



# Aurangabad Paper Mills Limited

Regd. Office : M. I. D. C. Paithan, Dist. Aurangabad - 431 148, Maharashtra. Tel.: 02431 - 232141  
Aurang. Office : Mittal House, Mittal Road, Opp. Municipal School, Bansilal Nagar, Aurangabad - 431 005 (INDIA).  
Phones : (0240) 2333803 • E-mail : apmbom3@gmail.com • CIN : L21000MH1974PLC017962

APM/ST-EXC/2016/

28<sup>th</sup> January, 2016

To,  
The Secretary,  
The Stock Exchange  
Dalal Street,  
Mumbai – 400 001.

Dear Sirs,

We enclose Annual Report of the Company for the year ended 31<sup>st</sup> March, 2014.

Thanking you,

Yours faithfully,  
For Aurangabad Paper Mills Ltd.,

Authorizer signatory

Encl : a/a

Mumbai Office : 171/B, Mittal Tower, 210, Nariman Point, Mumbai - 400 021.  
Phone : (022) 4060 7777 / 2285 2247 / 2283 5521 • Fax : (022) 2285 6834

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**39<sup>TH</sup>  
ANNUAL REPORT  
2013 - 2014**

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**AURANGABAD PAPER MILLS LIMITED**



**AURANGABAD PAPER MILLS LIMITED**

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**BOARD OF DIRECTORS**

Shri Badal Mittal	:	<b>MANAGING DIRECTOR</b>
Shri Shankarlal G. Mittal	:	<b>DIRECTOR</b>
Shri Anil Mittal	:	<b>DIRECTOR</b>
Shri Seema Mittal	:	<b>DIRECTOR</b>

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**AUDITORS**

Sunil Adavade & Co.,  
Chartered Accountants  
4, 1st Floor, Rajshree Building,  
Above Excel Gas Service,  
N.G. Acharya Marg,  
Chembur, Mumbai - 400 071.  
Membership No. 109964

**BANKERS**

Bank of Maharashtra  
Indian Overseas Bank  
HDFC Bank

**REGISTERED OFFICE & WORKS**

M.I.D.C PAITHAN,  
Dist. Aurangabad 431 148,  
Maharashtra.

**CORPORATE OFFICE**

171/B, Mittal Tower,  
210, Nariman Point,  
Mumbai - 400 021.  
Maharashtra

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**AURANGABAD PAPER MILLS LIMITED**

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**NOTICE OF THIRTY-NINE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of Aurangabad Paper Mills Limited shall be held at the Registered Office of the Company at MIDC Paithan District: Aurangabad 431 184 on Saturday the 23rd day of August, 2014 at 10.30 A.M. (S.T.) to transact the following business:-

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended on that date together with the Schedules annexed thereto and the Report of the Directors and Auditors thereon.
2. To consider the matter of appointing a Director in place of Mr. Shankarlal G. Mittal, (who retires by rotation, however, who has not offered himself for re-appointment because of his ill health), and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

**"RESOLVED**

**THAT** the vacancy caused by the retirement of Mr. Shankarlal G. Mittal who has not offered himself for reappointment because of his ill health, be not filled up,

**AND THAT** any one of the Director of the Company be and is hereby authorized to take all such steps as may be necessary and required in relation to the said resolution."

3. To appoint Auditors and fix their remuneration.

**Special Business:**

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

**"RESOLVED**

**THAT** Mrs. Seema Mittal (DIN 00075988) who was appointed by the Board as an Additional Director with effect from 10th September, 2013 and who holds office up to the date of this Annual General Meeting pursuant to the Provisions of Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a Notice from a Member in accordance with the provisions of Section 160(1) of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation,

**AND THAT** any one of the Director of the Company be and is hereby authorized to take all such steps as may be necessary and required in relation to the said appointment."

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

**"RESOLVED**



**AURANGABAD PAPER MILLS LIMITED**

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**THAT** Mr. Anil Mittal ( DIN 00040337) who was appointed by the Board as an Additional Director with effect from 15th November, 2013 and who holds office until the date of this Annual General Meeting pursuant to the Provisions of Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a notice from a Member in accordance with the provisions of Section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation,

**AND THAT** any one of the Director of the Company be and is hereby authorized to take all such steps as may be necessary and required in relation to the said appointment."

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

**"RESOLVED**

**THAT** pursuant to the provisions of Section 196 of the Companies Act, 2013 read with Schedule V thereto (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals and sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Badal Mittal (DIN 00076143) as Chairman & Managing Director of the Company for a period of five (5) years with effect from 16th August, 2013 without any remuneration,

**AND THAT** Mr. Badal Mittal, the Managing Director of the Company be and is hereby authorized to file with Registrar of Companies, Maharashtra, Mumbai the required e form(s) and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

On behalf of the Board

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014

-sd-  
Badal Mittal  
Chairman & Managing Director  
(DIN: 00076143)

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the Special Business set out under Item No. 4 to 6 of the Notice is annexed hereto.
3. Proxies, in order to be effective, must be deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting. A proxy form is appended with the attendance slip.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday the 16th August, 2014 to Saturday the 23rd August, 2014 (both days inclusive).
5. Pursuant to SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, the Company is pleased to offer the option of e-voting facility to all the Members of the Company. For this purpose the Company has entered into an agreement with Central Depository Services of India Limited (CDSL) for facilitating e-voting, which is optional for members.
6. Members holding shares in physical form are requested to intimate any change in their address and their e-mail ID, if any, to the Company's Registrar and Share Transfer Agent (R & T Agent), Sharex Dynamic (India) Private Limited, Unit-1, Luthra Ind. Premises, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai – 400 072 quoting their Folio Number.
7. Members holding shares in DEMAT Mode are requested to intimate any change in their particulars, address and e-mail ID, if any, to the Depository Participant with whom they are holding their DEMAT Account.



