
- c) Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:
 - i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - j) On successful login, the system will prompt you to select the E-Voting Sequence Number for Sree Sakthi Paper Mills Limited.
 - k) 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.
 - l) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - m) After selecting the resolution you have decided to vote on, click on “SUBMIT”.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the Depository or Company please enter the member ID / folio number in the Dividend Bank

- g) After entering these details appropriately, click on “SUBMIT” tab.

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.
- h) Members holding shares in physical form will then directly reach 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.
 - n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - o) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xii) Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com / Toll Free No. 18002005533.

By order of the Board of Directors
For Sree Sakthi Paper Mills Limited

Cochin -16
30th July 2015

Sd/-
R. Ponnambalam
Company Secretary

**(IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)**

Name of Director	Date of Birth	Date of Appointment	Share holding in the Company (Nos.)
Dr. A.R.K. Rao	10.01.1941	29/06/2006	100

Qualification

Bachelor of Technology (Chemical Engineering) from Osmania University, Hyderabad in 1963. Master of Engineering from Indian Institute of Science, Bangalore in 1965 Ph.D in Chemical Engineering from University of Ottawa, Canada in 1970.

Experience

Dr. A.R.K. Rao has been working as Consultant to Pulp, Paper and Newsprint Industry since 2001 after his superannuation as CMD of The Hindustan Paper Corporation Ltd. Presently he is technical advisor to Bank Note Paper Mill India (P) Ltd and Seshasayee Paper and Boards Ltd. He started his carrier in 1973 with The Andhra Pradesh Paper Mills Ltd and served the Pulp and Paper industry as an employee for over 28 years working in various Capacities in Central Pulp and Paper Research Institute, Saharanpur, in Seshasayee Paper And Boards Ltd., Erode, in The Mysore Paper Mills Ltd., Bhadravathi and in Hindustan Paper Corporation Ltd, New Delhi.

He was also active in research in all fields of Pulp & Paper and has to his credit about 45 publications in reputed international Journals. Best paper award was presented to him By Indian Pulp and Paper Technical Association on four occasions. During his service, he has won various Honours and awards of which worthy of special mention are (1) Southeast Asia Delegate in 1988 to attend 42nd Annual General Meeting of Technical Association of Australia & Newzeland pulp and paper Industry at Hobart, Australia, (2) As a faculty of UNEP work shops at Hangjhou, China, Quezon City Philippines, Bangalore and Delhi, (3) Honoured for Technical Contribution by Indian Paper Mills Association and Indian Pulp and Paper Technical association.

He contributed to "Bureau of Indian Standards" for nearly 10 years as Chairman of Committee on Standards for Pulp paper and Allied products to set Technical Standards for Indian paper Industry and its products.

He has also been active in Professional Associations and was President, Indian Pulp and Paper Technical Association for the Years 1998 & 1999 and President of Newsprint Manufacturers Association for two Years, 1997-98 and 1998-99. He is also serving with Confederation of Indian Industry on Panels of Judges for Energy and Environment Awards.

Details of Directorship

At present: Sree Sakthi Paper Mills Ltd

Earlier: Chairman-Cum-Managing Director, Hindustan Paper Corporation Ltd (H.P.C) from Apr 1996 to Jan 2001. In this position he had also functioned as Chairman of Subsidiary companies of H.P.C Viz, Hindustan Newsprint Ltd and The Mandya National Paper Mills Ltd., Director (Operations) of The Mysore Paper Mills Ltd from Apr 1993 to Apr 1996.

Status in other Board Committees of the Company

Member - Nomination & Remuneration Committee and Audit Committee.

Relationships between Directors inter-se

Not related to any other Directors of the Company

Name of Director	Date of Birth	Date of Appointment	Share holding in the Company (Nos.)
Mrs. E. Kamalam	10.11.1933	03.08.1995	17868

Qualification : Metriculation

Experience

More than 15 years experience in cement business. She was Director of the Company since 1995.

Details of Directorship in other Companies : Nil

Status in other Board Committees of the Company : Nil

Relationships between Directors inter-se

Wife of Late Mr. S. Sivathanupillai, former Chairman & Managing Director and mother of Mr. S. Rajkumar, Managing Director, Mr. S. Subramoniam, Mr. S. Giridhar, Directors of the Company



Name of Director	Date of Birth	Date of Appointment	Share holding in the Company (Nos.)
Mr. TS Anantharaman	26.06.1948	30.05.2011	15866
Qualification Chartered Accountant			
Experience More than 40 years experience in the field of audit, accounting and financial management and experience in securities and share markets. He is a member of British Institute of Management.			
Details of Directorship in other companies Nil			
Status in other Board Committees of the Company Risk Management Committee			
Relationships between Directors inter-se Not related to any other Directors of the Company			



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

At the Annual General Meeting of the Company held on 30th September 2014 Dr. A R K Rao was appointed as Independent Director for a term of 1 year ending with the ensuing Annual General Meeting. Accordingly the tenure of his office will cease at this Annual General Meeting. As per the provisions of Companies Act, 2013 an Independent Director shall not hold office for more than two consecutive terms. The Company has received requisite notices in writing from members proposing Dr. A.R.K. Rao for re-appointment as Independent Director for another consecutive term of one year. Your Board is of the opinion that the above Independent Director fulfills the conditions specified in the Act for appointment as Independent Director of the Company. Details in respect of Director, who is proposed to be appointed as Independent Director, is furnished in the Corporate Governance section of the Annual Report. The proposed Director is an eminent personality in his respective field. Your Board considers that his continued association with the Company would be of immense benefit to the Company. In view thereof, your Board has recommended him to be classified as Independent Director.

The concerned Director is interested in the resolution being related to his own appointment. Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution as set out in item No. 5 of the accompanying notice.

This explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchange.

Item No. 6

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party:

- a) Sale, purchase or supply of any goods or materials
- b) Selling or otherwise disposing of, or buying, property of any kind
- c) Leasing of property of any kind

- d) Availing or rendering of any services
- e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- g) underwriting the subscription of any securities or derivatives thereof, of the Company

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under Section 2(76) of the Companies Act, 2013)

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company, prior approval of the shareholders by way of an Ordinary Resolution must be obtained in case of transactions

exceeding 10% of the turnover of the Company
exceeding 10% of the net worth of the Company
exceeding 10% of the networth; or exceeding 10% of turnover of the company; or 100 crores whichever is lower.

exceeding 10% of turnover or; Rs.50 crores whichever is lower

Monthly remuneration exceeding Rs. Two and half lakhs

exceeding 1% of net worth.

- (1) Name of the Related Party:
- (2) Name of the Director or Key Managerial Personnel who is related, if any: As provided in table below
- (3) Nature of Relationship:
- (4) Nature, material terms, monetary value and particulars of the contract or arrangement: The details are as mentioned below:



(Rs. in lacs)

Sl. No.	Particulars of Parties	Nature of Transaction	Amount Already Incurred
1	Dr. S .Rajkumar	Lease Building - Rent	03.70
2	S. Subramoniam	Lease Building - Rent	01.09
3	A. Padmanabhan	Lease Building - Rent	0.72
4	A. Ganesh	Lease Building - Rent	0.30
5	Shri Kailash Logistics Limited	Lease Building - Rent	Nil
6	Shri Kailash Logistics Limited	Freight Services	48.97
7	Sree Sakthi Constructions and Infrastructure Limited	Civil Works	Nil
8	Maharaj Continental Trades Limited	Commission	33.12
9	Sree Giri Packagings Limited	Purchase of Raw Materials	264.17
10	Verizon Industrial Aids Limited	Purchase of Raw Materials	166.87
11	Carto Packs	Purchase of Raw Materials	06.04
12	Carto Packs	Sale of Paper	33.52

(Rs. in lacs)

Sl. No.	Particulars of Parties	Nature of Transaction	Proposed Amount per annum
1	Dr. S .Rajkumar	Lease Building - Rent	15.00
2	S. Subramoniam	Lease Building - Rent	05.00
3	A. Padmanabhan	Lease Building - Rent	05.75
4	A. Ganesh	Lease Building - Rent	01.50
5	Shri Kailash Logistics Limited	Lease Building - Rent	04.00
6	Shri Kailash Logistics Limited	Freight Services	400.00
7	Sree Sakthi Constructions and Infrastructure Limited	Civil Works	10.00
8	Maharaj Continental Trades Limited	Commission	150.00
9	Sree Giri Packagings Limited	Purchase of Raw Materials	3500.00
10	Verizon Industrial Aids Limited	Purchase of Raw Materials	1050.00
11	Carto Packs	Purchase of Raw Materials	100.00
12	Carto Packs	Sale of Paper	370.00

The Company is in existence more than twenty years and major related party transactions developed over the years are generally with its associates. The related party transactions are entered into based on consideration of various business exigencies such as synergy in operations and sale and transport of finished goods and also keeping in view of Company's long term strategy for assured supply of raw material-waste paper and dispatch of finished goods without any hindrance.

The respective agreements are negotiated on arm's length basis and are intended to further the Company's interests. The Board had considered all relevant factors in entering into the arrangements.

The Copies of the above mentioned existing agreements shall be available for inspection by the members at the Registered Office of the Company during the normal business hours (10 am to 5.30 pm) on all working days (except Saturdays) upto the date of Annual General Meeting of the Company.

The members are further informed that no members of the Company being a related party or having any interest in the contract or arrangement as set out at item No. 06 shall be entitled to vote on this special resolution.

The Board of Directors recommends the resolution set forth in item No. 06 for approval of the Members.



Except the Directors and their relatives (to the extent of their interest in each contract as specified above), no other Director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution.

Item No. 7

Dr. S. Rajkumar is the Managing Director of the Company since inception and his last tenure of appointment was for a period of 01 years wef 14.08.2014 to 13.08.2015. At the Meeting of Board of Directors of the Company held on 30th July 2015, it was decided to reappoint Dr. S. Rajkumar as Managing Director for further period from the expiry date of the present tenure. The Nomination and Remuneration Committee of the Board was requested to approve and recommend the remuneration payable to Dr. S. Rajkumar.

The Nomination and Remuneration Committee had met on 30-07-2015 and after evaluating as required under the provisions of new Companies Act, 2013 has recommended the re-appointment of Dr S. Rajkumar as Managing Director for a period of one year from 14th August 2015 and recommended the same remuneration and on terms and conditions as before in terms of provisions of Schedule V of Companies Act 2013.

Term and conditions of his appointment are as under;

1. **Tenure of office** - One year wef 14/8/2015 to 13/8/2016
2. **Salary** - Rs. 2,00,000/- (Rupees Two lacs) per month from 14th August 2015 to 13th August 2016
3. **Perquisites** -
 - a) House rent allowance : Rs. 95000/- per month
 - b) Personal accident insurance for an amount of the annual premium which does not exceed Rs.48000/-
 - c) Reimbursement of actual medical expenses not exceeding Rs.50,000/- per month within the overall limit of Schedule V of the Companies Act, 2013.
 - d) Gratuity Payable shall not exceed half month's salary for each completed year of service

- (e) Provision for car for use on Company business and telephone at residence. Perquisites shall be evaluated as per Income Tax Rules, 1962 wherever applicable

Where in any financial year the Company has no profits or profits are inadequate, the minimum remuneration payable to the Managing Director shall be the same substantive salary and perquisites as above mentioned subject to the ceiling set out under Schedule V of the Companies Act, 2013.

Information Required to be Disclosed In Terms of Schedule V of the Companies Act, 2013

General Information

1. Nature of Industry - Paper Industry – The Company is engaged in manufacture and trading (including exports) of Kraft Paper and Duplex Board
2. Date of expected date of commencement of commercial production - It is an established company and commercial production at its Edayar plant commenced in 1993 and Duplex Board unit at Chalakudy in 1995
3. In case of new Companies expected date of commencement of activities as per project approved by financial appearing in the Prospectus - NOT APPLICABLE
4. Financial Performance (Rs. in lacs)

Particulars	2012-13	2013-14	2014-15
Gross Sales	21766.94	21554.41	16405.45
Net sales	20505.57	20306.81	15452.58
Profit before tax and Depreciation	1223.24	635.33	302.62
Profit before tax	702.90	143.26	(1528.71)
Profit after tax	469.12	116.08	(1178.14)
Rate of Dividend (%)	15	6	Nil

The effective capital of the Company based on the Audited Accounts for the year ended 31.03.2015 is Rs 61.85 crores

The Company has not made any default in the repayment of its debts (including public deposits) or debentures or interest payments thereon for a continuous period of 30 days in the preceding financial year.

5. Foreign investments or collaborations – The Company do not have any foreign investments or collaborations.



II Information about the appointee: Dr. S. Rajkumar

1. Background details

Dr. S. Rajkumar is a post graduate in commerce and has been in the service of the Company as Managing Director since the incorporation of the Company in 1991. He has been instrumental in setting up of Kraft paper unit at Edayar which commenced the commercial production in the year 1993 and Duplex Board unit at Chalakudy which commenced the commercial production in the year 1995. Besides he has taken considerable strain and responsibility in setting up the 3rd unit at Edayar which commenced commercial production in the year 2007. For setting up this 3rd unit he has successfully mobilised Funds through public issue of shares and Company's shares were listed in BSE. Dr S. Rajkumar is 55 years old and has wide experience in marketing management and administration and has in depth knowledge of Paper Industry. Over the last 22 years he has steered the Company successfully and consistently made profits even when the Paper industry is facing depressed conditions by adopting cost control measures. Since the inception of the Company he has taken effective steps to increase the production capacity gradually and under his leadership Company has reached as one of the leading manufacturers of Kraft Paper in South India with installed capacity of 85000 MT per year.

He is also a Director in the following Companies

1. Shri Kailash Logistics Ltd
2. Sree Sakthi Construction and Infrastructure Ltd
3. Jalashaayi Alamparathodu Hydro Power Ltd.
4. Sree Adisakthi Mukkuttathode Hydro Power Ltd
5. Sree Kailas Palchuram Hydro Power Ltd. and
6. Sree Sakthi Industrial Park Limited

2. Past Remuneration

During the Financial Year 2014-15 he was paid the following remuneration:

Particulars	Rs. in lacs
Salary	24.00
House Rent Allowance	11.40
Total	35.40

3. Recognition or Awards

Dr S. Rajkumar was honoured with Outstanding Entrepreneurship Award by Kerala State Industrial Development Corporation Ltd (KSIDC) on the occasion of Golden Jubilee celebrations in 2011. He also have been awarded with First P.K. Ittoop Memorial Award for Industry.

4. Job Profile and his suitability - As given in the point II (1) above

5. Remuneration proposed - As mentioned in the Explanatory Statement of Item no.07. Considering his vast experience and the services rendered as Managing Director of the Company since its inception, the remuneration proposed to Dr. S. Rajkumar, the Managing Director is comparable with the prevailing market rates.

6. Pecuniary Relationship : Dr. S. Rajkumar to the extent of remuneration received/ receivable by him. All transactions with related parties as disclosed at **Annexure V** of Directors Report.

III Other Information :

Disclosures as required under Schedule V of Companies Act, 2013 is incorporated in the Directors Report and Corporate Governance Report as the case may be forming part of the Annual Report. Dr. S. Rajkumar to the extent of remuneration received/ receivable by him and Mr.S.Subramoniam, Mr.S.Giridhar, and Mrs E.Kamalam and Mr. A.Padmanabhan being related to Dr. S. Rajkumar interested in the resolution mentioned in item no.07 of the notice. None of the other Directors of the other Directors of the Company is in any way concerned or interested in the resolution. Accordingly, yours Directors recommend this resolution for your approval.

Item No. 8

Mr. N Purushothama Prabhu was appointed as Whole Time Director (Operations) for a period of one years from 07.11.2013 to 06.11.2014. He is looking after the production at factory and is also nominated as Occupier of the Factory under the Factories Act. The tenure of his office was extended upto 12/08/2015 on reduced salary pending selection of suitable person to the post. Accordingly his tenure of appointment as Whole Time Director will be ceasing by 12.08.2015. At the Meeting of Board of Directors of the Company held on 30th July 2015, it was decided to reappoint Mr. N Purushothama Prabhu as Whole Time Director (Operations) for further period from the expiry date of the present tenure. The Nomination and Remuneration Committee of the Board was requested to approve and



recommend the remuneration payable to Mr. N Purushothama Prabhu.

The Nomination and Remuneration Committee had met on 09/06/2015 and after evaluating all the factors as required under the provisions of the Companies Act, 2013 had recommended the reappointment of Mr. N Purushothama Prabhu as Whole Time Director (Operations) of the Company for a period of one year from 13th August 2015 to 12th August 2016 and recommended the present drawn remuneration and on terms and conditions as before in terms of provisions of Schedule V of Companies Act 2013.

The Committee had further resolved that necessary resolution be passed in the General Meeting of shareholders in accordance with the provisions of Schedule V of the Companies Act, 2013. Terms and conditions of his appointment are as under:

1. Tenure of Office : One year w.e.f 13th August 2015 to 12th August 2016
2. Salary : Rs. 75,000 per month
3. Perquisites : Provision of Car for official use (perquisite shall be evaluated as per Income Tax rules 1962 wherever is applicable)
4. Where in any financial year, the Company has no profits or profits are inadequate the minimum remuneration payable to the Whole Time Executive Director shall be the same substantive salary and perquisites as above mentioned subject to the ceiling set out under Schedule V of the Companies Act, 2013.

Information required to be disclosed in terms of Schedule V of the Companies Act, 2013

I General Information

1. Nature of Industry - Paper Industry – The Company is engaged in manufacture and trading (including exports) of Kraft Paper and Duplex Board
2. Date of expected date of commencement of commercial production - It is an established company and commercial production at its Edayar plant commenced in 1993 and Duplex Board unit at Chalakudy in 1995
3. In case of new Companies expected date of commencement of activities as per project approved by financial appearing in the Prospectus - NOT APPLICABLE
4. Financial Performance (Rs. in lacs)

Particulars	2012-13	2013-14	2014-15
Gross Sales	21766.94	21554.41	16405.45
Net sales	20505.57	20306.81	15452.58
Profit before tax and Depreciation	1223.24	635.33	302.62
Profit before tax	702.90	143.26	(1528.71)
Profit after tax	469.12	116.08	(1178.14)
Rate of Dividend (%)	15	6	Nil

The effective capital of the Company based on the Audited Accounts for the year ended 31.03.2015 is Rs. 61.85 crores.

The Company has not made any default in the repayment of its debts (including public deposits) or debentures or interest payments thereon for a continuous period of 30 days in the preceding financial year.

5. Foreign investments or collaborations – The Company do not have any foreign investments or collaborations.

II Information about the appointee: Mr. N Purushothama Prabhu

1. Background Details:

Mr. N Purushathama Prabhu is an engineer graduate having nearly 39 years working experience in Paper Mills- of which 20 years in Hindustan Newsprint Ltd in various positions and as Managing Director from January 2002 to July 2009 and in the Mysore Paper Mills Ltd as Director (Operations and Marketing) from July 2009 to March 2013 till joining this Company as Chief of Operations. He was appointed as Additional Director from 31-10-2013 and Whole Time Director – designated Director (Operations) for till date.

2. **Past Remuneration:** During the financial year 2014-15 he was paid Rs. 11.73 lacs as remuneration.

3. **Recognition or Awards** – Nil

4. **Job Profile and his suitability:** As given above under point II (1 - Background details)

5. **Remuneration proposed :** As mentioned above in the Explanatory Statement of the item no. 8. Considering his vast experience the remuneration proposed to Mr.N.Purushothama Prabhu is comparable with the prevailing market rates.

- 6 **Pecuniary Relationship :** Mr. N.Purushothama Prabhu to the extent of remuneration received/receivable by him. He is holding shares in the Company towards Directors qualification shares



III Other Information :

Disclosures as required under Schedule V of Companies Act, 2013 is incorporated in the Directors Report and Corporate Governance Report as the case may be forming part of the Annual Report.

Accordingly the proposed resolution is placed before the shareholders for their approval.

None of the Directors other than Mr. N. Purushothama Prabhu (to the extent of remuneration received / receivable by him) or the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Item No. 9

Mr. A Padmanabhan was re- appointed as Whole Time Director for a period of three years from 01.07.2012 to 30.06.2015 after the expiration of his earlier term by 30.06.2012. He was looking after sales of the products of the Company coordinating with the production department. Accordingly his tenure of appointment as Whole Time Director will be ceasing by 30.06.2015. At the Meeting of Board of Directors of the Company held on 30th July 2015, it was decided to reappoint Mr. A. Padmanabhan as Whole Time Director for further period from the expiry date of the present tenure. The Nomination and Remuneration Committee of the Board was requested to approve and recommend the remuneration payable to Mr. A. Padmanabhan.

The Nomination and Remuneration Committee had met on 09/06/2015 and after evaluating all the factors as required under the provisions of the Companies Act, 2013 had recommended the reappointment of Mr. A. Padmanabhan as Whole Time Director of the Company for a period of one year from 1st August 2015 to 31st July 2016 and recommended the same remuneration and on terms and conditions as before in terms of provisions of Schedule V of Companies Act, 2013. Since the effective date of appointment is from 1st August 2015 and as Mr. A.Padmanabhan has been acting as Whole Time Director after the expiry of earlier tenure, the Committee also recommended payment of additional remuneration for the period from 01.07.2015 to 31.07.2015 calculated on the basis of earlier tenure of appointment.

The Committee had further resolved that necessary resolution be passed in the General Meeting of shareholders in accordance with the provisions of Schedule V of the Companies Act, 2013.

Terms and conditions of his appointment are as under:

- 1 Term of Office : One year w.e.f 1st August 2015 to 31st July 2016

2. Salary : a) Rs.1,50,000/- (Rupees One lacs Fifty Thousand) per month from 1st August 2015 to 31st July 2016
b) Additional remuneration sanctioned for the period from 01.07.2015 to 31.07.2015 calculated on the basis of earlier tenure of appointment.
3. Perquisites : a) House rent allowance - Rs.40000/- per month
b) Personal accident insurance for which the annual premium which does not exceed Rs.12000/-
c) Gratuity payable shall not exceed half month's salary for each completed year of service
d) Provision for car for use on Company business and telephone at residence.
e) Provision of Membership in club- Maximum 2 clubs
4. Perquisites shall be evaluated as per Income Tax Rules 1962 wherever applicable.
5. Wherein any financial year, the Company has no profits or profits are inadequate the minimum remuneration payable to the Whole Time Executive Director shall be the same substantive salary and perquisites as above mentioned subject to the ceiling set out under Schedule V of the Companies Act,2013.

Information required to be disclosed in terms of Schedule V of the Companies Act, 2013

I General Information

1. Nature of Industry - Paper Industry – The Company is engaged in manufacture and trading (including exports) of Kraft Paper and Duplex Board
2. Date of expected date of commencement of commercial production - It is an established Company and commercial production at its Edayar plant commenced in 1993 and Duplex Board unit at Chalakudy in 1995
3. In case of new Companies expected date of



commencement of activities as per project approved by financial appearing in the Prospectus - NOT APPLICABLE

4. Financial Performance (Rs. in lacs)

Particulars	2012-13	2013-14	2014-15
Gross Sales	21766.94	21554.41	16405.45
Net sales	20505.57	20306.81	15452.58
Profit before tax and Depreciation	1223.24	635.33	302.62
Profit before tax	702.90	143.26	(1528.71)
Profit after tax	469.12	116.08	(1178.14)
Rate of Dividend (%)	15	6	Nil

The effective capital of the Company based on the Audited Accounts for the year ended 31.03.2015 is Rs 61.85 crores

The Company has not made any default in the repayment of its debts (including public deposits) or debentures or interest payments thereon for a continuous period of 30 days in the preceding financial year.

5. Foreign investments or collaborations – The Company do not have any foreign investments or collaborations.

II Information about the appointee: Mr. A Padmanabhan

1. Background Details:

Mr. A. Padmanabhan is a qualified Engineer possessing BE degree. He had been in the business of trading of paper and paper boards for more than 15 years. He joined the Company as President Operations in July 2006 and co-opted as Director of the Company and appointed as Whole Time Director (Operations) from June 2009. In the year 2011-12, the expansion cum modernization Project at Kraft Paper Unit Edayar was completed under his direct supervision. During his tenure he contributed to improve the plant efficiency and improvement in the operations and enabled the Company to improve the production considerably to achieve the targets.

At present he was holding Directorship in the Shri Kailash Logistics Limited, Sree Sakthi Constructions & Infrastructure Ltd, Sree Kashyapa Surya Energy Equipments (P) Ltd and Shree Sakthi Industrial Park Ltd.

2. Past remuneration:

During the financial year 2014-15, he was paid Rs. 29.18 lacs as remuneration.

3. Recognition or Awards – Nil

4. Job Profile and his suitability:

As given above under point II (1 - Background details)

5. Remuneration proposed :

As mentioned above in the Explanatory Statement of the item no. 9. Considering his vast experience the remuneration proposed to Mr. A Padmanabhan is comparable with the prevailing market rates.

6. Pecuniary Relationship :

Mr.A. Padmanabhan to the extend of remuneration received / receivable by him. He is holding 1317803 shares (8.02%) in the Company as on 31.03.2015. All transactions with the related parties as disclosed at the Notes on accounts were in the ordinary course of business and at arms length

III Other Information :

Disclosures as required under Schedule V of Companies Act, 2013 is incorporated in the Directors Report and Corporate Governance Report as the case may be forming part of the Annual Report.

Accordingly the proposed resolution is placed before the shareholders for their approval.

Mr. A. Padmanabhan to the extent of remuneration received / receivable by him and Mr. S. Rajkumar being related and is interested in the resolution mentioned in Item No. 9 of the Notice. None of the other Directors of the Company is in any way concerned or interested in the resolution mentioned in Item No. 9 of the Notice.

By order of the Board of Directors
For Sree Sakthi Paper Mills Limited

Sd/-

R. Ponnambalam
Company Secretary

Cochin -16
30th July 2015



DIRECTORS' REPORT

Your Directors have pleasure in presenting their 24th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2015

REVIEW OF OPERATIONS 2014-15

In the year under review, the total production was 57571 MT as compared to the previous financial year production of 77454 MT and thus the total production fell short by 19883 MT, of which the shortfall in production of Kraft Paper at Edayar Units is 6552 MT, and Duplex Board at Chalakkudy Unit is 13331 MT.

The main reason for the shortage of production at Edayar Unit was due to frequent stoppage and repairs and the downtime of the boiler and also due to the breakdown of other equipments. In order to rectify and carry out repairs, the Company had a long shutdown.

Chalakkudy Duplex Board Unit production for the Financial Year 2014-15 was 6779 MT. The Unit was closed and operations stopped from 1st October, 2014. The Company had to close down the operation due to severe market competitive conditions as very many number of Duplex Board Mills were commissioned in Tamil Nadu in and around consuming centers mainly Shivakasi. As Tamil Nadu Mills were servicing the consuming centers at economical prices, the transport charges of our product was an inhibiting factor which practically resulted in losing our competitiveness. Further, the Tamil Nadu News Print Limited (TNPL) is implementing a big Duplex Board Plant Project with a capacity of 1000 tonnes per day, and the same is expected to come into operation soon. The size and capacity of our Duplex Board Unit at Chalakkudy was insufficient and inadequate to enjoy economies of large scale operation and to compete with the Tamil Nadu Mills.

As regards the Kraft Paper, the market conditions were sluggish from the year 2013-14 which continued affecting the profitability. With the completion of the repairs and maintenance work of the boiler and other equipments, the operation of the Kraft Paper Unit have been put into stable operation from the last Quarter of the financial year under review. The Company has now taken all possible steps for effecting cost control and, taking into account the market conditions and sales realization, the Company has drawn up plans for operation of the Kraft Paper Unit at 80% capacity to earn reasonable profits in the current year.

The net loss of the Company for the year ended would have been lesser by Rs. 191.37 lacs if the REC income were recognized on the unsold stock (including opening stock) of REC Certificates (12758) as income at the floor price of Rs. 1500/- fixed by Government.

DIVIDEND

In view of loss, your Directors decided not to recommend payment of dividend on the equity shares and non convertible cumulative Redeemable Preference Shares for the financial year under review.

EXPORT PERFORMANCE

Your Company exported 1518.98 MT of paper and paper boards during the year as compared to 471 MT during the previous year. The export amounted to Rs.389.65 lacs as against Rs 129.74 lacs in the previous year.

PROSPECTS

The Company's performance in the first quarter of the current fiscal is not satisfactory due to the maintenance/shut of the Power Plant and Market conditions. With the completion of the repairs and maintenance work of the boiler and other equipments, the operation of the Kraft Paper Unit have been put into stable operation from the Second Quarter of the current financial year. As mentioned above the Company has now taken all possible steps for effecting cost control and, taking into account the market conditions and sales realization the Company has drawn up plans for operation of the Kraft Paper Unit at 80% capacity to earn, barring unforeseen circumstances, reasonable profits in the current year.

FINANCIAL PERFORMANCE (Rs./Lacs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Sales (Gross)	16405.45	21554.41
Less: Excise Duty	952.86	1247.60
Sales (Net)	15452.59	20306.81
Operation Profit/Loss	287.73	1320.90
Interest and Finance	590.35	685.57
Depreciation	376.81	489.90
Profit Before Tax	(679.43)	145.43
Provision for Tax	-	29.35
Profit After Tax	(1178.14)	116.08
Balance of Profit brought forward	513.25	512.55
Amount available for appropriation	(664.89)	628.63
Appropriation		
General Reserve	-	-
Proposed Dividend & tax on Dividend	-	115.38
Retained profit carried to Balance Sheet	(727.31)	513.25



FINANCE

All the repayment and interest commitments were met as per terms of arrangement with the Banks.

SUBSIDIARY COMPANIES

As of 31st March 2015 the Company had 3 subsidiaries viz. Sree Kailas Palchuram Hydro Power Limited, Sree Adisakthi Mukkuttathode Hydro Power Limited and Jalashaayi Alamparathode Hydro Power Limited by virtue of the Company having control on the Board of these Companies. Steps are being initiated to implement the project with the assistance of Government / Private parties.

The Board of Directors of the Company at its meeting held on 30.05.2011 decided to avail the exemption under Section 212 of the Companies Act, 1956 pursuant to GC No.2/2011 dated 08.02.2011 issued by the Central Government. As required in the Circular, the consolidated financial statements audited by the Statutory Auditors of the Company attached along with the Annual Reports of the Company. Annual accounts of the subsidiary companies and the related detailed information would be sent to those shareholders seeking information in this regard at any point of time. Further annual accounts of the subsidiary companies would be available for inspection by any shareholders at the registered office of the Company.

INDUSTRIAL RELATIONS

The industrial relations remained cordial and satisfactory during the year under review.

CHANGES IN NATURE OF BUSINESS

No significant changes had been made in the nature of the Company during the financial year.

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF AUDIT REPORT

No significant material changes and commitments have occurred between the date of the balance sheet and the date of the audit report.

FINANCE

A) Deposits

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

B) Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

INTERNAL CONTROL SYSTEM

Your Company has adequate internal control and internal check system commensurate with size of the organization.

The Company has appointed M/s. Pooja A Nayak & Co., Chartered Accountants, Ernakulam as the Internal Auditor of the Company to monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company and its subsidiary.

Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

With deep regret we report the sad demise of Mr. A.S. Unny, Chairman of the Company on 17th May 2015. The Board records their deep appreciation for the valuable guidance and leadership rendered by Mr. A.S. Unny, Chairman of the Company.

In terms of Article 83 of the Articles of Association of the Company, Mrs.E. Kamalam, Director retire on rotation, and being eligible offer herself for re-appointment. Mr. T S Anantharaman who was appointed as Independent Director as per SEBI Guidelines is disqualified to act as Independent Director under the provisions of Companies Act, 2013 and his appointment is categorized as Director liable for retirement by rotation. Accordingly he is retiring by rotation and being eligible offers himself for re-appointment.

In the Annual General Meeting held on 30st September 2014 Dr. A.R.K. Rao was appointed as Independent Director for a term of one year and he will be retiring at the ensuing Annual General meeting. The Company has received requisite notices in writing from members proposing Dr. A.R.K. Rao for re-appointment as Independent Director for another consecutive term of one year.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

During the period under review, Mrs. Usha Venugopal, was appointed as Chief Financial Officer of the Company, as one of the Key Managerial Personnel in compliance with the provisions of Section 203 of the Companies Act, 2013



BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Revised Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committee. The manner in which the evaluation has been carried out has been explained in the Governance Report.

REMUNERATION TO DIRECTORS

The Remuneration paid to the Executive Directors and the Sitting Fees paid to the Non Executive and Independent Directors are disclosed in the Extract to the Annual Return i.e **Annexure IV** to the Board's Report.

AUDIT COMMITTEE

The Audit Committee of the Board was reconstituted on 30-5-2015 and consists of Mr. Deveshwer Kumar Kapila, Independent Director, Mr. U.Gururaja Bhat, Independent Director, Dr. A R K Rao, Independent Director and Mr. S. Giridhar Non Independent Director.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Company consists of Mr. Deveshwer Kumar Kapila, Independent Director, Dr. S Rajkumar, Managing Director and Mr. A Padmanabhan, Whole Time Director.

The Committee has taken steps for the preparation of CSR policy, projects and programs proposed to be undertaken by the Company for approval of the Board. The Annual Report on CSR Activities for the Financial Year 2014-15 is annexed at **Annexure VII** to the Directors Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was re-constituted on 30-05-2015 and consists of Mr. Deveshwer Kumar Kapila, Independent Director, Mr. U.Gururaja Bhat, Independent Director, Dr. A R K Rao, Independent Director and Mr. S. Giridhar Non Independent Director.

REMUNERATION POLICY

The Company's Remuneration Policy for Members of the Board and Executive Management is annexed at **Annexure IIIA** to the Directors' Report. The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

SHAREHOLDERS RELATIONSHIP COMMITTEE

Composition of the Committee as from 30th July 2015:
Dr S. Rajkumar, Managing Director

Mr U.G. Bhat, Independent Director
Dr. A R K Rao, Independent Director
Mr. S.Giridhar, Non Executive/ Non Independent Director

AUDITORS

M/s Balan & Co. Chartered Accountants, the present Auditors of the Company retire and are eligible for reappointment and the proposal has been placed before you. Necessary certificate has been obtained from the Auditors as per Sections 139 and 141 of Companies Act, 2013

FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the year under review, the foreign exchange earned by the Company by way of exports proceeds is Rs. 389.65 lacs. The foreign exchange outgo for the company for import purchases Rs. 5831.15 lacs

PARTICULARS UNDER SECTION 134

Conservation of Energy, Technology Absorption

Statement of particulars under Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed as **Annexure - I**

Particulars of Employees

None of the employees of the Company are coming under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE

The Company's Equity Shares are listed with Bombay Stock Exchange. The Company has implemented all the mandatory provisions of Clause 49 of the Listing Agreement relating to the Corporate Governance. The Report on Management's Discussion and Analysis and Report on Corporate Governance are forming part of Directors' Report and are annexed as **Annexure -II** and **Annexure – III** respectively. As required by the Listing Agreement, an Auditors' Certificate on Corporate Governance and a Declaration by the Vice Chairman and Managing Director with regard to Code of Conduct are attached to the said Report. Further, as required by Clause 49 of the Listing Agreement, a Certificate, duly signed by the Vice Chairman and Managing Director and CFO, was submitted to the Board of Directors on the financial statements and cash flow statement of the Company for the year ended March 31, 2015 at the Meeting held on May 30, 2015.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT 9, of the Company is annexed as **Annexure IV** to this Report.



RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Further prior approval of the Shareholders of the Company at the Annual General Meeting dated 30th September, 2014 has been taken for the business related transactions entered into with the Related Parties during the year.

Particulars of contract or arrangements with related parties is annexed in Form AOC 2 as **Annexure V**.

SECRETARIAL AUDITOR

The Board has appointed M/s. Lakshmmi Subramonian & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure VI** to this Report.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In accordance with Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the Company has constituted a Whistle Blower Policy Vigil Mechanism to establish a vigil mechanism for the Directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The detail of the Whistle Blower Policy has been posted on the website of the Company, www.sreekailas.com

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013 Directors report that:

1. In the preparation of the annual accounts for the financial year ended 31st March 2015 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 judgment and estimates that were 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 loss of the Company for the year under review.

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 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 for the financial year ended 31st March 2015 on a 'going concern' basis.
5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1) Details relating to deposits covered under Chapter V of the Act.
- 2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- 4) Neither the Managing Director nor the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- 5) No significant or material orders were passed by the Regulators or Courts or Tribunal which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENT

The Board places on record, its appreciation for the cooperation and support received from shareholders, customers, suppliers, employees, government authorities and banks.

By and on behalf of the Board of Directors

Sd/-

Cochin -16
Date :30/7/2015

Deveshwar Kumar Kapila
Chairman



ANNEXURES TO THE DIRECTORS' REPORT

Annexure - I

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

CONSERVATION OF ENERGY:

(a) Energy conservation measures taken :

At Kraft Paper Units

- Power factor improvement – we had added additional capacitors of 150 Kvar and improved the power factor from 0.95 to 0.97
- Unutilised 400 W mercury vapour lamps replaced with 150 W metal halide lamps and tube lights
- Due to installation of Variable Frequency (VF) Drives in Plants 1 & 2 in the year 2012-13, as an Energy conservation measure, we are getting benefits in energy reduction since then. During the Financial Year 2014-15 we have saved around 2,32,595 Units in Plant-2 and 1,40,922 Units in Plant-1. VF Drives were installed for three pumps in Plant-2 and for one pump in Plant-1.

At Duplex Board Unit

- Bottom layer Turbo -300 stopped and rejections given to Johnsons Screen. Thereby we stopped

running of one 20 Hp motor which was running around 20 hours in a day.

- Top layer Turbo -300 stopped and rejections given to Johnsons Screen. Thereby we stopped running of one 20 Hp motor which was running around 10 hours in a day.
- ETP save all feed pump – 50 Hp motor changed to 40 Hp

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy

Nil

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

We have taken measures and we are getting benefits in reducing cost of production.

FORM - A (See Rule 8)

A Power and Fuel consumption	31.3.2015	31.3.2014		31.3.2015	31.3.2014
1 Electricity			2 Coal (Quality - Non Coking Coal; Usage at Boilers for steam generation)		
a) Purchased			Quantity (MT)	6286.15	6285
Unit	19855530	27829944	Amount (Rs/Lacs)	309.39	236.93
Amount (Rs/Lacs)	1190.82	1515.46	Average Rate / Mt (Rs)	4921.72	3769.84
Rate/Unit (Rs)	5.99	5.45	3 Furnace Oil	Nil	Nil
b) Own Generation			4 Bio fuels		
i) Through Diesel Generator			Quantity (MT)	36828.7	37880
Unit	4306	5636	Amount (Rs/Lacs)	942.21	1021.32
Unit per Ltr. of diesel oil	1.65	1.65	Average Rate/Mt (Rs)	2558.36	2696.21
Cost/Unit (Rs)	35.18	35.08	B. Consumption per unit of production.		
ii) Through steam turbine/generator*			Electricity (kwh)	485	485
Unit	8047338	8707880	Coal (Kg)	110	110
*(The steam generated is used both for paper production and power generation, cost cannot be appropriated separately.)			Furnace Oil	Nil	Nil
			Biofuels (Kg)	645	661

FORM - B (See Rule 8)

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A. RESEARCH AND DEVELOPMENT (R&D)

Specific Areas in which (R&D): Several special applications have been developed and carried out by the Company successfully introduced during the year to cater customer specific requirements.

Benefit derived as a result of the above R&D: Better runnability and improvement in the quality.

Future plan of action: The Company would undertake appropriate R&D activities depending

upon future requirements

Expenditure on R&D: N.A

B. TECHNOLOGY ABSORPTION, ADAPTION, INNOVATION: The process of improvement is a continuous one and the Company is experimenting with use of new raw materials, fuels etc. to improve productivity further.

Particulars of imported technology: No Technology has been imported.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Annexure - II****Economic Environment****Global View**

The Global economy began its modest recovery from the second half of 2014. While the trend is expected to accelerate in the current year, the positive outlook is subdued as the market is facing multiple challenges like intense exchange rate pressure, persistent inflation, fiscal imbalances, external sector vulnerabilities and low investment etc. This has resulted in sluggish domestic demand growth. Fiscal and monetary initiatives being taken by the Indian Government and Reserve Bank of India to help stabilization of financial market conditions.

Industry Review**A Brief Note on Indian Paper Industry - Present & Future**

The Indian Paper industry, estimated to be around Rs. 50,000 crores, during 2013-14, accounts for about 2.6% of the world's production of paper and paper board. The operating capacity of the industry currently stands at 12.75 million tonnes. India is one of the fastest growing markets for paper and paperboard globally, presenting an exciting scenario. During the current year the domestic production is estimated to be around 11.38 million tonnes, while consumption is anticipated to touch around 13.10 million tonnes in 2015-16 and 17.6 million tonnes in 2017-18.

The last five decades of the Indian Paper industry have been a period of growth, transformation and improvements. The industry has been taken a great leap forward and transformed itself from technological obsolescence to competitive sustenance through state-of-art-technology, innovative developments and improved customer service. Looking forward, the demand in India is projected to double and to cross 25 million tonnes during 2025.

Several growth triggers are in place to take the Indian Paper industry in India to a new level. These includes economic growth, increase in literacy rate, population growth, changing demographics, improving living standards, increase in advertising and promotional activities and increasing multi colour printing facilities.

The market for the packaging paper is currently growing at a steady pace of 7 to 8 percent. Among the type of packaging paper are all kinds test liners, corrugated board, kraft paper for paper bags and classic brown paper as well as cover layers of plaster board. As a rule, a high portion of recovered paper is common to all of them. They perform important function in merchandise management: protection from damage during transit and storage, as information carriers or purely for image enhancement.

For this reason, the quality and functionality requirement that packaging paper has to meet differ widely numerous conditions have to be considered, such as the suitability and compatibility of the materials for packaged goods, statutory regulations on hygiene, packaging regulation provisions, marketing aspects, and of course, cost.

The Indian packaging industry is currently estimated at Rs. 24000 crores. With the increase in sales of consumer goods like home care products, food products, liquor and soft drinks, the industry is growing at a high pace of over 10 percent for high quality superior variety paper boards.

The specialty paper growth is likely to be around 10 percent and especially tissue paper is growing at a pace of over 12 percent. About 25 percent of the specialty paper is met by import.

The newspaper growth is over 10 percent due to higher literacy rate and higher corporate spending on advertisements. At present more than 65 percent of newsprint requirement is imported.

Overall paper industry is poised for a big leap forward. This opens up the need for the large capacity additions to meet the emerging demand. Over the last 5 years the capacity additions are mainly in writing and printing paper. Consequently the operating rates of the packaging industry have increased. Thus a major portion of investment is likely to be in packaging industry to meet the rising demand of the packaging board.

The specialty paper has also witnessing a good investment during the last 5 years and likely to continue for the next 5

(In '000 Tonnes)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	CAGR %
Paper Board	6030	6450	6900	7400	7980	7.1
Writing & Printing paper	4100	4370	4660	4970	5300	6.7
Specialty paper	570	620	680	750	830	9.9
Newsprint	2400	2700	2950	3340	3500	10.4
Total	13100	14140	15190	16460	17610	

The projected demand for the paper is as below;

In writing and printing paper market, cream wove is likely to grow around 3 to 4 percent, maplitho by about 5 to 6 percent. The copier segment especially the branded copier is likely to grow around 15 percent.

years and the complete demand will be met from domestic production.

Similarly, the newspaper segment is likely to attract more investment during the next 5 years, to outpace the imported newsprint.



REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good Corporate Governance.

2. Board of Directors

The Board of Directors of the Company as on 31st March 2015 is comprised of

Sl. No.	Name	Designation	Executive/ Non Executive Director	Promoter/ Independent Director	No. of other Companies in which he is a Director	Committee in which he is a Member/ Chairman
1	Mr. A.S. Unny*	Chairman	Non Executive	Independent	3	4/2
2	Mr. S. Sivathanu Pillai**	Director	Non Executive	Non Independent	4	2/1
3	Dr. S. Rajkumar	Managing Director	Executive	Promoter	7	2/Nil
4	Mr. A. Padmanabhan	Whole Time Executive Director	Executive	Non Independent	4	Nil/Nil
5	Mr. S. Giridhar	Director	Non Executive	Non Independent	7	1/NIL
6	Mr. N. Purushothama Prabhu	Whole Time Director (Operations)	Executive	Non Independent	NIL	NIL
7	Mr.S.Subramoniam	Director	Non Executive	Non Independent	2	1/Nil
8	Mrs.E.Kamalam	Director	Non Executive	Non Independent	Nil	Nil
9	Mr.U.Gururaja Bhat	Director	Non Executive	Independent	2	3/Nil
10	Mr.Deveshwer Kumar Kapila	Director	Non Executive	Independent	2	2/Nil
11	Dr.A.R.K.Rao	Director	Non Executive	Independent	Nil	1/Nil
12	Mr.T. S. Anantharaman	Director	Non Executive	Non Independent	Nil	1/Nil
13	Mr. Ajithkumar ***	Director	Non Executive	Nominee Director	2	Nil

*Expired on 17.05.2015 **Expired on 25.06.2014 ***Appointed as Nominee Director w.e.f 14/11/2014

2b) Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out the Annual Performance Evaluation of its own performance, the Directors Individually as well as the working of its Committees.

Various aspects of the Board's functioning were evaluated such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

3. Board Meetings and Annual General Meeting & Directors' Attendance

During the year 2014-15, Six Board Meetings were held on 25th April 2014, 30th May, 2014, 14th August, 2014, 30th September 2014, 14th November 2014 and 13th February 2015. The Annual General Meeting was held on 30th September, 2014

Attendance of each Director, at the Board Meetings held during the year 2014-15 and at the last Annual General Meeting is as follows:



Sl. No.	Name	Board Meetings		Last AGM
		Held	Attended	Attended
1	Mr. A.S. Unny*	6	4	Yes
2	Mr. S. Sivathanu Pillai**	6	1	No
3	Dr. S. Rajkumar	6	5	Yes
4	Mr. A. Padmanabhan	6	6	Yes
5	Mr. S. Giridhar	6	6	Yes
6	Mr. N. Purushothama Prabhu	6	5	Yes
7	Mr. S. Subramoniam	6	4	Yes
8	Mrs. E. Kamalam	6	4	Yes
9	Mr. U. Gururaja Bhat	6	5	Yes
10	Mr. Deveshwer Kumar Kapila	6	2	Yes
11	Dr. A.R.K. Rao	6	3	Yes
12	Mr. T. S. Anantharaman	6	6	Yes
13	Mr. Ajithkumar ***	6	1	NA

*Expired on 17.05.2015 **Expired on 25.06.2014 ***Appointed as Nominee Director w.e.f 14/11/2014.

4. Audit Committee

By constituting an independent and qualified Audit Committee, the Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Section 292A of the Companies Act, 1956, as applicable and Clause 49 of the Listing Agreement relating to the composition of the Audit Committee. The Committee reviews: the financial reporting by ensuring compliance with Accounting Standards and review Financial Policies of the Company; review and monitor the auditor's independence and performance, and effectiveness of audit process; recommend the appointment of Statutory Auditors/ internal auditors and fix their remuneration; approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, wherever it is necessary; evaluation of internal financial controls and risk management systems and monitoring the end use of funds raised through public offers and related matters. The Audit Committee was reconstituted on 30.05.2014 and subsequently on 30th May 2015.

The Audit Committee consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent	No. of Meeting Attended
1	Mr. A.S. Unny *	Chairman	Independent	3
2	Mr. S. Sivathanu Pillai**	Member	Non-Independent	1
3	Mr. Deveshwer Kumar Kapila	Member	Independent	1
4	Mr. U. Gururaja Bhat	Member	Independent	4
5	Mr. S. Giridhar	Member	Non-Independent	3
6	Dr. A R K Rao (w.e.f 30.05.2015)	Member	Independent	Nil

* Expired on 17.05.2015 ** Expired on 25.06.2014

During the year 2014-15, four Audit Committee Meetings were held on 30th May 2014, 14th August, 2014, 14th November, 2014 and 13th February 2015.

**5. Nomination & Remuneration Committee**

Nomination & Remuneration Committee consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent	No. of Meeting Attended
1	Mr. A.S. Unny *	Chairman	Independent	1
2	Mr. Deveshwer Kumar Kapila	Member	Independent	0
3	Mr. U. Gururaja Bhat	Member	Independent	1
4	Dr. A R K Rao	Member	Independent	0
5	Mr. S. Giridhar (w.e.f 30.05.2015)	Member	Non-Independent	Nil

* Expired on 17.05.2015

During the year 2014-15, one Nomination and Remuneration Committee Meeting was held on 14th August, 2014.

5a) Remuneration to Directors

Remuneration to Managing Director/ WholeTime Director as recommended by the Nomination and Remuneration Committee is approved by the Board of Directors within the ceiling prescribed under Schedule V to the Companies Act, 2013. The same is also approved by the Members of the Company in General Meeting. No Sitting Fee is paid to the Managing Director / Whole Time Director.

The Non-Executive Directors are remunerated by way of sitting fees as decided by the Board of Directors of the Company from time to time for attending Board/ Committee meetings.

The Company has not granted any stock option to any of its Directors. Details of remuneration paid to the Directors are given in Extract of Annual Return in Form MGT – 9 at **Annexure IV**.

6. Shareholders Relationship Committee

The Shareholders Relationship Committee's composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

The Shareholders Relationship Committee consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent
1	Mr. A.S. Unny *	Chairman	Independent
2	Dr. S. Rajkumar	Member	Non-Independent
3	Mr. U. Gururaja Bhat	Member	Independent
4	Mr. S. Giridhar	Member	Non-Independent

* Expired on 17.05.2015

The 'Shareholders Relationship Committee' was constituted by the Board on 30-5-2014 after dissolution and merging 'Investors Grievance Committee'. The 'Shareholder's Relationship Committee' is primarily responsible to consider and review all matters connected with the Company's transfer of securities and redressal of shareholders/investors/ security holders' complaints and resolve the grievances of security holders of the Company.

7. Status of Investor Grievances

Name & designation of compliance officer	Mr.R. Ponnambalam Company Secretary
Number of shareholders complaints received during 2014-15	04
Number of complaints resolved to the satisfaction of shareholders	04
Number of pending complaints as on 31.03.2015.	Nil

8. Risk Management Committee.

Our Risk Management Committee comprises the following Members:



SI. No.	Name	Designation	Independent / Non Independent
1	Mr. U. Gururaja Bhat	Member	Independent
2	Mr. Deveshwer Kumar Kapila	Member	Independent
3	Mr. A. Padmanabhan	Member	Non Independent
4	Mr. T. S. Anantharaman	Member	Non Independent
5	Mr. R. Ponnambalam	Member	Company Secretary
6	Mrs. Usha Venugopal	Member	CFO

The purpose of the committee is to assist the Board in fulfilling its Corporate Governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company. The Company's Risk Management Policy is placed in the Company's website www.sreekailias.com.

9. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of the following members:

SI. No.	Name	Designation	Independent / Non Independent
1	Mr. D K Kapila	Member	Independent
2	Dr. S Rajkumar	Member	Non Independent
3	Mr. A Padmanabhan	Member	Non Independent

10. Share Issue / Transfer Committee

The Share Issue/Transfer committee meeting consists of the following members:

SI. No.	Name	Designation	Independent / Non Independent
1	Mr. S. Sivathanupillai*	Member	Non-Independent
2	Mr. A.S. Unny **	Chairman	Independent
3	Dr. S. Rajkumar	Member	Non-Independent
4	Mr. S. Giridhar	Member	Non-Independent

* Expired on 25.06.2014 ** Expired on 17.05.2015. No meeting of the committee was held during the year under review.

11. Project Finance Committee

A Project Finance Committee was constituted during the financial year 2007-08 for implementation of new diversified projects. The Committee consists of Mr. A.S.Unni, Dr. S. Rajkumar and Mr. S. Subramonaim. No meeting of the committee was held during the year under review.

12. Code of Conduct

As required by the amended Clause 49 of the Listing Agreement, the Board of Directors of the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on the web site (www.sreekailias.com) of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said code during the period under review. The Annual Report of the Company does contain a declaration to this effect duly signed by the

CEO as required by the Clause 49 of the Listing Agreement.

13 a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, their relatives, etc. that have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts forming part of the Annual Report. All related party transactions are negotiated on arms length basis and are only intended to further the interests of the Company. Companies Policy on Related Party is uploaded in the Company Website www.sreekailias.com.



13 b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to the capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to Capital Markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other Statutory Authority.

13 c. Disclosures on Accounting Treatment

Disclosures of accounting treatment wherever applicable have been made in the Audited Financial Accounts for the year ended 31st March 2015

13 d. Board Disclosures – Risk Management

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures and they are being reviewed periodically. The Risk Management Policy is uploaded in the Company Website www.sreekailas.com.

14. CEO /CFO Certification

A Certificate from CEO and CFO has been placed before the Board confirming that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact 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) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- (c) They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control 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) they have not come across any instances of significant fraud and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

15. Annual General Meetings

The details of the last 3 Annual General Meetings and Special Resolutions passed by the Company are noted below:

Year	Location	Date	Time	Special Resolution
2012	Hotel Abad Plaza M.G. Road, Ernakulam Cochin - 35	Friday 24.08.2012	3.00 PM	1. Re-appointment of Mr. A. Padmanabhan as Executive Director of the Company and fixation of remuneration. 2. Re-fixation of remuneration payable to Dr. S. Rajkumar, Vice Chairman & Managing Director of the Company
2013	Hotel Abad Plaza M.G. Road, Ernakulam Cochin - 35	Thursday 12.09.2013	3.00 PM	1. Appointment of N. Rajagopal Pai as Whole Time Director (Operations) 2. To increase the number of Directors of the Company
2014	Hotel Abad Plaza M.G. Road, Ernakulam Cochin - 35	Thursday 30.09.2014	2.00 PM	1. Approval of borrowing limit. 2. Authorization under section 180 (1)(a) of the Companies Act, 2013. 3. Approval for Related Party Transactions.

During the year under review there were 4 resolutions passed by the Company's members through postal ballot.



Year	Declaration date	Resolutions
2014-15	24.04.2014	<ol style="list-style-type: none"> 1. Alteration of Articles of Association pursuant to Section 31 of the Companies Act, 1956 and applicable provisions of Companies Act, 2013, Articles 3, 117 & Clause (iii) of 119 replaced by new Articles respectively and new articles 4-A & 4AA inserted after article 4 regarding rates attached to redeemable preference shares. 2. Alteration of object clause of Memorandum of Association Pursuant to Section 17 of the Companies Act, 1956 & other applicable provisions of Companies Act, 2013 main objects of the Company altered by inserting new sub clause (iii) & (iv) after the existing sub clause (ii) to clause III A including infrastructure activities. 3. Alteration of capital clause of Memorandum of Association pursuant to Section 16, 94 & 95 of the Companies Act, 1956 & other applicable provisions of Companies Act, 2013, existing authorized capital of Rs. 50 Crores divided into 25 Crores of Equity share capital and 25 crores of Preference share capital. 4. Pursuant to Section 80 of the Companies Act, 1956 & other applicable provisions of Companies Act, 2013, resolution was passed giving authority to the Board of Directors for issue of non convertible redeemable preference share of Rs. 10/- each up to Rs. 25 Crores with such rights, privileges and at such coupon rate not exceeding 12.25% to various entities/ persons and in various trenches.
2013	04.02.2013	<ol style="list-style-type: none"> 1. Special Resolution Under Section 17 of the Companies Act, 1956 for altering the Object Clause in Memorandum of Association. 2. Special Resolution under Section 149 (2A) of the Companies Act, 1956 for commencement of business set out in other objects. 3. Special Resolution under Section 94 (1) (a) of the Companies Act, 1956 for increasing the Authorized Share Capital and amendment of capital clause in the Memorandum of Association. 4. Special Resolution under Section 31 of the Companies Act, 1956 to alter Capital Clause in the Articles of Association.
2012	Nil	Nil

16. Means of Communication

The Company's corporate website, www.sreekailas.com provides comprehensive information to the Shareholders. The Financial Results are generally published in 'Business Standard', in English and in 'Mangalam', in Malayalam. The Results are also placed on the Company's Web Site, www.sreekailas.com. The Company also usually sends shareholders letters along with copy of results directly to the investor on quarterly basis as part of good corporate governance measure.

17. General Shareholder Information

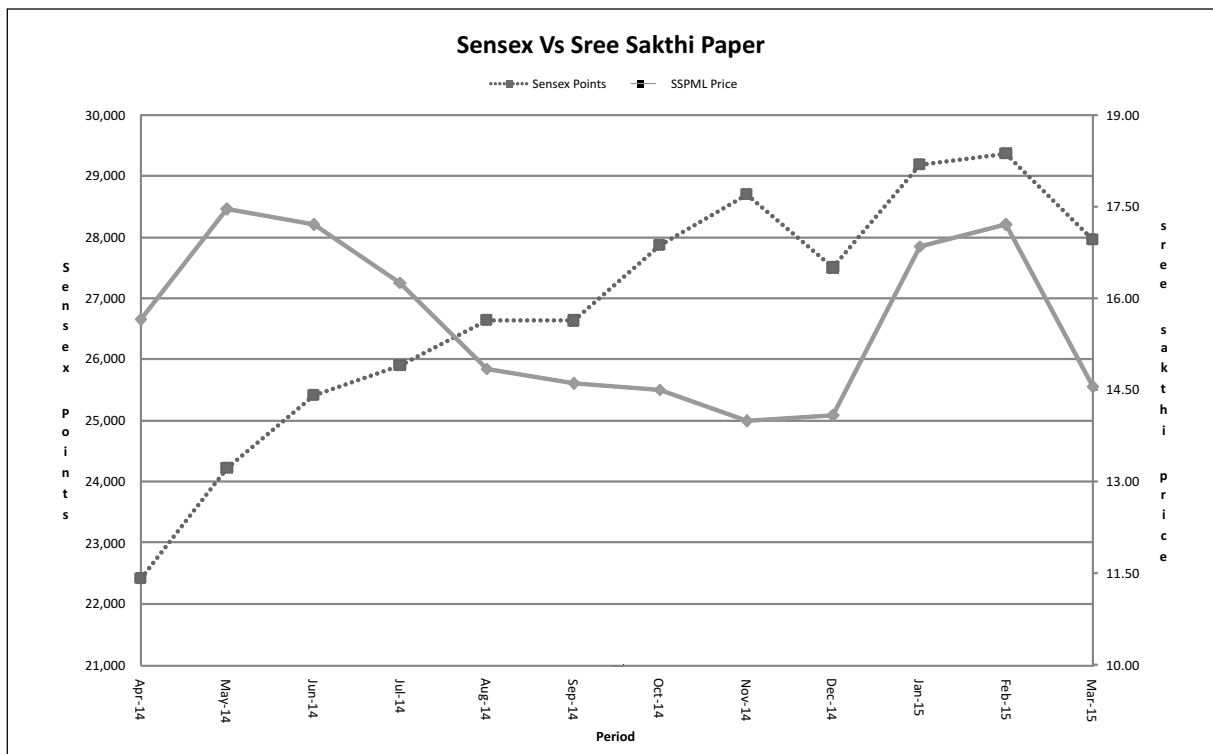
AGM : Date, time and venue	:	Wednesday, 30 September 2015, 2 P.M at Hotel Abad Plaza, M.G.Road Cochin - 35																
Financial Year	:	April 01 to March 31																
Financial Calendar (tentative and subject to change)	:	<table border="0"> <tr> <td>May 2015</td> <td>Audited results for 2014-15</td> </tr> <tr> <td>July 2015</td> <td>First Quarter Results for 2015-16</td> </tr> <tr> <td>September 2015</td> <td>Annual General Meeting for 2014-15</td> </tr> <tr> <td>October 2015</td> <td>Second Quarter Results for 2015-16</td> </tr> <tr> <td>January 2016</td> <td>Third Quarter Results for 2015-16</td> </tr> <tr> <td>March 2016</td> <td>Review of performance 2015-16</td> </tr> <tr> <td>May 2016</td> <td>Audited results for 2015-16</td> </tr> <tr> <td>September 2016</td> <td>Annual General Meeting for 2015-16</td> </tr> </table>	May 2015	Audited results for 2014-15	July 2015	First Quarter Results for 2015-16	September 2015	Annual General Meeting for 2014-15	October 2015	Second Quarter Results for 2015-16	January 2016	Third Quarter Results for 2015-16	March 2016	Review of performance 2015-16	May 2016	Audited results for 2015-16	September 2016	Annual General Meeting for 2015-16
May 2015	Audited results for 2014-15																	
July 2015	First Quarter Results for 2015-16																	
September 2015	Annual General Meeting for 2014-15																	
October 2015	Second Quarter Results for 2015-16																	
January 2016	Third Quarter Results for 2015-16																	
March 2016	Review of performance 2015-16																	
May 2016	Audited results for 2015-16																	
September 2016	Annual General Meeting for 2015-16																	
Date of Book closure	:	23.09.2015 to 30.09.2015 (both days inclusive)																



Dividend Payment Date	:	No Dividend Declared
Listing on Stock Exchanges	:	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 Ph: (91)(22)2272 1233 - 1234 (General) 2272 1121 - 1122, 2272 2375 (Corporate Relations Department) Web Site: www.bseindia.com E-mail: isc@bseindia.com Fax: (91)(22)2272 1919, 2272 3027 (General) 2272 3719, 2272 2039, 2272 2061 2272 3121, 2272 2037, 2272 2041 (Corporate Relations Department)
Payment of Annual Listing Fees to the Stock Exchange	:	Listing Fee has been paid to the Stock Exchange, in which the Company's Equity Shares are listed, upto March 31, 2016
Stock Code	:	Under Demat System the ISIN allotted to the Company's Equity Shares is : INE266H01014 The Company's Stock Code is 532701

Market Price Data (BSE)	Month	High (Rs.)	Low (Rs.)	Volume (No. of shares)	BSE Sensex (High)	BSE Sensex (Low)
	Apr-14	16.50	14.90	159257	22939.31	22197.51
	May-14	19.50	13.55	531106	25375.63	22277.04
	Jun-14	19.00	15.30	678346	25725.12	24270.20
	Jul-14	17.60	15.55	160011	26300.17	24892.00
	Aug-14	17.00	14.40	143917	26674.38	25232.82
	Sep-14	17.10	14.25	307565	27354.99	26220.49
	Oct-14	15.59	14.30	70053	27894.32	25910.77
	Nov-14	15.75	13.60	221366	28822.37	27739.56
	Dec-14	15.75	13.00	259273	28809.64	26469.42
	Jan-15	19.99	13.07	610289	29844.16	26776.12
	Feb-15	18.75	15.60	456094	29560.32	28044.49
	Mar-15	17.20	13.50	169128	30024.74	27248.45

Performance, in comparison to BSE Sensex	:	Please see the enclosed Chart for comparison of the Price Movement of the Company's Shares (closing) with BSE Sensex movement (closing).
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Registrar and Transfer Agents and Share transfer system	M/s. Bigshare Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072, Tel: 022-28470652, Fax: 022-28475207". Both physical and demat transfers are done through the Registrar and Transfer Agents. The shares of the Company are under compulsory demat mode.				
Distribution of Shareholding as on 31 st March 2015	Distribution	No. of share holder	% of share holders	No. of shares	% of share holding
	1 – 500	7793	81.9453	1466574	8.9228
	501-1000	938	9.8633	729357	4.4375
	1001-2000	356	3.7434	561926	3.4188
	2001-3000	102	1.0726	260155	1.5828
	3001-4000	75	0.7886	271442	1.6515
	4001-5000	63	0.6625	296372	1.8032
	5001-10000	91	0.9569	656727	3.9956
	10001 & above	92	0.9674	12193664	74.1878
TOTAL	9510	100.00	16436217	100.00	
Shareholding pattern as on 31 st March 2015	Category	No. of Share Holders	No. of Shares held	% of share holding	
	A. Promoters Holdings				
	Promoter and promoter group	19	8452208	51.4243	
	B. Non Promoters Holding				
	Institutional Investors	0	0	0	
	Non-Institutional Investors				
	a. Corporate Bodies	121	429391	2.6125	
	b. Indian Public				
	Individuals up to 1 lacs	9254	4024256	24.4841	
	Individuals > 1 lacs	61	2477418	15.0729	
	c. NRI	45	1030304	6.2685	
d. Any other	10	22640	0.1378		
Grand Total	9510	16436217	100.00		
Name and number of shares held and percentage share holding of entities / persons holding more than 1% shares of the Company as on 31.03.2015	Name	No. of Shares Held	% of share holding	Category	
	1. Dr. S. Rajkumar	4670114	28.41	Indian Promoter	
	2. Mr.A.Padmanbhan	1317803	8.02	Promoter group	
	3. Mr. S. Giridhar	1006328	6.12	Promoter group	
	4. Mr.Rajaram .T.S	727689	4.43	Individual	
	5. Mr.Gopinathan C K	560641	3.41	Individual	
	6. Mr.S.Subramonium	333944	2.03	Promoter group	
	7. Mrs.Rajee Rajkumar	285544	1.74	Promoter group	
	8. Mr.S.Sivathanupillai	232840	1.42	Promoter group	
	9. Mr. Ajay Girdharilal Bhartiya	175000	1.06	Individual	
TOTAL	9309903	56.64			
Dematerialization of shares and liquidity	Break up of Shares as on 31/03/2015				
	a) In dematerialized mode	NSDL -	12788926		
		CDSL -	3635343		
	b) In Physical mode		11948		
	Total	-	16436217		
100% of Shares of Promoter and Promoters group were dematerialized pursuant to SEBI Circular No: ISD /3/2011 dt. 17.06.2011.					



Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity		Nil
Plant Locations	:	Kraft Paper Unit I Industrial Development Area, Muppathadom, Edayar, Aluva - 682 102, Kerala Tel: 0484-2540622, 2555451 Kraft Paper Unit II Industrial Development Area, Muppathadom, Edayar, Aluva - 683 102, Kerala Tel: 0484-2540622, 2555451 Duplex Board Unit Kanjirapilly, Pariyaram, Chalakudy, Thrissur - 680 721, Kerala Tel: 0487-2746229, 2747527
Address for correspondence	:	Sree Sakthi Paper Mills Limited 57/2993, "Sree Kailas", Paliyam Road, Ernakulam, Cochin - 682 016, Kerala, Tel: 0484 -2373230, 2382182, Fax: 0484-2370395 Email: secretary@sreekailas.com, Web: www.sreekailas.com

DECLARATION

All the members of the Board of Directors of the Company and Senior Management of the Company have affirmed compliance of the Code of Conduct for the year ended 31st March 2015. The Code of Conduct laid down for all Board Members and Senior Management of the Company is posted on the website of the Company.

Cochin - 16
30-07-2015

Dr. S. Rajkumar
Sd/-
Vice Chairman & Managing Director

COMPLIANCE CERTIFICATE OF THE AUDITORS

A certificate from the Auditors of the Company regarding Compliance of Conditions of Corporate Governance as stipulated under clause 49 of the listing agreement is attached to this report

To

The Members of M/s. Sree Sakthi Paper Mills Limited

We have examined the Compliance of conditions of Corporate Governance by Sree Sakthi Paper Mills Limited for the year ended March 31st, 2015 as stipulated in Clause 49 of the listing agreement entered into with Bombay Stock Exchange.

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 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 explanation given to us and 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.

As per the records of the Company, no investor grievances are pending for a period exceeding one month against the Company.

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

For Balan & Co
Chartered Accountants

Sd/-
A Mohanan B.Sc, FCA, DISA
Partner (M.No.20627)
FRN:000340S

Cochin-11
30.05.2015



REMUNERATION POLICY

Preamble

- 1.1 The Board of Directors of Sree Sakthi Paper Mills Limited (“the Company”) constituted the “Nomination and Remuneration Committee” at the meeting held on 30 May, 2014 with immediate effect, after renaming the Remuneration Committee formed earlier, consisting of Four (04) Non-Executive Directors of which majority are Independent Directors.
- 1.2 The Nomination and Remuneration Committee and this policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and clause 49 under the Listing Agreement.
- 1.3 The Remuneration Policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “**Executives**”). The expression “Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.
- 1.4 The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

1. Aims & Objectives

- 1.1 The aims and objectives of this remuneration policy may be summarized as follows:
 - 1.1.1 The Remuneration Policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and Executive level.
 - 1.1.2 The Remuneration Policy seeks to enable the Company to provide a well balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
 - 1.1.3 The Remuneration Policy will ensure that the interests of Board Members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the “pay-for-performance” principle.
 - 1.1.4 The Remuneration Policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

2. Principles of Remuneration

- 2.1 **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company’s vision and strategy.
- 2.2 **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 2.3 **Internal equity:** The Company shall remunerate the Board Members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 2.4 **External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 2.5 **Flexibility:** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.



2.6 **Performance-Driven Remuneration:** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

2.7 **Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

3. Nomination and Remuneration Committee

3.1 The earlier Remuneration Committee of the Board of Directors now re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more Non-Executive Directors out of which not less than one-half shall be Independent Directors.

3.2 The Committee shall be responsible for:

3.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

3.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Director.

3.2.3 Identifying persons who are qualified to become Directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.

3.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

3.3 The Committee shall:

3.3.1 review the ongoing appropriateness and relevance of the Remuneration Policy;

3.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;

3.3.3 obtain reliable, up-to-date information about remuneration in other companies;

3.3.4 ensure that no Director or Executive is involved in any decisions as to their own remuneration.

3.4 Without prejudice to the generality of the terms of reference to the Nomination and Remuneration Committee set out above, the Committee shall:

3.4.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);

3.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors and

3.4.3 review the terms of Executive Directors' service contracts from time to time.

4. Procedure for selection and appointment of the Board Members

4.1 Board membership criteria

- The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.
- In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.
- In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.



- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Selection of Board Members/ extending invitation to a potential Director to join the Board

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

5. Procedure for selection and appointment of Executives other than Board Members

- 5.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 5.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, if any, and on the human resources market;
- 5.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 5.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 5.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- 5.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

6. Compensation Structure

(a) Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the Meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-executive Directors for attending Meetings of Board of Directors, Audit Committee of Board of Directors and Nomination and Remuneration Committee is Rs. 10,000/- per meeting. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-Executive Directors of the Company are not paid any other remuneration or commission.

The sitting fees of the Non-Executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

(b) Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel (s) (SMPs):

- The remuneration/compensation/ commission etc. to the Managing Director/ Whole-Time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment has to be approved by the Board.



- If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-Time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- As a policy, the Executive Directors are neither paid sitting fee nor any commission.

7. Role of Independent Directors

- 7.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval
- 7.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of Executive Directors and Employees and have a prime role in appointing and where necessary recommend removal of Executive Directors and Employees.
- 7.3 The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

8. Approval and publication

- 8.1 This Remuneration Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 8.2 This policy shall be hosted on the Company's website.
- 8.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013

9. Supplementary provisions

- 9.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.
- 9.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.
- 9.3 The right to interpret this Policy vests in the Board of Directors of the Company.



FORM NO. MGT 9

Annexure IV

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 & OTHER DETAILS:

1.	CIN	L21012KL1991PLC006207
2.	Registration Date	03 October 1991
3.	Name of the Company	SREE SAKTHI PAPER MILLS LIMITED
4.	Category/Sub-category of the Company	Public Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Sree Kailas 57/2993/94 Paliyam Road, Ernakulam, Cochin - 682 016
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any	Bigshare Services Pvt. Ltd.E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 Tel: 022-40430200, E-mail: investor@bigshareonline.com

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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Kraft Paper	17014	86.83%
2	Duplex Board	17021	13.17%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Sree Kailas Palchuram Hydro Power Limited 57/2993, Sree Kailas Paliyam Road, Kochi 682016	U40100KL200 8PLC022145	Subsidiary	47.00	2(87)(i)
2	Adisakthi Mukkuttathode Hydro Power Limited 57/2993 Sree Kailas Paliyam Road Kochi 682016	U40100KL200 8PLC022144	Subsidiary	47.00	2(87)(i)
3	Jalashaayi Alamparathodu Hydro Power Limited, 57/2993 Sree Kailas Paliyam Road Kochi 682016	U40100KL200 8PLC022143	Subsidiary	47.00	2(87)(i)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
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 during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	8261397	-	8261397	50.26	8153744	-	8153744	49.61	(0.66)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	45424	-	45424	0.28	45424	-	45424	0.28	0.00
Total shareholding of Promoter (A)	8306821	-	8306821	50.54	8199168	-	8199168	49.89	(0.66)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.	644621	-	644621	3.92	429391	-	429391	2.61	(1.31)
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4166568	11848	4178416	25.42	4012778	11848	4024626	24.49	(0.94)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2249902	-	2249902	13.69	2730458	-	2730458	16.61	2.92
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	1038483	-	1038483	6.32	1030304	-	1030304	6.27	(0.0498)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-



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 during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	1958	-	1958	0.01	6254	-	6254	0.04	0.03
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Directors Relatives	15916	100	16016	0.10	15916	100	16016	0.10	0.00
Sub-total (B)(2):-	8117448	11948	8129396	49.46	8225101	11948	8237049	50.12	0.66
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8117448	11948	8129396	49.46	8225101	11948	8237049	50.12	0.66
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16424269	11948	16436217	100.00	16424269	11948	16436217	100.00	

B) Shareholding of Promoter-

Name of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1 S Rajkumar	4670114	28.41	-	4670114	28.41	--	0.00
2 S Giridhar	1090328	6.63	-	1006328	6.12	-	(0.51)
3 Ambili Subrahmaniam	56860	0.35	-	56860	0.35	-	0.00
4 E Kamalam	17868	0.11	-	17868	0.11	-	0.00
5 S Rajkumar	10000	0.06	-	10000	0.06	-	0.00
6 Gururaja Bhat. U .	50	0.00	-	50	0.00	-	0.00
7 Ayyappan Padmanabhan	1317803	8.02	-	1317803	8.02	-	0.00
8 S Mathevan Pillai	20653	0.13	-	0	0.00	-	(0.13)
9 N Subramanian	25748	0.16	-	25748	0.16	-	0.00
10 Rajee Rajkumar	36177	0.22	-	36177	0.22	-	0.00
11 Vignesh R	130159	0.79	-	130159	0.79	-	0.00
12 Vignesh R	146546	0.89	-	146546	0.89	-	0.00
13 A Ganesh	90260	0.55	-	90260	0.55	-	0.00
14 Rajee Rajkumar	285544	1.74	-	285544	1.74	-	0.00
15 N Subramanian	333944	2.03	-	333944	2.03	-	0.00
16 Rajee Sakunthala	23292	0.14	-	23292	0.14	-	0.00
17 Meenakshi Giridhar	6051	0.04	-	3051	0.02	-	(0.02)
18 Sree Kailas Leasing and Commercial Carriers Ltd	45424	0.28	-	45424	0.28	-	0.00
Total	8306821	50.55	-	8199168	49.89	-	(0.66)

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	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
	At the beginning of the year	8306821			
	Date wise Increase / Decrease in Promoters Shareholding during the year:				
1	DECREASE 04/04/2014	1000	0.01	8305821	50.53
2	DECREASE 13/06/2014	20653	0.13	8285168	50.41
3	DECREASE 29/08/2014	5000	0.03	8280168	50.38
4	DECREASE 05/09/2014	5737	0.03	8274431	50.34
5	DECREASE 12/09/2014	4263	0.03	8270168	50.32
6	DECREASE 30/09/2014	2500	0.02	8267668	50.30
7	DECREASE 03/10/2014	2500	0.02	8265168	50.29
8	DECREASE 10/10/2014	3500	0.02	8261668	50.27
9	DECREASE 31/10/2014	1000	0.01	8260668	50.26
10	DECREASE 07/11/2014	1800	0.01	8258868	50.25
11	DECREASE 14/11/2014	3700	0.02	8255168	50.23
12	DECREASE 21/11/2014	5999	0.04	8249169	50.19
13	DECREASE 28/11/2014	600	0	8248569	50.19
14	DECREASE 12/12/2014	6500	0.04	8242069	50.15
15	DECREASE 19/12/2014	2000	0.01	8240069	50.13
16	DECREASE 31/12/2014	175	0	8239894	50.13
17	DECREASE 09/01/2015	4000	0.02	8235894	50.11
18	DECREASE 16/01/2015	1956	0.01	8233938	50.10
19	DECREASE 23/01/2015	9770	0.06	8224168	50.04
20	DECREASE 30/01/2015	1000	0.01	8223168	50.03
21	DECREASE 06/02/2015	4000	0.02	8219168	50.01
22	DECREASE 13/02/2015	2000	0.01	8217168	49.99
23	DECREASE 20/02/2015	2000	0.01	8215168	49.98
24	DECREASE 27/02/2015	2000	0.01	8213168	49.97
25	DECREASE 06/03/2015	4000	0.02	8209168	49.95
26	DECREASE 13/03/2015	6400	0.04	8202768	49.91
27	DECREASE 20/03/2015	1600	0.01	8201168	49.90
28	DECREASE 27/03/2015	2000	0.01	8199168	49.88
	At the end of the year			8199168	



**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No. and Name of the Share Holder	For Each of the Top 10 Shareholders	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. PATTABHIRAM TS 120109001290240	At the beginning of the year	0	0.00	108000	0.66
	11/04/2014	(1000)	(0.01)	107000	0.65
	At the end of the year	(1000)	(0.01)	107000	0.65
2. RAJA RAM 120109004733879	At the beginning of the year	0	0.00	727689	4.43
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	0	0.00	727689	4.43
3. SREY FINANCIAL SERVICE PVT.LTD 120132001200658	At the beginning of the year	0	0.00	113000	0.60
	25/04/2014	10000	0.06	123000	0.75
	02/05/2014	15000	0.09	138000	0.84
	9/05/2014	8000	0.05	146000	0.89
	27/02/2015	(10000)	(0.06)	136000	0.83
At the end of the year	(10000)	(0.06)	136000	0.83	
4. PARAMJIT KAUR 120132001274701	At the beginning of the year	0	0.00	200000	1.22
	25/04/2014	(38363)	(0.23)	161637	0.98
	2/5/2014	(4488)	(0.03)	157149	0.96
	9/5/2014	(3758)	(0.02)	153391	0.93
	16/05/2014	(27961)	(0.17)	125430	0.76
	23/05/2014	(125430)	(0.76)	0	0
At the end of the year	(125430)	(0.76)	0	0	
5. MAHESH KANTILAL VAKIL 1201370014268	At the beginning of the year	0	0.00	116335	0.71
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	0	0.00	116335	0.71



Sl. No. and Name of the Share Holder	For Each of the Top 10 Shareholders	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
6. GULU KHUBA WATUMULL 120243002722	At the beginning of the year	0	0.00	87602	0.53
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	0	0.00	87602	0.53
7. BHARAT JAYANTILAL PATEL IN30015910517046	At the beginning of the year	0.00	0.00	100000	0.61
	13/06/2014 20/06/2014	(16189) (83811)	(0.10) (0.51)	83811 0	0.51 0.00
	At the end of the year	(83811)	(0.51)	0	0.00
8. S N RAJAN IN30021410113909	At the beginning of the year	0	0.00	97460	0.59
	30/05/2014 06/06/2014 13/06/2014	(2275) (57545) (37640)	(0.01) (0.35) (0.23)	95185 37640 0	0.58 0.23 0.00
	At the end of the year	(37640)	(0.23)	0.00	0.00
9. GOPINATHAN C K IN30089610335392	At the beginning of the year	0	0.00	10000	0.06
	23/01/2015	54040	0.33	64040	0.39
	30/01/2015	59960	0.36	124000	0.75
	2/6/2015	34199	0.21	158199	0.96
	13/02/2015	118865	0.72	277064	1.69
	20/02/2015	80962	0.49	358026	2.18
	27/02/2015	33145	0.2	391171	2.38
	6/3/2015	74463	0.45	465634	2.83
	13/03/2015	34027	0.21	499661	3.04
	20/03/2015	18144	0.11	517805	3.15
	27/03/2015	26965	0.16	544770	3.31
31/03/2015	15871	0.10	560641	3.41	
At the end of the year	15871	0.10	560641	3.41	



Sl. No. and Name of the Share Holder	For Each of the Top 10 Shareholders	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
10. SIVAKALA GANESH IN30089610439369	At the beginning of the year	0	0.00	131343	0.80
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	0	0.00	131343	0.80

E) Shareholding of Directors and Key Managerial Personnel:

SN	Name	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 Rajkumar	4670114	28.41	4670114	28.41
2	Ayyappan Padmanabhan	1317803	8.02	1317803	8.02
3	S Giridhar	1090328	6.64	1006328	6.12
4	Subramaniam Sivathanu Pillai	333944	2.03	333944	2.03
5	Subramaniam Sivathanu Pillai	232840	1.42	232840	1.42
6	A S Unny	20200	0.12	20200	0.12
7	E Kamalam	17868	0.11	17868	0.11
8	Anantharaman T S	15866	0.10	15866	0.10
9	A R K Rao	100	0.00	100	0.00
10	D K Kapila	50	0.00	50	0.00
11	Gururaja Bhat. U	50	0.00	50	0.00
	Total	7699163	46.85	7615163	46.33

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (In lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3569.57	536.32	34.39	4140.28
ii) Interest due but not paid				
iii) Interest accrued but not due	413.77	1.83		415.60
Total (i+ii+iii)	3983.34	538.15	34.39	4555.88
Change in Indebtedness during the financial year				
* Addition		527.41		527.41
* Reduction	(1169.69)		(22.90)	(1192.61)



Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Net Change	(1169.69)	527.41	(22.90)	(665.18)
Indebtedness at the end of the financial year				
i) Principal Amount	2658.22	1061.56	11.49	3731.27
ii) Interest due but not paid	155.42			155.42
iii) Interest accrued but not due		4.00		4.00
Total (i+ii+iii)	2813.63	1065.56	11.49	3890.69

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In lacs)

SN	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dr. S. Rajkumar	Mr. A. Padmanbhan	Mr. N. Purushothama Prabhu	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.40	22.80	11.73	69.93
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.68	6.38	-	21.06
	(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, medical expense	0.42	-	-	0.42
	Total (A)	50.50	29.18	11.73	91.41

B. Remuneration to other Directors

SN	Particulars of Remuneration	Name of Directors				Total Amount (Rs)
1	Independent Directors	Mr. D K Kapila	Dr. A R K Rao	Mr. U G Bhat	Mr. K G Ajithkumar	
	Fee for attending Board Committee Meetings	30,000	30,000	90,000	10,000	1,60,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	30,000	30,000	90,000	10,000	1,60,000
2	Other Non-Executive Directors	Mr. S. Giridhar	Mr. S. Subramaniam	Mrs. E. Kamalam	Mr. T.S. Anantharaman	
	Fee for attending Board Committee Meetings	90,000	40,000	40,000	60,000	2,30,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	90,000	40,000	40,000	60,000	2,30,000
	Total (B)=(1+2)	1,20,000	70,000	1,30,000	70,000	3,90,000
	Total Managerial Remuneration (A+B)					95,31,000



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

(In lacs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	02.62	08.01	10.63
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission	NA	NA	NA	NA
	- as % of profit	NA	NA	NA	NA
	others, specify...	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total		0 2.62	08.01	10.63

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority[RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**FORM NO. AOC - 2****Annexure V**

(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 arms length transaction under third proviso thereto.

Financial Year 2014-15

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Nil
2	Nature of contracts/arrangements/transaction	Nil
3	Duration of the contracts/arrangements/transaction	Nil
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Justification for entering into such contracts or arrangements or transactions'	Nil
6	Date of approval by the Board	Nil
7	Amount paid as advances, if any	Nil
8	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188	Nil

2. Details of contracts or arrangements or transactions at Arm's length basis. (Rs.in Lakhs)

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Dr. S .Rajkumar, Managing Director
	Nature of contracts/arrangements/transaction	Lease Building - Rent
	Duration of the contracts/arrangements/transaction	2 yrs
	Salient terms of the contracts or arrangements or transaction including the value, if any	14.68
2	Name (s) of the related party & nature of relationship	S. Subramoniam, Director
	Nature of contracts/arrangements/transaction	Lease Building - Rent
	Duration of the contracts/arrangements/transaction	11 months
	Salient terms of the contracts or arrangements or transaction including the value, if any	4.36
3	Name (s) of the related party & nature of relationship	A. Padmanabhan, Whole Time Director
	Nature of contracts/arrangements/transaction	Lease Building - Rent
	Duration of the contracts/arrangements/transaction	11 months
	Salient terms of the contracts or arrangements or transaction including the value, if any	6.14
4	Name (s) of the related party & nature of relationship	A. Ganesh, Relative of Director
	Nature of contracts/arrangements/transaction	Lease Building - Rent
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	1.20
5	Name (s) of the related party & nature of relationship	Shri Kailash Logistics Limited, Company in which Directors hold more than 2% interest
	Nature of contracts/arrangements/transaction	Lease Building – Rent, and Freight Services
	Duration of the contracts/arrangements/transaction	11 months
	Salient terms of the contracts or arrangements or transaction including the value, if any	3.60



Sl. No.	Particulars	Details
6	Name (s) of the related party & nature of relationship	Sree Sakthi Constructions and Infrastructure Limited. Company in which Directors hold more than 2% interest
	Nature of contracts/arrangements/transaction	Civil Works
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	1.42
7	Name (s) of the related party & nature of relationship	Maharaj Continental Trades Limited, Company in which Directors hold more than 2% interest
	Nature of contracts/arrangements/transaction	Commission
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	208.39
8	Name (s) of the related party & nature of relationship	Sree Giri Packagings Limited, Company in which Directors hold more than 2% interest
	Nature of contracts/arrangements/transaction	Purchase of Raw Materials
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	2,625.35
9	Name (s) of the related party & nature of relationship	Verizon Industrial Aids Limited Company in which Directors hold more than 2% interest
	Nature of contracts/arrangements/transaction	Purchase of Raw Materials
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	981.91
10	Name (s) of the related party & nature of relationship	Carto Packs, Firm of which Mr. S Rajkumar is the Managing Partner.
	Nature of contracts/arrangements/transaction	Purchase of Raw Material and Sale of Paper
	Duration of the contracts/arrangements/transaction	Annual
	Salient terms of the contracts or arrangements or transaction including the value, if any	42.31 - Purchase of Raw Materials 197.85 – Sale of Finished goods
11	Date of approval by the Board	14 th August 2014. For Cartopacks Central Government approval was obtained vide letter no. MCA/Portal/297/May/2012 dated 24.05.2012 for a period of 03 years, under Companies Act, 1956
12	Amount paid as advances, if any	Nil
13	Date on which the special resolution was passed in General Meeting (if any)	30 th September 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

S RAJKUMAR
(MANAGING DIRECTOR)

Cochin - 16
30-07-2015



SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To
The Members
Sree Sakthi Paper Mills Limited
Sree Kailas 57/2993/94
Paliyam road, Ernakulam
Kerala- 682016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sree Sakthi Paper Mills Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Sree Sakthi Paper Mills Limited** ("the Company") for the financial year ended on 31st March, 2015 according to the provisions as applicable to the Company during the period of audit:

- (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 to the extent of Regulation 55A;
- (iv) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (v) The below mentioned are the laws/ Regulations (as amended from time to time), as informed and certified by the management of the Company which are specifically applicable to the Company based on their industry;
 - Forest (Conservation) Act, 1980
 - Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996
 - Indian Boilers Act, 1923

The Company is in the process of updating its system to ensure compliance with the above Laws/ Regulations.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (**Not applicable for the audit period**).
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges, where the equity shares of the Company are listed.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above subject to the following observations:

1. There were a few instances of delay in complying with certain clauses of the equity listing agreement entered into with the stock exchange in which the Company is listed, however the Company has generally complied with the listing agreement.

We further report that there were no actions/events occurred in the pursuance of :



- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; requiring compliance thereof by the Company during the Financial Year under review.

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, Company is in the process of establishing adequate systems and control mechanism to monitor and ensure compliance with applicable laws including Industrial Laws, Environmental Laws, Human Resources and labour laws.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is constituted with a balance of Executive Directors, 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.

Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were delivered 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.

As per the information and explanation given by the Company, its officers and authorized representatives during the conduct of the audit, all decisions at Board Meetings and Committee Meetings are carried out unanimously.

We further report that during the audit period, no events, other than the following, have occurred during the year, which have a major bearing on the Company's affairs

- The company has issued Non-convertible Redeemable Cumulative Preference shares of face value of Rs.10 each to Kerala State Industrial Development Corporation Limited, Trivandrum for which approval of the shareholders were sought through Postal Ballot during the audit period.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

C.P.NO. 1087

Place: Chennai
Date: 30th July 2015

Note: This report is to be read with our letter of even date which is annexed as Annexure A and form forms an integral part of this report.

ANNEXURE-A

To,

The Members

Sree Sakthi Paper Mills Limited

Sree Kailas 57/2993/94, Paliam Road

Ernakulam, Kerala- 682016

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

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

C.P.NO. 1087

Place: Chennai
Date: 30th July 2015

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2014-15**

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1	Brief outline of the Company's CSR policy, projects and programs proposed to be undertaken with web-link to CSR policy and Projects or programs	CSR Policy and projects to be adopted is under preparation for approval of the Board.
2	Composition of the CSR Committee	The Committee is constituted with Mr. Deveshwer Kumar Kapila, Independent Director, Dr. S Rajkumar, Managing Director and Mr. A Padmanabhan, Whole Time Director.
3	Average Net profits of the Company for the last three financial year	623.24 lacs
4	Prescribed CSR expenditure (Two percent of the amount in item no. 3 above)	12.46 lacs
5	Details of CSR Spent during the Financial Year	Amount budgeted for the year 2014-15 : 12.46 lacs Amount spent upto 31.03.2015 : 3.25 lacs Amount Unspent if any : 9.21 lacs

Manner in which the amount was spent during the financial year ended 31.03.2015

CSR project activity	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the state & district where projects or programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
*	*	Local area: Ernakulam District in the State of Kerala	335000	325000	325000	325000

*The Company has not undertaken any CSR activity directly, but the Company has spent an amount of Rs. 3.25 lacs through the support of Charitable Institutions having a track record of more than 3 years in undertaking health programmes.

6. An amount of Rs. 9.21 lacs is unspent as the Company is running in loss.
7. Responsibility Statement of the CSR Committee: Since the CSR Policy and projects to be adopted is under preparation - the implementation and monitoring of CSR policy will be complied with once the policy is finalized.

Sd/-
Dr. S Rajkumar
Managing Director

Sd/-
D K Kapila
Chairman CSR Committee



BALAN & Co.

Chartered Accountants

39/181 D, 'Anantha', Mahakavi G Road, Karikkamuri, Kochi - 682 011

Ph: 0484-2360663, 2360773, 2375663, Fax: 2377663

E-mail: balanandcokochi@gmail.com, kochi@balanandco.com, www.balanandco.com

CA V. Sivasdas Menon

CA A. Mohanan

CA C.S. Rajeev

CA P. Unnikrishnan

CA Joyal George

INDEPENDENT AUDITOR'S REPORT

To

The Members of M/s. Sree Sakthi Paper Mills Limited, Kochi.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Sree Sakthi Paper Mills Limited, Kochi which comprises of:-

- The Balance Sheet as at 31st March, 2015
- The Statement of Profit and Loss for the year ended 31st March 2015
- Cash Flow Statement for the year ended 31st March 2015, and
- A Summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are 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 Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring 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 there under. 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 auditor's 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 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 audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015; and its loss and its cash flows for the year ended 31st March 2015.

Report on other legal and regulatory requirements

- As required by the Companies (Auditor's Report) Order, 2015 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.

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 appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts), Rules 2014;
- e) 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 sub-section (2) of Section 164 of the Companies Act, 2013.
- f) With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of 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 statement.
 - ii. The Company has made provisions, as required under any law or accounting standard, for material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to Investor Education and Protection Fund by the Company.

For Balan and Co
Chartered Accountants
FRN:000340S

Sd/-

A Mohanan, B Sc., FCA., DISA
Partner (Memb No. 20627)

Kochi- 11
30.05.'15

Ref: M/s. Sree Sakthi Paper Mills Limited, Kochi -16 (2014-'15)

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 fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories 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. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted any secured or unsecured loans to persons covered in the register maintained under Section 189 of the Companies Act, 2013, except advances in the ordinary course of business.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed asset and for sale of goods. There is no continuing failure to correct any major weaknesses in internal control system.
- (v) The Company has not accepted deposits from the Public. Hence provisions of Clause 4(c) of the order are not applicable to the Company.
- (vi) We have broadly reviewed the books and records maintained by the Company pursuant to the order of the Central Government 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determining whether these records are accurate or complete.



- vii) (a) According to the information given to us and on the basis of the checks conducted by us we report that the Company has been generally regular in depositing undisputed statutory dues including Provident fund, Employees state insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues with appropriate authorities except for vat due of Rs.7,839/-, service tax due of Rs. 16,94,736/-, customs duty of Rs. 3,24,457/-, excise duty of Rs. 6,27,925/-, which was in arrears as at 31.3.2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, and based on the records of the Company examined by us, the particulars of dues towards income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March 2015, which have not been deposited on account of any dispute are furnished as :
- (viii) The Company has no accumulated losses but has incurred cash loss during the financial year covered by our audit. It has no cash loss in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of dues to financial institutions and banks.
- (x) According to the information and explanations given to us the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that, the term loans availed by the Company were prima-facie applied for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and belief and according to the information given to us no fraud on or by the Company was noticed or reported during the year.

Sl. No.	Name of the Statute	Nature of Dues	Amount of tax disputed Rs. in lakhs	Period to which the dispute relates	Forum where the dispute is pending
1	Income tax Act	Income Tax	26.93	A.Y 2007-08	CIT (Appeals), Kochi
3	Income Tax Act	Income Tax	11.68	A.Y 2011-12	CIT(Appeals), Kochi
4	Central Sales Tax Act	Central Sales tax	15.48	A.Y 2007-08	Deputy Commissioner (Appeals), Kochi

- c) The amount required to be transferred to Investor Education and Protection Fund in accordance with sub-section (5) of Section 124 of Companies Act 2013, has been transferred without any delay.

For Balan and Co
Chartered Accountants
FRN:000340S

Sd/-

Kochi- 11
30.05.'15

A Mohanan, B Sc., FCA., DISA
Partner (Memb No. 20627)

**BALANCE SHEET AS AT 31ST MARCH 2015**

	Note No.	31-03-2015 Rs. in Lacs	31-03-2014 Rs. in Lacs
I. EQUITY AND LIABILITIES			
(1) Share Holders' Funds:			
(a) Share Capital	1	2,643.62	1,643.62
(b) Reserves & Surplus	2	1,509.61	2,750.18
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long term borrowings	3	1,000.73	1,879.67
(b) Deferred tax liabilities (Net)	4	965.95	1,316.52
(c) Other long term liabilities	5	11.49	34.39
(d) Long term provisions	6	75.48	88.64
(4) Current Liabilities			
(a) Short term borrowings	7	2,719.05	2,226.22
(b) Trade payables	8	1,742.52	2,265.45
(c) Other current liabilities	9	1,290.45	1,488.10
(d) Short-term provisions	10	-	183.55
TOTAL		11,958.90	13,876.34
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	5,834.82	7,142.57
(ii) Intangible assets		0.85	2.48
(iii) Capital work-in-progress		18.19	16.76
(b) Non-current investments	12	88.46	88.46
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	13	242.51	280.57
(e) Other non-current assets			
(2) Current assets			
(a) Inventories	14	1,761.34	1,457.89
(b) Trade receivables	15	2,593.75	3,592.15
(c) Cash and bank balance	16	418.30	355.68
(d) Short-term loans and advances	17	973.01	907.79
(e) Other current assets	18	27.67	31.99
TOTAL		11,958.90	13,876.34

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

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

	Note No.	31-03-2015 Rs. in Lacs	31-03-2014 Rs. in Lacs
I Revenue from Operations	19	15,559.57	20,367.03
II Other income	20	100.82	75.98
III TOTAL REVENUE (I +II)		15,660.39	20,443.01
IV EXPENSES			
Cost of materials consumed	21	9,784.37	12,374.99
(Increase) / Decrease in Stock	22	(73.75)	(55.18)
Employee benefit expense	23	1,284.16	1,731.30
Finance cost	24	590.35	685.57
Depreciation and amortization Expenses	25	376.81	489.90
Other expense	26	4,377.88	5,071.00
TOTAL EXPENSES		16,339.82	20,297.58
V Profit before exceptional and extraordinary items and tax (III - IV)		(679.43)	145.43
VI Exceptional Items- Income tax relating to earlier years		58.22	2.17
VII Profit before extraordinary items (V - VI)		(737.65)	143.26
VIII Extraordinary Items		-	-
a) Retrenchment compensation to DBU employees		176.26	
b) Impairment of fixed asset		614.80	
IX Profit before Tax (VII-VIII)		(1,528.71)	143.26
X Tax Expense			
(1) Current tax (MAT)		-	43.86
Less MAT Credit Entitlement		-	17.70
Net tax		-	26.16
(2) Deferred tax		(350.57)	1.02
XI Profit/(Loss) for the period from continuing operations after tax		(16.79)	116.08
XII Profit/ (Loss) from discontinuing operations		(1,161.35)	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) for the period from discontinuing operations (after tax)		(1,161.35)	-
XV Profit (Loss) for the period (XI + XIV)		(1,178.14)	116.08
XVI Earnings Per Equity Share (Basic and Diluted) - before exceptional and extraordinary items		(3.16)	0.71
XVII Earnings Per Equity Share (Basic and Diluted) - after extra ordinary items		(7.97)	
Weighted Average Number of Shares		16436217	16436217
Accounting Policies & Notes on Accounts	1-26		

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015****SIGNIFICANT ACCOUNTING POLICIES****1 Basis of accounting**

The accounts of the Company are prepared under the historical cost convention on accrual basis as a going concern.

2 Revenue Recognition:

Items of income and expenditure are recognized on accrual basis except for the following, since it is not possible to ascertain with reasonable accuracy the quantum to be provided in respect of:

- a. Interest & delayed payment charges on overdue bills pending as on Balance Sheet date.
- b. The additional liability, if any, arising at the time of assessment of tax / duty.
- c. Insurance and Other claims.

3 Government Grant

Duty Draw Back Income is recognised on accrual basis based on FOB value of exports.

4 Fixed Assets & Depreciation:

- i) Tangible assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.
- ii) Subsequent expenditures related to an item of tangible asset are added to the book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- iii) Projects under which the assets are not ready for their intended use are shown as Capital Work In Progress.
- iv) Change in Accounting Policy for Depreciation pursuant to Schedule II of the Companies Act, 2013.

Due to application of Schedule II of the Companies Act, 2013 with effect from 1st April, 2014, the management has adopted the 'useful lives' as specified in the said Schedule II. The Company has used the transitional provisions

of the Schedule II to adjust the impact arising from the first time application of the Schedule II. If a fixed asset has zero remaining useful life as on 1st April, 2014 (the date on which Schedule II has become effective), its carrying amount, after retaining 5% of the original cost as residual value, is charged to the opening balance of the retained earnings 'Surplus in the Statement of Profit & Loss' under 'Reserves & Surplus'. The carrying amount of fixed assets whose remaining useful life is not 'NIL' as on 1st April, 2014, is depreciated over the remaining useful life.

Accordingly, depreciation of Rs 6242638/- has been adjusted to the opening balance of the retained earnings, with the corresponding effect to the net book value of the tangible assets.

- v) Any asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Such impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Any impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5 Investments:

Long term Investments are stated at cost less provision for decline in value other than temporary. Current investments are stated at lower of cost and fair market value on category of investment basis.

6 Inventory:

Inventory of raw materials and consumables are valued at cost or net realizable value, whichever is lower, under FIFO Method. Finished Goods are valued at cost or net realizable value whichever is lower. Cost for the purposes of valuation of finished goods includes cost of material, labour and other direct expenses. Stock-in-process is valued at raw material cost plus proportionate direct cost, wherever applicable.

7 Foreign Currency Transactions:

Expenditure/Income in foreign currency is converted into Indian rupees at the rate of exchange prevailing on the date of transaction. Asset/Liability in respect of foreign exchange transactions outstanding as at the end of the year is restated at the exchange rate prevailing on that date.



8 Forward Contracts:

Premium or discount at the inception of forward contract is recognised as expense or income over the period of contract. Any profit or loss arising on cancellation or renewal of forward contract is recognised as income or expense of the year.

9 Deferred tax/Income tax:

Deferred tax is accounted for, by computing the tax effect of timing differences between taxable income and accounting income.

Provision for Current tax is made on the basis of applicable tax laws existing in the country.

Minimum Alternative Tax and its credit are accounted based on the Guidance notes issued by the Institute of Chartered Accountants of India.

Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be availed against which such deferred tax assets can be realised.

10 Intangible Assets:

Intangible asset, viz, computer software is stated at cost of acquisition less accumulated amortization. Computer software is amortized over a period of 5 Years.

11 Others:

- i) Contingent Liabilities are not provided for and are disclosed in notes to the accounts.
- ii) Gratuity and leave encashment liability is worked out based on actuarial valuation as at the end of the year.

12 Impairment of assets

Subsequent to Board's decision to close down its Duplex Board Division, Company has re-assessed the market value of assets of Chalakudy unit. Impairment is done to Plant & Machinery and building by comparing the value given by the approved valuer and carrying amount outstanding in books after providing depreciation as per the Companies Act 2013.

13 Additional Disclosures

- 1 Most of the balances of Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation.
- 2 Previous year figures have been re-cast, wherever necessary to comply with the requirements of Revised Schedule VI of The Companies Act 1956.

- 3 Assets, Loans and advances are in realizable state in the ordinary course of business.

4 Lease Transactions :

All assets acquired under finance lease basis are capitalized with corresponding liability recognizing the future liability on leases. The total minimum lease payments as on the balance sheet date, interest embedded in such payments and present value of lease payments are as follows:

- (i) Total minimum lease payments Nil (Previous Year Nil)
- (ii) Future interest embedded in i) Nil (Previous Year Nil)
- (iii) Present value of lease payments (i-ii) Nil (Previous Year Nil)

Finance charges on lease payments amounting to (Previous Year Nil) for the year has been debited to profit and loss account under the head interest and bank charges. Lease expenses under non cancelable operating lease during the year amounts to Rs NIL (Previous Year Rs Nil)

Future minimum lease payments under non cancellable operating lease as on 31-03-2015 is as follows

Payable within One year NIL

Payable after one year
but before five years NIL

5 Discontinuing operations

On 14/11/2015, Board of Directors announced the plan to discontinue operations of the Duplex Board Division of the company operating at Chalakudy.

The decision of the disposal is in line with the company's long term strategy to focus on more profit making segments rather than low margin or loss making segments.

Further it was also decided to scrap the plant and machinery and building and sell off the same for which a valuation report has been placed and approved by the Board. It is proposed to sell off the land separately. It is expected that these operations will be concluded by March 2016.

At 31st March, 2015, the carrying amount of the assets of the division was Rs.529.55 lakhs and its liabilities were Rs.48.92 Lakhs. The above carrying amounts of assets were determined after providing for an impairment loss of Rs 614.80 Lakhs (Previous Year NIL) in the year ending on 31.03.2015.

The following statement shows the revenue and expenses of discontinuing operations:



Particulars	Continuing		Discontinuing		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Turnover	13,706.25	14,976.72	1,954.14	5,521.48	15,660.39	20,498.19
Operating expenses	13,486.17	14,212.75	2,439.56	5,454.44	15,925.73	19667.19
Impairment loss	-	-	614.80	-	614.80	-
Pre-tax profit from operating activities	220.08	763.97	(1,100.22)	67.03	(880.14)	831.00
Interest expense	576.60	470.43	13.75	215.14	590.35	685.57
Profit(loss) before tax	(356.52)	293.54	(1,113.97)	(148.11)	(1,470.49)	145.43
Income tax expense	(339.72)	29.35	47.37	-	(292.35)	29.35
Profit (loss) from operating activities after tax	(16.80)	264.19	(1,161.34)	(148.11)	(1,178.14)	116.08

B NOTES ON ACCOUNTS

Note - 1 : SHARE CAPITAL

1 Break up of Share Capital

AUTHORISED

5,00,00,000 Equity shares of Rs 10 each
(Previous year 5,00,00,000 Equity Shares of Rs 10 each)

Rs in Lacs
31.03.2015

Rs in Lacs
31.03.2014

5000.00

5,000.00

ISSUED, SUBSCRIBED & FULLY PAID UP

1,64,36,217 Equity Shares of Rs.10/- each fully paid up

1643.62

1,643.62

10,00,000 11.25% non-convertible cumulative
redeemable preference shares of Rs 10/- each

1000.00

-

TOTAL

2643.62

1,643.62

(Out of the issued, subscribed, and fully paid up capital, 7599147 (PY 7693147)

Equity shares are held by Directors and NIL (PY NIL) by Officers

2 Reconciliation statement of shares

31.03.2015

31.03.2014

No: of equity shares at the beginning of the year

16436217

16436217

Add: Fresh issue

0

0

Less: shares bought back

0

0

No: of equity shares at the end of the year

16436217

16436217

3 Details of Shareholders holding more than 5% Shares

Name of shareholder	No. of shares held as on 31.03.15	% of share holding	No: of shares held as on 31.03.14	% of share holding
Mr. S.Rajkumar	4,680,114	28.47	4,680,114	28.47
Mr. A.Padmanabhan	1,317,803	8.02	1,317,803	8.02
Mr. S.Giridhar	1,006,328	6.12	1,090,328	6.63

4 During the last 5 years, the company has not issued any shares pursuant to any contract without payment being received in cash, as bonus shares or has not brought back any shares

5 No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment

6 The Company has not issued any securities convertible into Equity or Preference Shares

7 No shares have been forfeited till date.

8 Out of the total share capital issued and called up, no calls are outstanding as unpaid



Note - 2 : RESERVES & SURPLUS

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Capital Reserve		
Amount as per Last Balance Sheet	36.68	36.68
(+) Additions/ transfers during the Year	-	-
Closing Balance	36.68	36.68
Securities Premium Account		
Amount as per Last Balance Sheet	1667.24	1,667.24
(+) Additions/ transfers during the Year	-	-
Closing Balance	1667.24	1,667.24
General Reserve		
Amount as per Last Balance Sheet	533.00	533.00
(+) Additions/ transfers during the Year	0.00	-
Closing Balance	533.00	533.00
Surplus		
Amount as per Last Balance Sheet	513.25	512.54
(-) Adjustment on account of change in useful lives of fixed assets (Refer Notes A.4 (iv))	(62.44)	-
(+) Net profit/(net loss) for the current year	(1178.14)	116.09
(-) Transfer to General Reserve	0.00	-
(-) proposed dividend @ 6 % i.e. (Rs. 0.60 per share)	0.00	98.62
(-) dividend distribution tax	0.00	16.76
Closing Balance	(727.31)	513.25
TOTAL	1509.61	2,750.18

Note - 3 : LONG TERM BORROWINGS

SECURED

a	Term Loans from:				
	i	Federal Bank Ltd	166.06	184.26	
	ii	State Bank of Travancore (Term Loan I)	592.70	675.61	
	iii	State Bank of Travancore (Term Loan II)	-	443.44	
	iv	Axis Bank	-	305.70	
	v	Punjab National bank	236.28	261.54	
			995.04	1,870.55	
b	Vehicle Loan from				
		i	Axis Bank (Loan 2)	-	1.23
		ii	Axis Bank (Loan 3)	2.32	3.21
		iii	Axis Bank (Loan 4)	3.37	4.68
			5.69	9.12	
	TOTAL		1,000.73	1,879.67	

1 Nature of Security

a	Term Loan	Nature of Security
i.	Federal Bank Ltd	Paripassu first charge on the fixed assets and pari passu second charge on the current assets of the company.
ii.	State Bank of Travancore	Paripassu first charge on the fixed assets including equitable mortgage of land and pari passu second charge on the current assets of the company.



iii. Axis Bank	Paripassu first charge on the fixed assets and pari passu second charge on the current assets of the company.
iv. Punjab National Bank	Paripassu first charge on the fixed assets including equitable mortgage of land and pari passu second charge on the current assets of the company.
b. Vehicle loan from: Axis Bank (Loan 2)	Hypothecation of Maruti Ritz car
Axis Bank (Loan 3)	Hypothecation of Maruti Swift Desire Car
Axis Bank (Loan 4)	Hypothecation of Maruti Ertiga VDI Car

2 Personal Guarantee Details Nil

3 Terms of Repayment of Term Loans

Loan	Terms of Repayment
a. Federal Bank Ltd	Repayment in graded instalments in 84 months: Month 1 -40 : Rs 1.50 lacs each Month 41 – 60 : Rs 2.50 lacs each Month 61 – 84 : Rs 3.75 Lacs each
b. State Bank of Travancore (TL I)	Repayment in 131 monthly instalments of Rs 7,58,000/- each and final payment of 7,02,000/-
c. State Bank of Travancore (TL II)	Repayment in 131 monthly instalments of Rs 4,55,000/- each and final payment of Rs 3,95,000/-
d. Axis Bank	Repayment in 59 monthly instalments of Rs 16,66,000 each and last instalment of Rs. 17,06,000
e. Punjab National bank	Repayment in 120 monthly instalments of Rs 2,50,000/- each commencing from June 2014
f. Axis Bank (Vehicle Loan 2)	Repayment in 36 EMI of Rs 17399/- each
g. Axis Bank (Vehicle Loan 3)	Repayment in 60 EMI of Rs 11044/- each
h. Axis Bank (Vehicle Loan 4)	Repayment in 60 EMI of Rs 16083/- each

There is no continuing default as on the date of balance sheet in repayment of loans and interest.

Note - 4 : DEFERRED TAX LIABILITY

Deferred Tax liability
Less: Deferred Tax Asset

TOTAL

Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
1036.38	1,405.77
70.43	89.25
965.95	1,316.52

(Rs in Lacs)

Arising on account of timing difference in Deferred Tax Liability	Current Year	Upto 31.3.2014	Total as on 31.3.2015
Depreciation	(357.55)	1,383.00	1,025.45
Less: Deferred Tax Asset			
Provision for bad and doubtful debt	8.34	30.50	38.84
Provision for gratuity & Leave encashment	(15.32)	35.98	20.66
Total	(6.98)	66.48	59.50
Net Deferred Tax Liability	(350.57)	1,316.52	965.95



	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 5 : OTHER LONG TERM LIABILITIES		
Deposits from dealers/customers	11.49	34.39
Note - 6 : LONG TERM PROVISIONS		
Provision for Employee Benefit		
Gratuity & Leave encashment	75.48	88.64
Note - 7 : SHORT TERM BORROWINGS		
a SECURED LOANS		
LOAN REPAYABLE ON DEMAND FROM BANKS		
i IDBI Bank Ltd (Cash credit)	298.98	299.15
ii Federal Bank Ltd (Cash credit)	1042.01	1,064.46
iii Bank of India (Cash credit)	316.50	326.29
	1657.49	1,689.90
b UNSECURED LOANS		
i LOANS REPAYABLE ON DEMAND FROM BANKS		
1 IDBI - Dubai - Buyer's Credit	324.69	427.05
2 Bank of India - Tokyo - Buyer's credit	295.12	43.65
3 Federal Bank - Buyer's credit	435.77	-
	1055.58	470.70
ii LOANS REPAYABLE ON DEMAND FROM OTHERS		
SBI Global Factors Ltd	(3.52)	21.62
	(3.52)	21.62
iii LOANS REPAYABLE ON DEMAND FROM RELATED PARTIES		
a. S. Rajkumar	9.50	-
b. Sree Sakthi Constructions & Infrastructre Ltd	-	44.00
	9.50	44.00
TOTAL	2719.05	2,226.22

Working capital facility from banks	Nature of security	Repayment terms
a. IDBI Bank Ltd (Cash credit) b. Federal Bank Ltd (Cash credit) c. Bank of India (Cash credit)	All the loans are secured by Pari passu first charge on the entire current assets and paripassu second charge on the entire fixed assets of the company.	on demand

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 8 : TRADE PAYABLES		
a Due to Micro, Small and Medium Enterprises	0.76	0.83
b Others (a) Supplies	1588.16	2,074.36
(b) Stores & Spares	153.60	190.26
TOTAL	1742.52	2265.45



Based on the information available with the Company as at the year-end, balance of Rs. 75735/- due to undertaking defined under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31.03.2015	31.03.2014
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	96,135	92,498
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year.	20,400	9,491
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

Note - 9 : OTHER CURRENT LIABILITIES

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
a. Current maturity of long term debts		
i. Federal Bank Ltd.	18.00	18.00
ii. State Bank of Travancore (Term Loan I)	90.96	90.96
iii. State Bank of Travancore (Term Loan II)	-	54.60
iv. Axis Bank	-	199.92
v. Punjab National Bank	41.70	41.70
vi. Vehicle loan 1 - Axis Bank	-	3.24
vii. Vehicle loan 2 - Axis Bank	1.50	2.09
viii. Vehicle loan 3 - Axis Bank	1.33	1.33
ix. Vehicle loan 4 - Axis Bank	1.93	1.93
	155.42	413.77
b. Interest Accrued but not due on unsecured Loans		
i. Interest on buyers credit	3.99	1.83
ii. Interest on factoring facility	-	0.30
	3.99	2.13
c. Items covered under Investor Education and Protection fund :		
Dividend Payable	12.41	12.37
	12.41	12.37
d. Other liabilities		
1. Employee benefit expenses payable	236.68	74.27
2. Statutory dues payable	283.82	209.50
3. Other expense payable	598.13	776.06
	1118.63	1,059.83
TOTAL	1290.45	1,488.10

There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2015

Note - 10 : SHORT TERM PROVISIONS

a. Provision for Employee Benefit		
Gratuity & Leave encashment	-	24.31
b. Provision others		
Income Tax	-	43.86
Proposed dividend	-	98.62
Tax on proposed dividend	-	16.76
TOTAL	-	183.55

Note 11 - FIXED ASSETS

(Rs. in Lacs)

Particulars	GROSS BLOCK						DEPRECIATION						IMPAIRMENT				NET BLOCK	
	Balance as on 01.04.2014	Additions during the year	Sale during the year	Total as on 31.03.2015	Upto 01.04.2014	For the year	Sale during the year	Adjustment to Opening Reserves	Total as on 31.03.2015	Upto 01.04.2014	For the year	Total as on 31.03.2015	Scrap Assets taken to Inventory	As on 31.03.2015	As on 31.03.2014			
	1	233.27	-	-	233.27	-	-	-	-	-	-	-	-	-	233.27	233.27		
2	1310.63	10.33	-	1320.96	288.73	68.64	-	23.28	380.65	-	13.97	13.97	121.00	805.33	1021.90			
3	54.83	0.09	-	54.92	25.76	4.72	-	1.57	32.05	-	-	-	-	22.87	29.07			
4	9191.01	192.26	-	9383.27	3417.71	287.98	-	18.91	3724.59	-	600.83	600.83	336.98	4720.85	5773.29			
5	108.36	-	5.62	102.74	62.63	7.15	5.61	2.98	67.15	-	-	-	-	35.59	45.73			
6	64.01	-	-	64.01	24.71	6.71	-	15.68	47.10	-	-	-	-	16.91	39.30			
TOTAL	10982.11	202.68	5.62	11159.17	3819.55	375.19	5.61	62.42	4251.55	-	614.80	614.80	457.98	5834.82	7142.56			
7	23.18	-	-	23.18	20.70	1.63	-	-	22.33	-	-	-	-	0.85	2.49			
TOTAL	10985.29	202.68	5.62	11182.35	3840.26	376.81	5.61	62.43	4273.91	-	614.80	614.80	457.98	5835.68	7145.05			
Figures for the previous year	10838.20	185.74	38.65	10985.29	3387.09	489.90	36.71	-	3840.26	-	-	-	-	7145.05	7451.14			

FA schedule of discontinued operation (DBU)

(Rs. in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				IMPAIRMENT				NET BLOCK		
	Balance as on 01.04.2014	Additions during the year	Sale during the year	Total as on 31.03.2015	Upto 01.04.2014	For the year	Sale during the year	Adjustment to Opening Reserves	Total as on 31.03.2015	Upto 01.04.2014	For the year	Total as on 31.03.2015	Scrap Assets taken to Inventory	As on 31.03.2015	As on 31.03.2014
	Land	35.78	-	-	35.78	-	-	-	-	-	-	-	-	-	35.78
Buildings	209.46	-	-	209.46	54.77	7.41	-	12.31	62.18	-	13.97	13.97	121.00	-	-
Plant & Machinery	1684.94	-	-	1684.94	707.66	36.00	-	3.47	743.66	-	600.83	600.83	336.98	-	-
TOTAL	1930.19	-	-	1930.19	762.43	43.41	-	15.78	805.84	-	614.80	614.80	457.98	35.78	-

Upto 31.03.2014, the company was providing depreciation based on the rates provided in Schedule XIV of the Companies Act, 1956. Pursuant to the enactment of the Companies Act, 2013, the Company has started providing depreciation based on the Useful Lives of the asset as given in the Sch II of the Companies Act. In the case of assets outstanding as on 01.04.2015, the carrying amount as on that date will be depreciated over the remaining useful life of the asset as per the Sch II. In the case of assets where the useful life has already been expired and the remaining useful life is 'Nil', the excess of carrying amount over and above the residual value has been recognized in the opening balance of the retained earnings as required by Note 7(a) of the Schedule II of the Companies Act, 2013.



	Rs in Lacs 31.03.2015		Rs in Lacs 31.03.2014	
Note - 12 : NON-CURRENT INVESTMENTS				
a Non-Trade Investments- Quoted	Market Value as on 31.3.15		Market Value as on 31.3.14	
i. In Equity Instruments				
2080 Equity shares of I.D.B.I.Ltd of Rs 10 each fully paid up	1.47	0.35	1.36	0.35
ii. In Mutual Funds				
130597 units of ICICI Prudential Infrastructure fund	20.52	30.01	14.97	30.01
96712 Units of L&T Opportunities Fund	22.77	30.00	17.09	30.00
23286 units of UTI Master Growth Unit Scheme	7.82	10.00	5.97	10.00
SUB - TOTAL	52.58	70.36	39.39	70.36
b Non-Trade Investments- Unquoted				
In Equity Instruments				
i. Investments in Subsidiaries				
JALA SHAAIYI ALAMPARATHODU HYDRO POWER LTD (47001 Equity Shares of Rs 10 each fully paid up)		4.70		4.70
SREE KAILAS PALCHURAM HYDRO POWER LTD (47001 Equity Shares of Rs 10 each fully paid up)		4.70		4.70
SREE ADI SAKTHI MUKKUTTATHODE HYDRO POWER LTD (47001 Equity Shares of Rs 10 each fully paid up)		4.70		4.70
ii. Investment in others				
Kerala Enviro Infrastructure Ltd (10000 Equity Shares of Rs 10 each fully paid up)		1.00		1.00
Cochin Waste 2 Energy P Ltd (30000 Equity Shares of Rs 10 each fully paid up)		3.00		3.00
SUB - TOTAL		18.10		18.10
TOTAL		88.46		88.46
Current market value of the quoted investments is Rs 52.58 Lakhs (Previous Year Rs.39.39 Lacs)				
Note - 13 : LONG TERM LOANS AND ADVANCES (Unsecured, considered good)				
Capital advance	87.75		85.99	
Less: Provision	10.54	77.21	7.86	78.13
Security deposit		133.43		171.85
Loans and advances to related parties				
ADVANCE TO SUBSIDIARY COMPANIES				
a. Jalashaayi Alamparathode Hydro Power Ltd.		7.51		7.28
b. Sree Kailas Palchuram Hydro Power Ltd		16.39		15.89
c. Sree Adisakthi Mukkuttathode Hydro Power Ltd		7.97		7.42
		31.87		30.59
TOTAL		242.51		280.57
Note - 14 : INVENTORIES				
a. Raw Materials & Packing Materials		317.32		434.44
b. Goods in transit - raw material		86.63		151.30
c. Work - in - progress		42.12		80.30
d. Finished Goods		250.59		131.96
e. Stores, Spares & Fuel		1064.22		659.17
f. Renewable Energy Certificate		0.46		0.72
TOTAL		1761.34		1457.89



Mode of valuation: Inventory of raw materials and consumables are valued at cost or net realizable value, whichever is lower, under FIFO Method. Finished Goods are valued at cost or net realizable value whichever is lower. Cost for the purposes of valuation of finished goods includes cost of material, labour and other direct expenses. Stock-in-process is valued at raw material cost plus proportionate direct cost, wherever applicable. Scraped asset amounting to Rs. 457.98 lacs is stated at the value estimated by Approved Valuer.

Inventories in the nature of Renewable Energy Certificates (REC) are accounted for in accordance with Guidance Note on Accounting for Self Generated Emission Reductions issued by ICAI. Accordingly, RECs are recognised on approval of certificate from respective authority, which are valued at lower of cost or net realisable value. Cost comprises of cost incurred for certification of REC and NRV is the floor price fixed by Central Electricity Regulatory Commission.

Note - 15 : TRADE RECEIVABLES	Rs in Lacs	Rs in Lacs
SECURED	31.03.2015	31.03.2014
More than six months from the date they became due	-	-
UNSECURED		
Considered Good		
(i) Exceeding Six Months From They become Due	563.53	282.61
(ii) Others	2,030.22	3,309.54
Considered Doubtful	162.35	72.35
Less : Provision for doubtful debts	(162.35)	(72.35)
TOTAL	2593.75	3,592.15

Debts due by: (1) Directors: Nil, (2) Officers: Nil, (3) Firms in which any director is a partner: M/s. Cartopacks Rs. 66.93 lacs (Previous Year Rs 65.56 Lacs), (4) Private Companies in which any Director is a director or member: Nil

Note - 16 : CASH AND BANK BALANCES	Rs in Lacs	Rs in Lacs
a. Cash and Cash equivalents	31.03.2015	31.03.2014
(i) Cash in hand	2.60	1.56
(ii) Balance with banks - Current Accounts	63.00	57.62
b. Other bank balances		
(i) Unpaid Dividend	12.41	12.37
(ii) Fixed Deposits (kept as margin money against LC/BG limit sanctioned by banks)	340.29	284.13
TOTAL	418.30	355.68

Details of fixed deposits with banks

Bank of India	73.71	41.72
Federal Bank Ltd	160.31	142.41
Industrial Development Bank of India	106.27	100.00
TOTAL	340.29	284.13

Note - 17 : SHORT TERM LOANS AND ADVANCES

a Loans and advances to related parties		
Bonifaz Realtors Ltd	3.61	3.61
b Others		
Unsecured, considered good		
i. Security deposit	17.60	36.04
ii. Advance income tax	322.29	384.58
iii. Advance VAT & GENVAT	156.51	133.97
iv. Others	473.00	349.59
TOTAL	973.01	907.79



Note - 18 : OTHER CURRENT ASSETS

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
(a) Accruals		
(i) Interest accrued on deposits	10.34	19.21
(ii) Other receivables	17.33	12.77
TOTAL	27.67	31.98

Note - 19 : REVENUE FROM OPERATIONS

(i) SALE OF MANUFACTURED PRODUCTS	16405.44	21,554.41
(ii) INCOME FROM FOREX TRADING (NETT)	-	(8.62)
(iii) OTHER OPERATING INCOME		
Duty draw back income	6.84	2.43
Sale-scrap	59.38	23.38
Sale of Renewable Energy Certificate	40.77	43.03
	106.99	68.84
	16512.43	21,614.63
Less: excise duty	952.86	1,247.60
TOTAL	15559.57	20,367.03

Forex Trading, comprising the following activities, have been identified as separate business segment. Since it does not fulfill the reportable segment criteria mentioned in AS 17, only disclosure is made

	31.03.15	31.03.14
Option trading	-	(0.07)
Profit/(Loss) (Forex Trading)	-	(8.55)
Net Profit/(Loss) from forex trading (Rs. lacs)	-	(8.62)

Note - 20 : OTHER INCOME

Interest [Tax Deducted at Source Rs 2.61 Lakhs (Previous year Rs 5.10 Lacs)]	41.83	50.02
Dividend Received	3.64	1.69
Other Non operating Income	55.35	24.27
TOTAL	100.82	75.98

Note - 21 : COST OF MATERIAL CONSUMED

Raw material consumed	9617.13	12,136.84
Packing Material Consumed	167.24	238.15
TOTAL	9784.37	12,374.99

Consumption of Raw Materials	Value (Rs. in Lacs)	
	31.3.15	31.3.14
Imported Waste Paper	6595.85	6840.23
Indigenous Waste Paper	2286.72	4195.48
Imported Chemicals	-	-
Indigenous Chemical	734.56	1101.13
Total	9617.13	12136.84



Percentage Consumption of Raw Materials				
	Value (Rs. in Lacs)		Percentage	
	31.3.15	31.3.14	31.3.15	31.3.14
Imported	6595.85	6840.23	68.58	56.36
Indigenous	3021.28	5296.61	31.42	43.64
Total	9617.13	12136.84	100.00	100.00

Note - 22 : (INCREASE) / DECREASE IN STOCK

	Rs in Lacs 31.03.2015		Rs in Lacs 31.03.2014	
Closing Stock				
Finished Goods	236.41		124.47	
Stock in Process	42.12	278.53	80.31	204.78
Less: Opening Stock				
Finished Goods	124.47		53.03	
Stock in Process	80.31	204.78	96.57	149.60
(Increase) / Decrease in Stock		(73.75)		(55.18)

Note - 23 : EMPLOYEE BENEFIT EXPENSES

Salaries, Wages & Allowance	588.85	678.27
Remuneration to Managerial persons	69.93	84.34
Bonus	25.98	30.79
Gratuity	(4.72)	14.41
Leave Encashment	(11.11)	1.41
Staff Welfare Expenses	70.11	90.94
Employer's Contribution to PF	22.07	20.54
Employer's Contribution to ESI	18.45	21.45
Cooli charges - contract	364.60	595.98
Allowances and expenses to contract workers	138.29	181.67
Others	1.71	11.50
TOTAL	1284.16	1,731.30

Employee benefit expense does not include retrenchment compensation payable to closed down Unit at Duplex Board Unit, Chalakudy amounting to Rs 17626440/-, which is disclosed separately in the Profit & Loss Statment

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)

a. Defined Contribution Plans: During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution plan

Particulars	Rs. in Lacs	
	2014-15	2013-14
Employers Contribution to PF	22.07	20.54
Employers Contribution to ESI	18.45	21.45

b. Defined benefit Plans- Gratuity:

i. Actuarial Assumptions:

Particulars	31.03.2015	31.03.2014
Mortality Table	Indian Assured Lives (1994-96) Ultimate	Indian Assured Lives (1994-96) Ultimate
Attrition Rate	Modified q(x) values above Mortality Table	Modified q(x) values above Mortality Table
Discount Rate	7.00% p.a	7.00% p.a
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average remaining working life of Employees (Yrs)	8.73	9.19



- ii. Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the beginning of the period	94.65	85.50
Interest Cost	7.37	6.19
Current Service Cost	3.96	5.90
Benefits paid	(18.22)	(4.66)
Actuarial (Gain)/Loss	(28.23)	1.72
Present value of obligations at the end of the period	68.29	94.65

- iii. Net Asset/Liability to be recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the end of the period	68.29	94.65
Fair value of Plan Assets at the end of the period	-	-
Funded Status	(68.29)	(94.65)
Unrecognised Actuarial (Gain)/Losses	-	-
Net Asst/Liability to be recognised in Balance Sheet	68.29	94.65

- iv. Expenses recognized in the Profit and Loss Account

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Current Service Cost	-	5.09
Past Service Cost	-	-
Interest Cost	7.37	6.19
Expected Return on Plan Assets	-	-
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net Actuarial (Gain)/Loss recognised in the period	(28.23)	1.72
Expenses recognised in the statement of Profit and Loss Account	(4.72)	13.82

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- c. Defined benefit Plans- Leave Plan

- i. Actuarial Assumptions

Particulars	As on 31.03.2015	As on 31.03.2014
Mortality Table	Indian Assured Lives Mortality (1994-96) Ultimate	Indian Assured Lives Mortality (1994-96) Ultimate
Attrition Rate	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table
Discount Rate	7.00%	7.00%
Inter Valuation leave accrual	24 days per annum	24 days per annum
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average remaining working life of Employees (Years)	8.73	9.19

- ii. Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the beginning of the period	18.29	16.89
Interest Cost	3.52	1.71
Current Service Cost	8.77	14.97
Benefits paid	-	-
Actuarial (Gain)/Loss	(23.40)	(15.27)
Present value of obligations at the end of the period	7.18	18.29

- iii. Net Asset/Liability to be recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the end of the period	(7.18)	18.29
Fair value of Plan Assets at the end of the period	-	-
Funded Status	(7.18)	(18.29)
Unrecognised Actuarial (Gain)/Losses	-	-
Net Asset/Liability to be recognised in Balance Sheet	(7.18)	18.29



iv. Expenses recognized in the Profit and Loss Account

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Current Service Cost	8.77	14.97
Past Service Cost	-	-
Interest Cost	1.71	1.71
Expected Return on Plan Assets	-	-
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net Actuarial (Gain)/Loss recognised in the period	(23.40)	(15.27)
Expenses recognised in the statement of Profit and Loss Account	(11.11)	1.41

The above disclosures are based on information furnished by the independent Actuary and relied upon by the auditors.

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 24 : FINANCE COST		
Interest expense	453.31	524.86
Other borrowing cost	123.21	147.21
Applicable net gain/loss on foreign currency transaction/translation	13.83	13.50
TOTAL	590.35	685.57

Note - 25 : DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation	375.19	488.16
Amortization	1.62	1.74
	376.81	489.90

Impairment on fixed assets of closed down unit at Chalakudy, calculated as per AS 27, amounting to Rs 61479868/- is disclosed separately in the Profit & Loss Statement

Note - 26 : OTHER EXPENSES

Payment to Auditor		
Audit Fees	5.00	5.00
Auditors Out of pocket Expense	0.42	-
Fee for other services	0.58	1.19
Audit fee for certification	-	0.05
Stores & spares consumed	393.92	565.56
Power and fuel	2621.67	3,166.31
Rent	61.06	57.42
Repairs and Maintenance- Plant & Machinery	188.93	204.88
Repairs and Maintenance- Building	2.42	8.73
Insurance charges	27.57	26.29
Rates & Taxes	9.48	10.05
Discount	154.99	122.50
Sales Commission	85.36	186.71
Miscellaneous expenses	826.48	716.31
TOTAL	4,377.88	5,071.00

**a Consumption - Stores & Spares**

Particulars	Value (Rs. in Lacs)		Percentage	
	31-3-15	31-3-14	31-3-15	31-3-14
Indigenous	393.92	565.56	100.00	100.00
Total	393.92	565.56	100.00	100.00

b Stock-in-Process

Particulars	Quantity (in MT)		Value (Rs. in Lacs)	
	31-3-15	31-3-14	31-3-15	31-3-14
Opening	268.36	368.01	83.31	90.11
Closing	181.80	268.36	42.12	83.31

c Donations to Political parties (Amount in Rs.)

Particulars	2014-15	2013-14
CPI (M)	40,000	5,000
CONGRESS (I)	-	15,000
KERALA CONGRESS (M)	-	10,000
KERALA CONGRESS (JACOB)	-	500
CMP	-	1,000
JANATHADAL (S)	-	15,000
Total	40,000	46,500

d Value of Imports calculated on C.I.F Basis (Rs. in Lacs)

Particulars	2014-15	2013-14
Raw Material	5,829.32	6,249.74
Stores and Spares	1.83	13.80

e Expenditure in Foreign Currency: (Rs. in Lacs)

Particulars	2014-15	2013-14
Travelling Expense	-	0.36

f Earnings in Foreign Exchange (Rs. in Lacs)

Particulars	2014-15	2013-14
Export of goods on FOB Basis	389.65	129.74

g Details in respect of related parties pursuant to AS 18

Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
1	Mr S Raj Kumar	Key Management Personnel (Vice Chairman & Managing Director)	Managerial Remuneration	35.40	36.82
			Rent	14.68	13.12
2	Mrs Rajee Rajkumar	Relative of Key Management Personnel	No transaction	-	-
3	Mr Vignesh Rajkumar		No transaction	-	-
4	Mr Vishakh Rajkumar		No transaction	-	-
5	Mr S Sivathanu Pillai		Sitting Fees	0.10	0.88
6	Mrs E Kamalam		Sitting Fees	0.40	0.40
7	Mr S Subramoniam		Sitting Fees	0.40	0.50
			Rent	4.36	3.35
8	Mr A Ganesh	Rent	1.20	0.35	
9	Mr S Giridhar	Sitting Fees	0.90	0.50	



Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
10	Mr A. Padmanabhan	Key Management Personnel (Executive Director)	Remuneration and Allowances	22.80	22.80
			Rent	6.14	4.68
11	Mr N. Rajagopal Pai	Key Management Personnel (Director-Operations)	Remuneration and Allowances	-	10.70
12	Mr. N. Purushotama Prabhu		Remuneration and Allowances	11.79	7.01
13	ShriKailash Logistics Limited	Enterprises over which any person mentioned in 1 to 6 above is able to exercise significant influence	Freight Charges	222.52	339.38
			Unsecured loan	38.00	135.00
			Rent	3.60	3.78
14	Carto Packs		Purchase of Raw Material	42.31	90.50
			Sale of Finished Goods	197.85	214.76
15	SreeSakthi Constructions and Infrastructure (P) Ltd		Civil work	1.42	21.28
			Unsecured Loan	-	100.00
16	Maharaj Continental Trades Ltd		Sales Commission	208.39	212.47
17	Sree Giri Packagings Ltd		Purchase of Raw Material	2,625.35	4,724.27
18	Verizon Industrial Aids Ltd		Purchase of Raw Material	981.91	1,356.76
19	Bonifaz Realtors Ltd	Unsecured Loan	-	3.61	
20	Sree Kashyap Surya Energy Equipments Pvt Ltd	No transaction	-	-	
21	Jala Shaayi Alamparathodu Hydro Power Ltd	Subsidiary Company	Advance	0.23	0.90
			Investment in Subsidiary Company	4.70	4.70
22	Sree Kailas Palchuram Hydro Power Ltd		Advance	0.50	0.52
			Investment in Subsidiary Company	4.70	4.70
23	Sree Adi Sakthi Mukkuttathode Hydro Power Ltd		Advance	0.53	0.56
			Investment in Subsidiary Company	4.70	4.70

h Earnings per share:

The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year. Profit after tax for computing EPS is determined after deducting dividend @11% on preference share capital along with corporate dividend tax.



Particulars	31.03.2015	31.03.2014
Profit after tax (in Rs. in Lacs)	(1,310.10)	116.08
Weighted average number of shares used as denominator for calculating basic and diluted earning per share	16,436,217	16,436,217
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	(7.97)	0.71

i. CONTINGENT LIABILITIES NOT PROVIDED FOR

- Unexpired Contracts for Capital Expenditure : Rs 278 lacs (Previous year Rs 277.37 lacs)
- Usance Letter of credit remaining unpaid as on 31.03.2015 amounts to Rs 2585.86 lacs (Previous years Rs.2319.39 lacs)
- Guarantee given by bank on behalf of the Company Rs 133.32 lacs (Previous year Rs 166.58 lacs)
- Amount of Income tax liabilities disputed in appeal Rs 38.61 lacs (Previous year Rs 152.07 lacs)
- Additional claims of electricity charges disputed Rs 2.80 lacs (Previous year Rs 2.80 lacs)
- Sales Tax demand disputed under appeal is Rs 15.48 lacs (Previous year 15.66 lacs)
- Excise duty disputed under appeal Rs 143.78 lacs (Previous year Rs 143.78 lacs)
- Claim towards water charge raised by Kerala Water Authority for Rs 78.42 lacs disputed in appeal (Previous year Rs 78.42 lacs)
- Actuarial valuation of gratuity is presently based on the retirement age of 55 years. The Union has filed a case before Kerala High Court for increasing the retirement age to 58. Impact on provision for gratuity, if the case is decided against the Company, has not been ascertained.
- Customs duty liability of Rs 58.79 lacs (Previous year Rs 58.79 lacs) under EPCG claim
- Arrears of non - convertible cumulative preference dividend is Rs 131.96 lacs (Previous year Rs nil)

j Details of Provisions Pursuant to Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets

(Rs. in Lacs)

	Opening Balance		Provision made during the year		Utilized during the year		Closing Balance	
	01.04.14	01.04.13	2014-15	2013-14	2014-15	2013-14	31.03.15	31.03.14
Sundry Debtors	92.35	30.75	90.00	90.00	20.01	31.38	162.34	72.35
Income tax	197.28	209.62	47.32	43.86	-	279.83	244.60	197.28
Proposed Dividend	98.62	248.76	-	98.62	98.62	342.94	-	98.62
Corporate Dividend tax	16.76	41.9	-	16.76	41.90	55.99	(25.14)	16.76
Gratuity & Leave encashment	112.95	102.39	(37.47)	14.90	4.34	4.46	112.95	112.95

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

In terms of AS - 3 on Cash Flow Statement under Indirect Method

	Rs in Lacs 2014-15	Rs in Lacs 2013-14
A. Cash Flow from Operating activities		
Net profit Before Taxation	(1,532.92)	145.43
Adjustment for:		
Impairment loss	62.43	-
Provision for Depreciation	1443.99	489.90
Interest on Borrowings	590.35	685.57
Interest Income	(41.82)	(50.01)
Dividend income	(3.64)	(1.69)
Rebate on Loan Repayment	-	-
Preliminary Exp W/off	-	-
Loss on sale of Investments	-	-
Loss on sale of Fixed Assets	-	-
	<u>2051.31</u>	<u>(3.98)</u>
	518.39	1,119.79
Operating profit before working capital changes		
(Increase)/Decrease in Sundry Debtors	998.40	(566.54)
(Increase)/Decrease in Loans & Advances	(85.14)	2.90
(Increase)/Decrease in Inventories	(303.45)	(359.63)
Increase/(Decrease) in Sundry Creditors & Other liabilities	(522.60)	87.21
	<u>87.21</u>	<u>566.74</u>
Cash from operations	605.60	908.69
Income tax paid	(39.79)	(56.20)
Net cash from operating activities	565.81	852.49
B. Cash flow from Investing Activities		
Purchase of Fixed assets	(202.67)	(185.74)
Capital Work-in-Progress	(1.42)	(14.42)
Sale of Fixed assets	5.62	5.91
Interest Income	41.83	50.02
Dividend received	3.64	1.69
	<u>3.64</u>	<u>1.69</u>
Net cash from Investing activities	(153.00)	(142.54)
C. Cash flow from Financing activities		
Proceeds from Long term Borrowings	-	213.41
Proceeds from working capital borrowings	(32.41)	212.34
Proceeds from unsecured loan - buyers credit	525.24	174.46
Repayment of Long term Borrowings	(1,137.29)	(417.00)
Proceeds from capital raised	1,000.00	-
Repayment of Short term Borrowings - buyers credit	-	-
Interest on borrowings	(590.35)	(685.57)
Dividend & Corporate Dividend Tax paid	(115.38)	(288.47)
	<u>(115.38)</u>	<u>(288.47)</u>
Net Cash flow from Financing Activities	(350.19)	(790.83)
Net Increase/Decrease in Cash & Cash Equivalents	62.62	(80.88)
Cash & Cash Equivalents ason 31/3/14	355.68	436.56
Cash & Cash Equivalents ason 31/3/15	418.30	355.68

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

No.	Particulars	Details		
		Sree Kailas Palchuram Hydro Power Ltd	Sree Adisakthi Mukkuttathode Hydro Power Ltd	Jalashaayi Alamparathode Hydro Power Ltd
1	Name of the subsidiary	Sree Kailas Palchuram Hydro Power Ltd	Sree Adisakthi Mukkuttathode Hydro Power Ltd	Jalashaayi Alamparathode Hydro Power Ltd
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	No Foreign Subsidiary	No Foreign Subsidiary	No Foreign Subsidiary
	Share capital	10,00,000.00	10,00,000.00	10,00,000.00
	Reserves & surplus	(1,76,276.00)	62,130.00	2,04,662.00
	Total assets	4,221.00	-	-
	Total Liabilities	17,03,740.00	8,72,944.00	8,21,172.00
	Investments	-	-	-
	Turnover	-	-	-
	Profit before taxation	1,06,178.00	1,38,859.00	1,41,441.00
	Provision for taxation	41,000.00	50,000.00	51,000.00
	Profit after taxation	67,908.00	86,919.00	90,623.00
	Proposed Dividend	-	-	-
	% of shareholding	47.00	47.00	47.00

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations:
 - Sree Kailas Palchuram Hydro Power Ltd
 - Sree Adisakthi Mukkuttathode Hydro Power Ltd
 - Jalashaayi Alamparathode Hydro Power Ltd
- Names of subsidiaries which have been liquidated or sold during the year: Nil



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Nil
1. Latest audited Balance Sheet Date	Nil
2. Shares of Associate/Joint Ventures held by the Company on the year end.	Nil
i. No.	Nil
ii. Amount of Investment in Associates/Joint Venture	Nil
iii. Extend of Holding%	Nil
3. Description of how there is significant influence	Nil
4. Reason why the associate/joint venture is not consolidated	Nil
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6. Profit/Loss for the year	Nil
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	Nil

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board

Sd/-

S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-

A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-

N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

Sd/-

R. Ponnambalam
Company Secretary

Sd/-

Usha Venugopal
Chief Financial Officer

Cochin -16
30-05-2015



BALAN & Co.

Chartered Accountants

39/181 D, 'Anantha', Mahakavi G Road, Karikkamuri, Kochi - 682 011

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E-mail: balanandcokochi@gmail.com, kochi@balanandco.com, www.balanandco.com

CA V. Sivasdas Menon

CA A. Mohanan

CA C.S. Rajeev

CA P. Unnikrishnan

CA Joyal George

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of M/s. Sree Sakthi Paper Mills Limited, Kochi.

We have audited the accompanying Consolidated financial statements of M/s. Sree Sakthi Paper Mills Limited, Kochi (hereinafter referred to as "the Holding Company") and its subsidiaries – Sree Adi Sakthi Mukkuttathodu Hydro power limited, Sree Kailas Palchuram Hydro Power Limited and Jalashaayi Alamparathodu Hydro power Limited (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprises of:-

- The Consolidated Balance Sheet as at 31st March, 2015
- The Consolidated Statement of Profit and Loss for the year ended 31st March 2015
- Consolidated Cash Flow Statement for the year ended 31st March 2015, and
- Summary of significant accounting policies and other explanatory information, (hereinafter referred to as "the consolidated financial statements")

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated Financial statements in terms of the requirements of the Companies Act, 2013 (herein after referred to as "the Act") that give a true and fair view of the consolidated financial position. Consolidated financial performance and consolidated cash flows of the group 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 Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, that were operating effectively for ensuring 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., which have been used for the preparation of the consolidated financial statements by the Directors of the holding company, as aforesaid.

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 there under. 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated financial statements.



We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors in terms of their reports referred to in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 consolidated state of affairs of the Group, at 31st March 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the Auditors Report of the Holding company and Subsidiary companies incorporated in India, 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 to the extent applicable 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 of the aforesaid consolidated financial statements.
 - b) In our opinion proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors .
 - c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts), Rules 2014;

- e) On the basis of written representations received from the Directors as on March 31, 2015, and taken on record by the Board of Directors of the Holding Company and other reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group Company is disqualified as on March 31, 2015, from being appointed as a Director in terms of sub-Section (2) of Section 164 of the Companies Act, 2013.
- f) With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of 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 Consolidated financial statements disclose the impact of pending litigations on the Consolidated financial position of the group,
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any , on Long term contracts including Derivative Contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred to Investor Education and Protection Fund by the Holding company and its subsidiary companies incorporated in India.

For BALAN & CO.

Chartered Accountants

Sd/-

A. Mohanan, B.Sc., FCA, DISA

Partner (M.No.20627)

FRN: 000340S

Kochi - 11
30.05.2015

Ref: M/s. Sree Sakthi Paper Mills Limited, Kochi - 16 (2014-'15)

Referred to in paragraph 3 of our report of even date:

- (i) (a) The Group is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the management of the group. In our opinion, the frequency of verification is reasonable.



- (b) The procedures of physical verification of inventories followed by the management of the Group are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Group is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) The Group has not granted any secured or unsecured loans to persons covered in the register maintained under Section 189 of the Companies Act, 2013, except advances in the ordinary course of business.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the respective companies in the group and nature of its business for the purchase of inventory and fixed asset and for sale of goods. There is no continuing failure to correct any major weaknesses in internal control system.
- (v) The group has not accepted deposits from the Public. Hence provisions of Clause 4(c) of the order are not applicable to the Company.
- (vi) We have broadly reviewed the books and records maintained by the Company pursuant to the order of

the Central Government 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determining whether these records are accurate or complete.

- vii) (a) According to the information given to us and on the basis of the checks conducted by us we report that the group has been generally regular in depositing undisputed statutory dues including Provident fund, Employees state insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues with appropriate authorities except for vat due of Rs.7,839/-, service tax due of Rs. 16,94,736/-, customs duty of Rs. 3,24,457/-, excise duty of Rs. 6,27,925/-, which was in arrears as at 31.3.2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, and based on the records of the respective Companies examined by us, the particulars of dues towards income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March 2015, which have not been deposited on account of any dispute are furnished as:

Sl. No.	Name of the Statute	Nature of Dues	Amount of tax disputed Rs. in lakhs	Period to which the dispute relates	Forum where the dispute is pending
1	Income tax Act	Income Tax	26.93	A.Y 2007-'08	CIT (Appeals), Kochi
3	Income Tax Act	Income Tax	11.68	AY-2011-12	CIT(Appeals), Kochi
4	Central Sales Tax Act	Central Sales tax	15.48	A.Y 2007-'08	Deputy Commissioner (Appeals), Kochi

- c) The amount required to be transferred to Investor Education and Protection Fund in accordance with sub-section (5) of Section 124 of Companies Act 2013, has been transferred without any delay.
- (viii) The Group has no accumulated losses but has incurred cash loss during the financial year covered by our audit. It has no cash loss in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us the Companies in the group has not defaulted in repayment of dues to financial institutions and banks.
- (x) According to the information and explanations given to us the group has not given any guarantee for loan

taken by others from banks or financial institutions.

- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that, the term loans availed by the Companies in the group were prima-facie applied for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and belief and according to the information given to us no fraud on or by the companies in the group was noticed or reported during the year.

For BALAN & CO.
Chartered Accountants

Sd/-

A. Mohanan, B.Sc., FCA, DISA
Partner (M.No.20627)
FRN: 000340S

Kochi - 11
30.05.2015

**BALANCE SHEET AS AT 31ST MARCH 2015**

	Note No.	31-03-2015 Rs. in Lacs	31-03-2014 Rs. in Lacs
I EQUITY AND LIABILITIES			
(1) Share Holders' Funds:			
(a) Share Capital	1	2,643.62	1,643.62
(b) Reserves & Surplus	2	1,510.04	2,749.49
(c) Money received against share warrants		-	-
(2) Minority Interest			
		16.38	15.12
(3) Non-Current Liabilities			
(a) Long term borrowings	3	1,000.73	1,879.67
(b) Deferred tax liabilities (Net)	4	965.99	1,316.56
(c) Other long term liabilities	5	11.49	34.39
(d) Long term provisions	6	75.48	88.64
(4) Current Liabilities			
(a) Short term borrowings	7	2,719.05	2,226.22
(b) Trade payables	8	1,742.52	2,265.45
(c) Other current liabilities	9	1,291.11	1,488.63
(d) Short-term provisions	10	1.42	184.96
TOTAL		11,977.83	13,892.75
II ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	5,834.87	7,142.70
(ii) Intangible assets		0.85	2.48
(iii) Capital work-in-progress		18.19	16.76
(b) Non-current investments	12	74.36	74.36
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	13	210.65	249.98
(e) Other non-current assets			
(2) Current assets			
(a) Inventories	14	1,761.34	1,457.89
(b) Trade receivables	15	2,593.75	3,592.15
(c) Cash and bank balance	16	477.68	410.92
(d) Short-term loans and advances	17	978.01	912.79
(e) Other current assets	18	28.13	32.72
TOTAL		11,977.83	13,892.75

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

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

	Note No.	31-03-2015 Rs. in Lacs	31-03-2014 Rs. in Lacs
I Revenue from Operations	19	15,559.57	20,367.03
II Other income	20	105.42	80.26
III TOTAL REVENUE (I +II)		15,664.99	20,447.29
IV EXPENSES			
Cost of materials consumed	21	9,784.37	12,374.99
(Increase) / Decrease in Stock	22	(73.75)	(55.18)
Employee benefit expense	23	1,284.16	1,731.30
Finance cost	24	590.35	685.57
Depreciation and amortization Expenses	25	376.81	490.04
Other expense	26	4,378.62	5,071.83
TOTAL EXPENSES		16,340.56	20,298.55
V Profit before exceptional and extraordinary items and tax (III - IV)		(675.57)	148.74
VI Exceptional Items- Income tax relating to earlier years		58.22	2.28
VII Profit before extraordinary items (V - VI)		(733.79)	146.26
VIII Extraordinary Items		-	-
a) Retrenchment compensation to DBU employees		176.26	-
b) Impairment of fixed asset		614.80	-
IX Profit before Tax (VII-VIII)		(1,524.85)	146.26
X Tax Expense			
(1) Current tax (MAT)		-	45.27
Less MAT Credit Entitlement		-	17.70
Net tax		-	27.57
(2) Deferred tax		(349.16)	0.98
XI Profit/(Loss) for the period from continuing operations after tax		(14.34)	117.91
XII Profit/ (Loss) from discontinuing operations		(1,161.35)	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) for the year (before adjustment of minority interest)		(1,175.69)	117.91
XV Less: Share of profit/(loss) transferred to minority interest		1.30	0.97
XVI Profit for the year after adjustment for minority interest (XIV - XV)		(1,176.99)	116.94
XVII Earnings Per Equity Share (Basic and Diluted) - before exceptional and extraordinary items		(3.13)	0.71
XVIII Earnings Per Equity Share (Basic and Diluted) - after extra ordinary items		(7.95)	-
Weighted Average Number of Shares		16436217	16436217
Accounting Policies & Notes on Accounts	1-26		

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

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Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

SIGNIFICANT ACCOUNTING POLICIES

1 Basis of accounting

The accounts of the Company are prepared under the historical cost convention on accrual basis as a going concern.

2 Revenue Recognition:

Items of income and expenditure are recognized on accrual basis except for the following, since it is not possible to ascertain with reasonable accuracy the quantum to be provided in respect of:

- a. Interest & delayed payment charges on overdue bills pending as on Balance Sheet date.
- b. The additional liability, if any, arising at the time of assessment of tax / duty.
- c. Insurance and Other claims.

3 Government Grant

Duty Draw Back Income is recognised on accrual basis based on FOB value of exports.

4 Fixed Assets & Depreciation:

- i) Tangible assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.
- ii) Subsequent expenditures related to an item of tangible asset are added to the book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- iii) Projects under which the assets are not ready for their intended use are shown as Capital Work In Progress.
- iv) Change in Accounting Policy for Depreciation pursuant to Schedule II of the Companies Act, 2013

Due to application of Schedule II of the Companies Act, 2013 with effect from 1st April, 2014, the management has adopted the 'useful lives' as specified in the said Schedule II. The Company has used the transitional provisions of the Schedule II to adjust the impact arising from the first time application of the Schedule II. If a fixed asset has zero remaining useful

life as on 1st April, 2014 (the date on which Schedule II has become effective), its carrying amount, after retaining 5% of the original cost as residual value, is charged to the opening balance of the retained earnings 'Surplus in the Statement of Profit & Loss' under 'Reserves & Surplus'. The carrying amount of fixed assets whose remaining useful life is not 'NIL' as on 1st April, 2014, is depreciated over the remaining useful life.

Accordingly, depreciation of Rs 6242638/- has been adjusted to the opening balance of the retained earnings, with the corresponding effect to the net book value of the tangible assets.

- v) Any asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Such impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Any impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5 Investments:

Long term Investments are stated at cost less provision for decline in value other than temporary. Current investments are stated at lower of cost and fair market value on category of investment basis.

6 Inventory:

Inventory of raw materials and consumables are valued at cost or net realizable value, whichever is lower, under FIFO Method. Finished Goods are valued at cost or net realizable value whichever is lower. Cost for the purposes of valuation of finished goods includes cost of material, labour and other direct expenses. Stock-in-process is valued at raw material cost plus proportionate direct cost, wherever applicable.

7 Foreign Currency Transactions:

Expenditure/Income in foreign currency is converted into Indian rupees at the rate of exchange prevailing on the date of transaction. Asset/Liability in respect of foreign exchange transactions outstanding as at the end of the year is restated at the exchange rate prevailing on that date.

8 Forward Contracts:

Premium or discount at the inception of forward contract is recognised as expense or income over



the period of contract. Any profit or loss arising on cancellation or renewal of forward contract is recognised as income or expense of the year.

9 Deferred tax/Income tax:

Deferred tax is accounted for, by computing the tax effect of timing differences between taxable income and accounting income.

Provision for Current tax is made on the basis of applicable tax laws existing in the country.

Minimum Alternative Tax and its credit are accounted based on the Guidance notes issued by the Institute of Chartered Accountants of India.

Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be availed against which such deferred tax assets can be realised.

10 Intangible Assets:

Intangible asset, viz, computer software is stated at cost of acquisition less accumulated amortization. Computer software is amortized over a period of 5 Years.

11 Others:

- i) Contingent Liabilities are not provided for and are disclosed in notes to the accounts.
- ii) Gratuity and leave encashment liability is worked out based on actuarial valuation as at the end of the year.

12 Impairment of assets

Subsequent to Board's decision to close down its Duplex Board Division, Company has re-assessed the market value of assets of Chalakudy unit. Impairment is done to Plant & Machinery and building by comparing the value given by the approved valuer and carrying amount outstanding in books after providing depreciation as per the Companies Act 2013.

13 Additional Diclosures

- 1 Most of the balances of Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation.
- 2 Previous year figures have been re-cast, wherever necessary to comply with the requirements of Revised Schedule VI of The Companies Act 1956.
- 3 Assets, Loans and advances are in realizable state in the ordinary course of business.

4 Lease Transactions :

All assets acquired under finance lease basis

are capitalized with corresponding liability recognizing the future liability on leases. The total minimum lease payments as on the balance sheet date, interest embedded in such payments and present value of lease payments are as follows:

(i) Total minimum lease payments	Nil (PreviousYear Nil)
(ii) Future interest embedded in i)	Nil (PreviousYear Nil)
(iii) Present value of lease payments (i-ii)	Nil (PreviousYear Nil)

Finance charges on lease payments amounting to (Previous Year Nil) for the year has been debited to profit and loss account under the head interest and bank charges. Lease expenses under non cancelable operating lease during the year amounts to Rs NIL(Previous Year Rs Nil)

Future minimum lease payments under non cancellable operating lease as on 31-03-2015 is as follows

Payable within One year	NIL
Payable after one year but before five years	NIL

5 Discontinuing operations

On 14/11/2015, Board of Directors announced the plan to discontinue operations of the Duplex Board Division of the company operating at Chalakudy.

The decision of the disposal is in line with the company's long term strategy to focus on more profit making segments rather than low margin or loss making segments.

Further it was also decided to scrap the plant and machinery and building and sell off the same for which a valuation report has been placed and approved by the Board. It is proposed to sell off the land separately. It is expected that these operations will be concluded by March 2016.

At 31st March, 2015, the carrying amount of the assets of the division was Rs.529.55 lakhs and its liabilities were Rs.48.92 Lakhs. The above carrying amounts of assets were determined after providing for an impairment loss of Rs 614.80 Lakhs (Previous Year NIL) in the year ending on 31.03.2015.

The following statement shows the revenue and expenses of discontinuing operations:



Particulars	Continuing		Discontinuing		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Turnover	13,706.25	14,976.72	1,954.14	5,521.48	15,660.39	20,498.19
Operating expenses	13,486.17	14,212.75	2,439.56	5,454.44	15,925.73	19667.19
Impairment loss	-	-	614.80	-	614.80	-
Pre-tax profit from operating activities	220.08	763.97	(1,100.22)	67.03	(880.14)	831.00
Interest expense	576.60	470.43	13.75	215.14	590.35	685.57
Profit(loss) before tax	(356.52)	293.54	(1,113.97)	(148.11)	(1,470.49)	145.43
Income tax expense	(339.72)	29.35	47.37	-	(292.35)	29.35
Profit (loss) from operating activities after tax	(16.80)	264.19	(1,161.34)	(148.11)	(1,178.14)	116.08

B NOTES ON ACCOUNTS

Note - 1 : SHARE CAPITAL

1 Break up of Share Capital

AUTHORISED

5,00,00,000 Equity shares of Rs 10 each

(Previous year 5,00,00,000 Equity Shares of Rs 10 each)

5000.00

5,000.00

ISSUED, SUBSCRIBED & FULLY PAID UP

1,64,36,217 Equity Shares of Rs.10/- each fully paid up

1643.62

1,643.62

10,00,000 11.25% non-convertible cumulative redeemable preference shares of Rs 10/- each

1000.00

-

TOTAL

2643.62

1,643.62

(Out of the issued, subscribed, and fully paid up capital, 7599147 (PY 7693147)

Equity shares are held by Directors and NIL (PY NIL) by Officers

2 Reconciliation statement of shares

31.03.2015

31.03.2014

No: of equity shares at the beginning of the year

16436217

16436217

Add: Fresh issue

0

0

Less: shares bought back

0

0

No: of equity shares at the end of the year

16436217

16436217

3 Details of Shareholders holding more than 5% Shares

Name of shareholder	No. of shares held as on 31.03.15	% of share holding	No: of shares held as on 31.03.14	% of share holding
Mr. S.Rajkumar	4,680,114	28.47	4,680,114	28.47
Mr. A.Padmanabhan	1,317,803	8.02	1,317,803	8.02
Mr. S.Giridhar	1,006,328	6.12	1,090,328	6.63

4 During the last 5 years, the company has not issued any shares pursuant to any contract without payment being received in cash, as bonus shares or has not brought back any shares

5 No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment

6 The Company has not issued any securities convertible into Equity or Preference Shares

7 No shares have been forfeited till date.

8 Out of the total share capital issued and called up, no calls are outstanding as unpaid



Note - 2 : RESERVES & SURPLUS

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Capital Reserve		
Amount as per Last Balance Sheet	36.68	36.68
(+) Additions/ transfers during the Year	-	-
Closing Balance	36.68	36.68
Securities Premium Account		
Amount as per Last Balance Sheet	1667.24	1,667.24
(+) Additions/ transfers during the Year	-	-
Closing Balance	1667.24	1,667.24
General Reserve		
Amount as per Last Balance Sheet	533.00	533.00
(+) Additions/ transfers during the Year	0.00	-
Closing Balance	533.00	533.00
Surplus		
Amount as per Last Balance Sheet	512.56	510.99
(-) Adjustment on account of change in useful lives of fixed assets (Refer Notes A.4 (iv))	(62.45)	-
(+) Net profit/(net loss) for the current year	(1176.99)	116.95
(-) Transfer to General Reserve	0.00	-
(-) proposed dividend @ 6 % i.e. (Rs. 0.60 per share)	0.00	98.62
(-) dividend distribution tax	0.00	16.76
Closing Balance	(726.88)	512.56
TOTAL	1510.04	2,749.49

Note - 3 : LONG TERM BORROWINGS

SECURED

a	Term Loans from:				
	i	Federal Bank Ltd	166.06	184.26	
	ii	State Bank of Travancore (Term Loan I)	592.70	675.61	
	iii	State Bank of Travancore (Term Loan II)	0.00	443.44	
	iv	Axis Bank	0.00	305.70	
	v	Punjab National bank	236.28	261.54	
			995.04	1,870.55	
b	Vehicle Loan from				
		i	Axis Bank (Loan 2)	0.00	1.23
		ii	Axis Bank (Loan 3)	2.32	3.21
		iii	Axis Bank (Loan 4)	3.37	4.68
			5.69	9.12	
	Total		1,000.73	1,879.67	

1 Nature of Security

a	Term Loan	Nature of Security	
	i.	Federal Bank Ltd	Paripassu first charge on the fixed assets and pari passu second charge on the current assets of the company.
	ii.	State Bank of Travancore	Paripassu first charge on the fixed assets including equitable mortgage of land and pari passu second charge on the current assets of the company.



iii. Axis Bank	Paripassu first charge on the fixed assets and pari passu second charge on the current assets of the company.
iv. Punjab National Bank	Paripassu first charge on the fixed assets including equitable mortgage of land and pari passu second charge on the current assets of the company.
b. Vehicle loan from: Axis Bank (Loan 2)	Hypothecation of Maruti Ritz car
Axis Bank (Loan 3)	Hypothecation of Maruti Swift Desire Car
Axis Bank (Loan 4)	Hypothecation of Maruti Ertiga VDI Car

2 Personal Guarantee Details Nil

3 Terms of Repayment of Term Loans

Loan	Terms of Repayment
a. Federal Bank Ltd	Repayment in graded instalments in 84 months: Month 1 -40 : Rs 1.50 lacs each Month 41 – 60 : Rs 2.50 lacs each Month 61 – 84 : Rs 3.75 lacs each
b. State Bank of Travancore (TL I)	Repayment in 131 monthly instalments of Rs 7,58,000/- each and final payment of 7,02,000/-
c. State Bank of Travancore (TL II)	Repayment in 131 monthly instalments of Rs 4,55,000/- each and final payment of Rs 3,95,000/-
d. Axis Bank	Repayment in 59 monthly instalments of Rs 16,66,000 each and last instalment of Rs. 17,06,000
e. Punjab National bank	Repayment in 120 monthly instalments of Rs 2,50,000/- each commencing from June 2014
f. Axis Bank (Vehicle Loan 2)	Repayment in 36 EMI of Rs 17399/- each
g. Axis Bank (Vehicle Loan 3)	Repayment in 60 EMI of Rs 11044/- each
h. Axis Bank (Vehicle Loan 4)	Repayment in 60 EMI of Rs 16083/- each

There is no continuing default as on the date of balance sheet in repayment of loans and interest.

Note - 4 : DEFERRED TAX LIABILITY

Deferred Tax liability
Less: Deferred Tax Asset

TOTAL

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Deferred Tax liability	1036.48	1,405.81
Less: Deferred Tax Asset	70.43	89.25
TOTAL	965.99	1,316.56

Arising on account of timing difference in Deferred Tax Liability	(Rs in Lacs)		
	Current Year	Upto 31.3.2014	Total as on 31.3.2015
Depreciation	(357.51)	1,383.00	1,025.49
Less: Deferred Tax Asset			
Provision for bad and doubtful debt	8.34	30.50	38.84
Provision for gratuity & Leave encashment	(15.32)	35.98	20.66
Total	(6.98)	66.48	59.50
Net Deferred Tax Liability	(350.53)	1,316.52	965.99



	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 5 : OTHER LONG TERM LIABILITIES		
Deposits from dealers/customers	11.49	34.39
Note - 6 : LONG TERM PROVISIONS		
Provision for Employee Benefit		
Gratuity & Leave encashment	75.48	88.64
Note - 7 : SHORT TERM BORROWINGS		
a SECURED LOANS		
LOAN REPAYABLE ON DEMAND FROM BANKS		
i IDBI Bank Ltd (Cash credit)	298.98	299.15
ii Federal Bank Ltd (Cash credit)	1042.01	1,064.46
iii Bank of India (Cash credit)	316.50	326.29
	1657.49	1,689.90
b UNSECURED LOANS		
i LOANS REPAYABLE ON DEMAND FROM BANKS		
1 IDBI - Dubai - Buyers Credit	324.69	427.05
2 Bank of India - Tokyo - Buyer's credit	295.12	43.65
3 Federal Bank - Buyer's credit	435.77	-
	1055.58	470.70
ii LOANS REPAYABLE ON DEMAND FROM OTHERS		
SBI Global Factors Ltd	(3.52)	21.62
	(3.52)	21.62
iii LOANS REPAYABLE ON DEMAND FROM RELATED PARTIES		
a. S. Rajkumar	9.50	-
b. Sree Sakthi Constructions & Infrastructre Ltd	-	44.00
	9.50	44.00
TOTAL	2719.05	2,226.22

Working capital facility from banks	Nature of security	Repayment terms
a. IDBI Bank Ltd (Cash credit) b. Federal Bank Ltd (Cash credit) c. Bank of India (Cash credit)	All the loans are secured by Pari passu first charge on the entire current assets and paripassu second charge on the entire fixed assets of the company.	on demand

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 8 : TRADE PAYABLES		
a Due to Micro, Small and Medium Enterprises	0.76	0.83
b Others (a) Supplies	1588.16	2,074.36
(b) Stores & Spares	153.60	190.26
TOTAL	1742.52	2265.45



Based on the information available with the Company as at the year-end, balances due to undertaking defined under Micro, Small and Medium Enterprises development Act 2006 is Rs 75735/-

Particulars	31.03.2015	31.03.2014
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	96,135	92,498
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year.	20,400	9,491
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

Note - 9 : OTHER CURRENT LIABILITIES

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
a. Current maturity of long term debts		
i. Federal Bank Ltd.	18.00	18.00
ii. State Bank of Travancore (Term Loan I)	90.96	90.96
iii. State Bank of Travancore (Term Loan II)	0.00	54.60
iv. Axis Bank	0.00	199.92
v. Punjab National Bank	41.70	41.70
vi. Vehicle loan 1 - Axis Bank	-	3.24
vii. Vehicle loan 2 - Axis Bank	1.50	2.09
viii. Vehicle loan 3 - Axis Bank	1.33	1.33
ix. Vehicle loan 4 - Axis Bank	1.93	1.93
	155.42	413.77
b. Interest Accrued but not due on unsecured Loans		
i. Interest on buyers credit	3.99	1.83
ii. Interest on factoring facility	-	0.30
	3.99	2.13
c. Items covered under Investor Education and Protection fund :		
Dividend Payable	12.41	12.37
	12.41	12.37
d. Other liabilities		
1. Employee benefit expenses payable	236.68	74.27
2. Statutory dues payable	283.82	209.50
3. Other expense payable	598.79	776.59
	1119.29	1,060.36
TOTAL	1291.11	1,488.63

There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2015

Note - 10 : SHORT TERM PROVISIONS

a. Provision for Employee Benefit		
Gratuity & Leave encashment	-	24.31
b. Provision others		
Income Tax	1.42	45.27
Proposed dividend	-	98.62
Tax on proposed dividend	-	16.76
TOTAL	1.42	184.96

Note 11 - FIXED ASSETS

(Rs. in Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			IMPAIRMENT			NET BLOCK		
	Balance as on 01.04.2014	Additions during the year	Sale during the year	Total as on 31.03.2015	Upto 01.04.2014	For the year	Sale during the year	Adjustment to Opening Reserves	Total as on 31.03.2015	Scrap Assets taken to Inventory	As on 31.03.2015	As on 31.03.2014
1 Land	233.27			233.27							233.27	233.27
2 Buildings	1310.63	10.33		1320.96	288.73	68.64		23.28	380.65	121.00	805.34	1021.90
3 Furniture & Fixtures	54.83	0.09		54.92	25.76	4.72		1.57	32.05		22.87	29.07
4 Plant & Machinery	9191.75	192.26		9384.01	3418.43	288.11		18.91	3725.44	336.98	4720.76	5774.17
5 Vehicles	108.36		5.62	102.74	62.63	7.15	5.61	2.98	67.15		35.59	45.73
6 Office Equipments	64.01			64.01	24.71	6.71		15.68	47.10		16.91	39.30
TOTAL	10962.86	202.68	5.62	11159.91	3820.26	375.32	5.61	62.42	4252.40	457.98	5834.74	7143.45
7 Intangible Asset- Computer Software	23.20			23.18	20.70	1.63		0	22.32		0.85	2.48
TOTAL	10986.06	202.68	5.62	11183.09	3840.95	376.94	5.61	62.43	4274.71	457.98	5835.60	7145.92
Figures for the previous year	10839.05	185.74	38.65	10985.29	3387.66	489.90	36.71		3840.95		7145.92	7451.40

FA schedule of discontinued operation (DBU)

(Rs. in Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			IMPAIRMENT			NET BLOCK		
	Balance as on 01.04.2014	Additions during the year	Sale during the year	Total as on 31.03.2015	Upto 01.04.2014	For the year	Sale during the year	Adjustment to Opening Reserves	Total as on 31.03.2015	Scrap Assets taken to Inventory	As on 31.03.2015	As on 31.03.2014
Land	35.78			35.78							35.78	
Buildings	209.46			209.46	54.77	7.41		12.31	62.18	121.00		
Plant & Machinery	1684.94			1684.94	707.66	36.00		3.47	743.66	336.98		
TOTAL	1930.19			1930.19	762.43	43.41		15.78	805.84	457.98	35.78	

Upto 31.03.2014, the company was providing depreciation based on the rates provided in Schedule XIV of the Companies Act, 1956. Pursuant to the enactment of the Companies Act, 2013, the Company has started providing depreciation based on the Useful Lives of the asset as given in the Sch II of the Companies Act. In the case of assets outstanding as on 01.04.2015, the carrying amount as on that date will be depreciated over the remaining useful life of the asset as per the Sch II. In the case of assets where the useful life has already been expired and the remaining useful life is 'Nil', the excess of carrying amount over and above the residual value has been recognized in the opening balance of the retained earnings as required by Note 7(a) of the Schedule II of the Companies Act, 2013.



	Rs in Lacs 31.03.2015		Rs in Lacs 31.03.2014	
Note - 12 : NON-CURRENT INVESTMENTS				
a Non-Trade Investments- Quoted	Market Value as on 31.3.15		Market Value as on 31.3.14	
i. In Equity Instruments				
2080 Equity shares of I.D.B.I.Ltd of Rs 10 each fully paid up	1.47	0.35	1.36	0.35
ii. In Mutual Funds				
130597 units of ICICI Prudential Infrastructure fund	20.52	30.01	14.97	30.01
96712 Units of L&T Oppurtunities Fund	22.77	30.00	17.09	30.00
23286 units of UTI Master Growth Unit Scheme	7.82	10.00	5.97	10.00
SUB - TOTAL	52.58	70.36	39.39	70.36
b Non-Trade Investments- Unquoted				
a. Investment in others				
Kerala Enviro Infrastructure Ltd (10000 Equity Shares of Rs 10 each fully paid up)		1.00		1.00
Cochin Waste 2 Energy P Ltd (30000 Equity Shares of Rs 10 each fully paid up)		3.00		3.00
SUB - TOTAL		4.00		4.00
TOTAL		74.36		74.36
Current market value of the quoted investments is Rs 52.58 Lakhs (Previous Year Rs.39.39 Lakhs)				
Note - 13 : LONG TERM LOANS AND ADVANCES				
Capital advance	87.75		85.99	
Less: Provision	10.54	77.21	7.86	78.13
Security deposit		133.43		171.85
TOTAL		210.65		249.98
Note - 14 : INVENTORIES				
a. Raw Materials & Packing Materials		317.32		434.44
b. Goods in transit - raw material		86.63		151.30
c. Work - in - progress		42.12		80.30
d. Finished Goods		250.59		131.96
e. Stores, Spares & Fuel		1064.22		659.17
f. Renewable Energy Certificate		0.46		0.72
TOTAL		1761.34		1457.89

Mode of valuation: Inventory of raw materials and consumables are valued at cost or net realizable value, whichever is lower, under FIFO Method. Finished Goods are valued at cost or net realizable value whichever is lower. Cost for the purposes of valuation of finished goods includes cost of material, labour and other direct expenses. Stock-in-process is valued at raw material cost plus proportionate direct cost, wherever applicable. Scraped assets amounting to Rs 457.98 Lacs is stated at the value estimated by Approved valuer.



Inventories in the nature of Renewable Energy Certificates (REC) are accounted for in accordance with Guidance Note on Accounting for Self Generated Emission Reductions issued by ICAI. Accordingly, RECs are recognised on approval of certificate from respective authority, which are valued at lower of cost or net realisable value. Cost comprises of cost incurred for certification of REC and NRV is the floor price fixed by Central Electricity Regulatory Commission.

Note - 15 : TRADE RECEIVABLES**SECURED**

More than six months from the date they became due

UNSECURED

Considered Good

(i) Exceeding Six Months From They become Due

(ii) Others

Considered Doubtful

Less : Provision for doubtful debts

TOTAL

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
	-	-
	563.53	282.61
	2,030.22	3,309.54
	162.35	72.35
	(162.35)	(72.35)
TOTAL	2593.75	3,592.15

Debts due by: (1) Directors: Nil, (2) Officers: Nil, (3) Firms in which any director is a partner: M/s. Cartopacks Rs. 66.93 lacs (Previous Year Rs 65.56 Lacs), (4) Private Companies in which any Director is a director or member: Nil

Note - 16 : CASH AND BANK BALANCES

a. Cash and Cash equivalents

(i) Cash in hand

(ii) Balance with banks - Current Accounts

b. Other bank balances

(i) Unpaid Dividend

(ii) Fixed Deposits (kept as margin money against LC/BG limit sanctioned by banks)

TOTAL

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
	2.60	1.56
	64.28	58.89
	12.41	12.37
	398.39	338.10
TOTAL	477.68	410.92

Details of fixed deposits with banks

Bank of India

Federal Bank Ltd

Industrial Development Bank of India

TOTAL

	73.71	41.72
	218.41	196.38
	106.27	100.00
TOTAL	398.39	338.10

Note - 17 : SHORT TERM LOANS AND ADVANCES

a. Loans and advances to related parties

Bonifaz Realtors Ltd

b. Others

Unsecured, considered good

i. Security deposit

ii. Advance income tax

iii. Advance VAT & CENVAT

iv. Others

TOTAL

	3.61	3.61
	17.60	36.04
	322.29	384.58
	156.51	133.97
	478.00	354.59
TOTAL	978.01	912.79



Note - 18 : OTHER CURRENT ASSETS

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
(a) Accruals		
(i) Interest accrued on deposits	10.80	19.95
(ii) Other receivables	17.33	12.77
TOTAL	28.13	32.72

Note - 19 : REVENUE FROM OPERATIONS

(i) SALE OF MANUFACTURED PRODUCTS	16405.44	21,554.41
(ii) INCOME FROM FOREX TRADING (NETT)	-	(8.62)
(iii) OTHER OPERATING INCOME		
Duty draw back income	6.84	2.43
Sale-scrap	59.38	23.38
Sale of Renewable Energy Certificate	40.77	43.03
	106.99	68.84
	16512.43	21,614.63
Less: excise duty	952.86	1,247.60
TOTAL	15559.57	20,367.03

Forex Trading, comprising the following activities, have been identified as separate business segment. Since it does not fulfill the reportable segment criteria mentioned in AS 17, only disclosure is made

	31.03.15	31.03.14
Option trading	-	(0.07)
Profit/(Loss) (Forex Trading)	-	(8.55)
Net Profit/(Loss) from forex trading (Rs. lacs)	-	(8.62)

Note - 20 : OTHER INCOME

Interest [Tax Deducted at Source Rs 2.61 Lakhs (Previous year Rs 5.10 Lakhs)]	46.43	54.30
Dividend Received	3.64	1.69
Other Non operating Income	55.35	24.27
TOTAL	105.42	80.26

Note - 21 : COST OF MATERIAL CONSUMED

Raw material consumed	9617.13	12,136.84
Packing Material Consumed	167.24	238.15
TOTAL	9784.37	12,374.99

Consumption of Raw Materials	Value (Rs. in Lacs)	
	31.3.15	31.3.14
Imported Waste Paper	6508.92	6840.23
Indigenous Waste Paper	2373.65	4195.48
Imported Chemicals	-	-
Indigenous Chemical	734.56	1101.13
Total	9617.13	12136.84



Percentage Consumption of Raw Materials				
	Value (Rs. in Lacs)		Percentage	
	31.3.15	31.3.14	31.3.15	31.3.14
Imported	6508.92	6840.23	67.68	56.36
Indigenous	3108.21	5296.61	32.32	43.64
Total	9617.13	12136.84	100.00	100.00

Note - 22 : (INCREASE) / DECREASE IN STOCK

		Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Closing Stock			
Finished Goods	236.41		124.47
Stock in Process	42.12	278.53	80.31
Less: Opening Stock			
Finished Goods	124.47		53.03
Stock in Process	80.31	204.78	96.57
(Increase) / Decrease in Stock		(73.75)	(55.18)

Note - 23 : EMPLOYEE BENEFIT EXPENSES

Salaries, Wages & Allowance	588.85	678.27
Remuneration to Managerial persons	69.93	84.34
Bonus	25.98	30.79
Gratuity	(4.72)	14.41
Leave Encashment	(11.11)	1.41
Staff Welfare Expenses	70.11	90.94
Employer's Contribution to PF	22.07	20.54
Employer's Contribution to ESI	18.45	21.45
Cooli charges - contract	364.60	595.98
Allowances and expenses to contract workers	138.29	181.67
Others	1.71	11.50
TOTAL	1284.16	1,731.30

Employee benefit expense does not include retrenchment compensation payable to closed down Unit at Duplex Board Unit, Chalakudy amounting to Rs 17626440/-, which is disclosed separately in the Profit & Loss Statement

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)

a. Defined Contribution Plans: During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution plan

Particulars	Rs. in Lacs	
	2014-15	2013-14
Employers Contribution to PF	22.07	20.54
Employers Contribution to ESI	18.45	21.45

b. Defined benefit Plans- Gratuity:

i. Actuarial Assumptions:

Particulars	31.03.2015	31.03.2014
Mortality Table	Indian Assured Lives (1994-96) Ultimate	Indian Assured Lives (1994-96) Ultimate
Attrition Rate	Modified q(x) values above Mortality Table	Modified q(x) values above Mortality Table
Discount Rate	7.00% p.a	7.00% p.a
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average remaining working life of Employees (Yrs)	8.73	9.19



- ii. Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the beginning of the period	94.65	85.50
Interest Cost	7.37	6.19
Current Service Cost	3.96	5.90
Benefits paid	(18.22)	(4.66)
Actuarial (Gain)/Loss	(28.23)	1.72
Present value of obligations at the end of the period	68.29	94.65

- iii. Net Asset/Liability to be recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the end of the period	68.29	94.65
Fair value of Plan Assets at the end of the period	-	-
Funded Status	(68.29)	(94.65)
Unrecognised Actuarial (Gain)/Losses	-	-
Net Asst/Liability to be recognised in Balance Sheet	68.29	94.65

- iv. Expenses recognized in the Profit and Loss Account

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Current Service Cost	3.96	5.09
Past Service Cost	-	-
Interest Cost	7.37	6.19
Expected Return on Plan Assets	-	-
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net Actuarial (Gain)/Loss recognised in the period	(28.23)	1.72
Expenses recognised in the statement of Profit and Loss Account	(4.72)	13.82

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- c. Defined benefit Plans- Leave Plan

- i. Actuarial Assumptions

Particulars	As on 31.03.2015	As on 31.03.2014
Mortality Table	Indian Assured Lives Mortality (1994-96) Ultimate	Indian Assured Lives Mortality (1994-96) Ultimate
Attrition Rate	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table
Discount Rate	7.00%	7.00%
Inter Valuation leave accrual	24 days per annum	24 days per annum
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average remaining working life of Employees (Years)	8.73	9.19

- ii. Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the beginning of the period	18.29	16.89
Interest Cost	3.52	1.71
Current Service Cost	8.77	14.97
Benefits paid	-	-
Actuarial (Gain)/Loss	(23.40)	(15.27)
Present value of obligations at the end of the period	7.18	18.29

- iii. Net Asset/Liability to be recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Present value of obligations at the end of the period	(7.18)	18.29
Fair value of Plan Assets at the end of the period	-	-
Funded Status	(7.18)	(18.29)
Unrecognised Actuarial (Gain)/Losses	-	-
Net Asset/Liability to be recognised in Balance Sheet	(7.18)	18.29



iv. Expenses recognized in the Profit and Loss Account

(Rs. in Lacs)

Particulars	As on 31.03.2015	As on 31.03.2014
Current Service Cost	8.77	14.97
Past Service Cost	-	-
Interest Cost	1.71	1.71
Expected Return on Plan Assets	-	-
Curtailment Cost /(Credit)	-	-
Settlement Cost /(Credit)	-	-
Net Actuarial (Gain)/Loss recognised in the period	(23.40)	(15.27)
Expenses recognised in the statement of Profit and Loss Account	(11.11)	1.41

The above disclosures are based on information furnished by the independent Actuary and relied upon by the auditors.

	Rs in Lacs 31.03.2015	Rs in Lacs 31.03.2014
Note - 24 : FINANCE COST		
Interest expense	453.31	524.86
Other borrowing cost	123.21	147.21
Applicable net gain/loss on foreign currency transaction/translation	13.83	13.50
TOTAL	590.35	685.57

Note - 25 : DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation	375.19	488.30
Amortization	1.62	1.74
	376.81	490.04

Impairment on fixed assets of closed down unit at Chalakudy, calculated as per AS 27, amounting to Rs 61479868/- is disclosed separately in the Profit & Loss Statement

Note - 26 : OTHER EXPENSES

Payment to Auditor		
Audit Fees	5.00	5.00
Auditors Out of pocket Expense	0.42	-
Fee for other services	0.58	1.19
Audit fee for certification	-	0.05
Stores & spares consumed	393.92	565.56
Power and fuel	2621.67	3,166.31
Rent	61.06	57.42
Repairs and Maintenance- Plant & Machinery	188.93	204.88
Repairs and Maintenance- Building	2.42	8.73
Insurance charges	27.57	26.29
Rates & Taxes	9.48	10.05
Discount	154.99	122.50
Sales Commission	85.36	186.71
Miscellaneous expenses	827.22	717.14
TOTAL	4,378.62	5,071.83



a Consumption - Stores & Spares

Particulars	Value (Rs. in Lacs)		Percentage	
	31-3-15	31-3-14	31-3-15	31-3-14
Indigenous	393.92	565.56	100.00	100.00
Total	393.92	565.56	100.00	100.00

b Stock-in-Process

Particulars	Quantity (in MT)		Value (Rs. in Lacs)	
	31-3-15	31-3-14	31-3-15	31-3-14
Opening	268.36	368.01	83.31	90.11
Closing	181.80	268.36	42.12	83.31

c Donations to Political parties (Amount in Rs.)

Particulars	2014-15	2013-14
CPI (M)	40,000	5,000
CONGRESS (I)	-	15,000
KERALA CONGRESS (M)	-	10,000
KERALA CONGRESS (JACOB)	-	500
CMP	-	1,000
JANATHADAL (S)	-	15,000
Total	40,000	46,500

d Value of Imports calculated on C.I.F Basis

(Rs. in Lacs)

Particulars	2014-15	2013-14
Raw Material	5,829.32	6,249.74
Stores and Spares	1.83	13.80

e Expenditure in Foreign Currency: (Rs. in Lacs)

Particulars	2014-15	2013-14
Travelling Expense	-	0.36

f Earnings in Foreign Exchange (Rs. in Lacs)

Particulars	2014-15	2013-14
Export of goods on FOB Basis	389.65	129.74

g Details in respect of related parties pursuant to AS 18

Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
1	Mr S Raj Kumar	Key Management Personnel (Vice Chairman & Managing Director)	Managerial Remuneration	35.40	36.82
			Rent	14.68	13.12
2	Mrs Rajee Rajkumar	Relative of Key Management Personnel	No transaction	-	-
3	Mr Vignesh Rajkumar		No transaction	-	-
4	Mr Vishakh Rajkumar		No transaction	-	-
5	Mr S Sivathanu Pillai		Sitting Fees	0.10	0.88
6	Mrs E Kamalam		Sitting Fees	0.40	0.40
7	Mr S Subramoniam		Sitting Fees	0.40	0.50
			Rent	4.36	3.35
8	Mr A Ganesh	Rent	1.20	0.35	
9	Mr S Giridhar	Sitting Fees	0.90	0.50	



Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
10	Mr A. Padmanabhan	Key Management Personnel (Executive Director)	Remuneration and Allowances	22.80	22.80
			Rent	6.14	4.68
11	Mr N. Rajagopal Pai	Key Management Personnel (Director-Operations)	Remuneration and Allowances	-	10.70
12	Mr. N. Purushotama Prabhu		Remuneration and Allowances	11.79	7.01
13	ShriKailash Logistics Limited	Enterprises over which any person mentioned in 1 to 6 above is able to exercise significant influence	Freight Charges	222.52	339.38
			Unsecured loan	38.00	135.00
			Rent	3.60	3.78
14	Carto Packs		Purchase of Raw Material	42.31	90.50
			Sale of Finished Goods	197.85	214.76
15	SreeSakthi Constructions and Infrastructure (P) Ltd		Civil work	1.42	21.28
			Unsecured Loan	-	100.00
16	Maharaj Continental Trades Ltd		Sales Commission	208.39	212.47
17	Sree Giri Packagings Ltd		Purchase of Raw Material	2,625.35	4,724.27
18	Verizon Industrial Aids Ltd		Purchase of Raw Material	981.91	1,356.76
19	Bonifaz Realtors Ltd	Unsecured Loan	-	3.61	
20	Sree Kashyap Surya Energy Equipments Pvt Ltd	No transaction	-	-	
21	Jala Shaayi Alamparathodu Hydro Power Ltd	Subsidiary Company	Advance	0.23	0.90
			Investment in Subsidiary Company	4.70	4.70
22	Sree Kailas Palchuram Hydro Power Ltd		Advance	0.50	0.52
			Investment in Subsidiary Company	4.70	4.70
23	Sree Adi Sakthi Mukkuttathode Hydro Power Ltd		Advance	0.53	0.56
			Investment in Subsidiary Company	4.70	4.70

h Earnings per share:

The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year. Profit after tax for computing EPS is determined after deducting dividend @11% on preference share capital along with corporate dividend tax.



Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
10	Mr A. Padmanabhan	Key Management Personnel (Executive Director)	Remuneration and Allowances	22.80	22.80
			Rent	6.14	4.68
11	Mr N. Rajagopal Pai	Key Management Personnel (Director-Operations)	Remuneration and Allowances	-	10.70
12	Mr. N. Purushotama Prabhu		Remuneration and Allowances	11.79	7.01
13	ShriKailash Logistics Limited	Enterprises over which any person mentioned in 1 to 6 above is able to exercise significant influence	Freight Charges	222.52	339.38
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			Unsecured Loan	-	100.00
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21	Jala Shaayi Alamparathodu Hydro Power Ltd	Subsidiary Company	Advance	0.23	0.90
			Investment in Subsidiary Company	4.70	4.70
22	Sree Kailas Palchuram Hydro Power Ltd		Advance	-	0.52
			Investment in Subsidiary Company	-	4.70
23	Sree Adi Sakthi Mukkuttathode Hydro Power Ltd		Advance	0.53	0.56
			Investment in Subsidiary Company	4.70	4.70

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The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year. Profit after tax for computing EPS is determined after deducting dividend @11% on preference share capital along with corporate dividend tax.



Sl. No.	Name of Related party	Nature of Relationship	Details of Transactions		
			Nature of Transactions	Amount (Rs. in Lacs)	
				2014-15	2013-14
10	Mr A. Padmanabhan	Key Management Personnel (Executive Director)	Remuneration and Allowances	22.80	22.80
			Rent	6.14	4.68
11	Mr N. Rajagopal Pai	Key Management Personnel (Director-Operations)	Remuneration and Allowances	-	10.70
12	Mr. N. Purushotama Prabhu		Remuneration and Allowances	11.79	7.01
13	ShriKailash Logistics Limited	Enterprises over which any person mentioned in 1 to 6 above is able to exercise significant influence	Freight Charges	222.52	339.38
			Unsecured loan	38.00	135.00
			Rent	3.60	3.78
14	Carto Packs		Purchase of Raw Material	42.31	90.50
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21	Jala Shaayi Alamparathodu Hydro Power Ltd	Subsidiary Company	Advance	0.23	0.90
			Investment in Subsidiary Company	4.70	4.70
22	Sree Kailas Palchuram Hydro Power Ltd		Advance	-	0.52
			Investment in Subsidiary Company	-	4.70
23	Sree Adi Sakthi Mukkuttathode Hydro Power Ltd		Advance	0.53	0.56
			Investment in Subsidiary Company	4.70	4.70

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The company reports basic and diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year. Profit after tax for computing EPS is determined after deducting dividend @11% on preference share capital along with corporate dividend tax.



Particulars	31.03.2015	31.03.2014
Profit after tax (in Rs. in Lacs)	(1,310.10)	116.08
Weighted average number of shares used as denominator for calculating basic and diluted earning per share	16,436,217	16,436,217
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	(7.97)	0.71

i. CONTINGENT LIABILITIES NOT PROVIDED FOR

- Unexpired Contracts for Capital Expenditure : Rs 278 lacs (Previous year Rs 277.37 lacs)
- Usance Letter of credit remaining unpaid as on 31.03.2015 amounts to Rs 2585.86 lacs (Previous year Rs.2319.39 lacs)
- Guarantee given by bank on behalf of the Company Rs 133.32 lacs (Previous year Rs 166.58 lacs)
- Amount of Income tax liabilities disputed in appeal Rs. 38.61 lacs (Previous year Rs 152.07 lacs)
- Additional claims of electricity charges disputed Rs 2.80 lacs (Previous year Rs 2.80 lacs)
- Sales Tax demand disputed under appeal is Rs 15.48 lacs (Previous year 15.66 lacs)
- Excise duty disputed under appeal Rs 143.78 Lacs (Previous year Rs 143.78 lacs)
- Claim towards water charge raised by Kerala Water Authority for Rs 78.42 lacs disputed in appeal (Previous year Rs 78.42 lacs)
- Actuarial valuation of gratuity is presently based on the retirement age of 55 years. The Union has filed a case before Kerala High Court for increasing the retirement age to 58. Impact on provision for gratuity, if the case is decided against the Company, has not been ascertained.
- Customs duty liability of Rs 58.79 lacs (Previous year Rs 58.79 Lacs) under EPCG claim
- Arrears of non - convertible cumulative preference dividend is Rs 131.96 lacs (Previous year Rs nil)

j Details of Provisions Pursuant to Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets

(Rs. in Lacs)

	Opening Balance		Provision made during the year		Utilized during the year		Closing Balance	
	01.04.14	01.04.13	2014-15	2013-14	2014-15	2013-14	31.03.15	31.03.14
Sundry Debtors	92.35	30.75	90.00	90.00	20.01	31.38	162.34	72.35
Income tax	197.28	209.62	47.32	43.86	-	279.83	244.60	197.28
Proposed Dividend	98.62	248.76	-	98.62	98.62	342.94	-	98.62
Corporate Dividend tax	16.76	41.9	-	16.76	16.76	55.99	-	16.76
Gratuity & Leave encashment	112.95	102.39	-37.47	14.90	4.34	4.46	112.95	112.95

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
S. Rajkumar, (DIN 01790870)
Vice Chairman & Managing Director

Sd/-
A. Padmanabhan, (DIN 00037472)
Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

In terms of AS - 3 on Cash Flow Statement under Indirect Method

	Rs in Lacs 2014-15	Rs in Lacs 2013-14
A. Cash Flow from Operating activities		
Net profit Before Taxation	(1,529.01)	145.43
Adjustment for:		
Impairment loss	62.43	-
Provision for Depreciation	1,443.99	489.90
Interest on Borrowings	590.35	685.57
Interest Income	(46.42)	(50.01)
Dividend income	(3.64)	(1.69)
Loss on sale of Fixed Assets	-	(3.98)
	<u>2,046.71</u>	<u>1,119.79</u>
	517.70	1,265.22
Operating profit before working capital changes		
(Increase)/Decrease in Sundry Debtors	998.40	(566.54)
(Increase)/Decrease in Loans & Advances	(63.73)	2.90
(Increase)/Decrease in Inventories	(303.45)	(359.63)
Increase/(Decrease) in Sundry Creditors & Other liabilities	(543.78)	566.74
	<u>87.44</u>	<u>(356.53)</u>
Cash from operations	605.14	908.69
Income tax paid	(39.79)	(56.20)
Net cash from operating activities	565.35	852.49
B. Cash flow from Investing Activities		
Purchase of Fixed assets	(202.67)	(185.74)
Capital Work-in-Progress	(1.42)	(14.42)
Sale of Fixed assets	5.62	5.91
Interest Income	46.43	50.02
Dividend received	3.64	1.69
Proceeds from Sale of Investments	-	-
Net cash from Investing activities	(148.40)	(142.54)
C. Cash flow from Financing activities		
Proceeds from Long term Borrowings	-	213.41
Proceeds from working capital borrowings	(32.41)	212.34
Proceeds from unsecured loan - buyers credit	525.24	174.46
Repayment of Long term Borrowings	(1,137.29)	(417.00)
Proceeds from capital raised	1,000.00	-
Interest on borrowings	(590.35)	(685.57)
Dividend & Corporate Dividend Tax paid	(115.38)	(288.47)
Net Cash flow from Financing Activities	(350.19)	(790.83)
Net Increase/Decrease in Cash & Cash Equivalents	66.76	(80.88)
Cash & Cash Equivalents ason 31/3/14	410.92	436.56
Cash & Cash Equivalents ason 31/3/15	477.68	355.68

Subject to our report of even date

For Balan & Co.
Chartered Accountants
FRN: 000340S

Sd/-
A. Mohanan, B.Sc., FCA, DISA
M. No.20627
Partner

Cochin -16
30-05-2015

Sd/-
R. Ponnambalam
Company Secretary

Sd/-
Usha Venugopal
Chief Financial Officer

For and on behalf of the Board

Sd/-
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Vice Chairman & Managing Director

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Executive Director

Sd/-
N. Purushotama Prabhu (DIN 000384830)
Whole Time Director - Operations



SREE SAKTHI PAPER MILLS LTD.

Regd. Office : Sree Kailas, 57/2993

Paliam Road, Cochin - 682 016

www.sreekailas.com, E-mail: secretary@sreekailas.com

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	:
MEMBER'S FOLIO/ID No.	:
NAME OF THE PROXY (IN BLOCK LETTERS)	:
(To be filled in if the proxy attends instead of the member)	:

No. of shares held

I hereby record my presence at the 24th Annual General Meeting of the members of Sree Sakthi Paper Mills Limited held on 30th September 2015 at 2.00 p.m. at Hotel Abad Plaza, M.G. Road, Ernakulam, Cochin - 35.

Members / Proxy Signature

Note: A member / proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance



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PROXY FORM

I / We

of being a Member/Members of Sree Sakthi Paper Mills Ltd.

hereby appoint

of or failing of

or failing of as my / our proxy to attend and vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held on 30th September 2015 at 2.00 p.m. at Hotel Abad Plaza, M.G. Road, Ernakulam and at any adjournment thereof.

Signed this day of 2015

Signature

<p>Affix One Rupee Revenue Stamp</p>
--

Note: The proxy form must be returned so as to reach the Registered Office of the Company, Sree Kailas, 57/2993, Paliam Road, Cochin - 16 not less than forty eight hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.