## AURANGABAD PAPER MILLS LIMITED

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

#### Item No.4

The Board had appointed Mrs. Seema Mittal (DIN: 00075988) as an Additional Director of the Company to hold office w.e.f. 10th September, 2013 up to the date of ensuing Annual General Meeting as per the provisions of Section 161(1) of the Companies Act, 2013 (the Act).

The Company has received notice as per the provisions of Section 160 (1) of the Companies Act, 2013 from a Member proposing her candidature.

Further, pursuant to the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at least one woman director on the Board of Directors of the Company.

Keeping in view the above legal requirements, it is proposed to appoint Mrs. Seema Mittal as a Director of the Company.

Mrs. Seema Mittal is B.A. and has about 27 years of business experience. Further, she does not have any of the disqualifications as set out under the provisions of Section 164 of the Companies Act, 2013.

Mrs. Seema Mittal is holding office as a Director in Goldseal Housing Finance Limited since 20th June, 2001.

None of the Directors of the Company, except Mrs. Seema Mittal, being the appointee Director, is concerned with or interested in the resolution.

The Directors commend the resolution appointing her as Director on the Board of the Company for your approval.

#### Item No.5

The Board had appointed Mr. Anil Mittal (DIN: 00040337) as an Additional Director of the Company to hold office from 15th November, 2013 up to the date of ensuing Annual General Meeting as per the provisions of Section 161(1) of the Companies Act, 2013. The Company has received Notice as per the provisions of Section 160 (1) of the Companies Act, 2013 from a Member proposing his candidature.

Mr. Anil Mittal is B.Com and has 30 years business experience. Further he does not have any of the disqualifications as set out under Section 164 of the Companies Act, 2013.

Mr. Anil Mittal is holding office as a Director in following Public Limited Companies:

Sr. No.	Name of the Company	Date of Appointment
1.	Mega Meditex Limited	15/12/1988
2.	Trans Freight Containers Limited	27/08/1998
3.	S. G. M. Realty Limited	06/12/2008

None of the Directors except Mr. Anil Mittal, being the appointee Director, is concerned with or interested in the resolution.

The Directors commend the resolution appointing him as Director on the Board of the Company for your approval.

**Item No. 6:**

The Board at its meeting held on 16th August, 2013 appointed Mr. Badal Mittal as Chairman and Managing Director of the Company for a period 5 (five) years without any remuneration, subject to the approval of the Members at the ensuing Annual General Meeting.

Mr. Badal Mittal is one of the Promoters of the Company and has been on the Board for quite a long period.

The Directors commend the resolution appointing him as the Chairman and Managing Director on the Board of the Company for your approval.

Except Mr. Badal Mittal, being the appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution except to the extent of their shareholding in the Company.

On behalf of the Board

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014

-sd-  
Badal Mittal  
Chairman & Managing Director  
(DIN: 00076143)



## AURANGABAD PAPER MILLS LIMITED

### DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present their Thirty Nine Annual Report together with the Audited Statement of Accounts for the year ended March 31<sup>st</sup>, 2014.

#### FINANCIAL RESULTS:

Particulars	Year ended 31.03.2014 (Rs. in lacs)	Year ended 31.03.2013 (Rs. in lacs)
Loss before Providing for Interest	<b>1043.82</b>	53.12
Add : Provision for Interest	<b>51.78</b>	48.88
Net Loss for the year	<b>1095.60</b>	102.00
Add : Loss brought forward from previous year	<b>637.90</b>	535.90
Loss carried to the Balance Sheet	<b>1733.50</b>	637.90

#### OPERATIONS:

The Company has come out of the purview of BIFR vide its order No. 95 / 1998 dated 13.10.2011. However, the Company has not been able to revive its activities.

During the year under review, the Company conducted Postal Ballot seeking approval from its Members for Sale of its Plant and Machinery and Land situated at MIDC, Paithan, Aurangabad to pay outstanding Government Dues such as Sales Tax Incentives under One Time Settlement and other Statutory Dues as well as some portion of Loans outstanding in its Books availed by it from its Bankers and the Promoters / their relatives.

Accordingly, the Company has sold its Plant and Machinery for a consideration of Rs. 6,00,98,000/- after following due procedure for obtaining bids from prospective buyers which is reflected in its Balance Sheet and Schedules annexed there to and from the sale proceeds thereof, has repaid outstanding liabilities.

#### DIVIDEND:

Your Directors are unable to recommend any dividend for the year ended 31.03.2014 because of the losses incurred by the Company.

#### DIRECTORS:

Mr. Parameshwar G. Mittal who was the Managing Director of the Company resigned from the position of Managing Director on 16th August, 2013 due to his ill health. The Board, with grief, states that he expired on 12.09.2013. Your Directors place on record their appreciation for the valuable services rendered by Late Mr. Parameshwar G. Mittal in the working of the Company since its inception.

Mr. Shankarlal G. Mittal will retire by rotation at the ensuing Annual General Meeting and has not offered himself for re-appointment because of his ill health. Your Board does not propose to fill the vacancy caused by and due to the retirement of Mr. Shankarlal G. Mittal.

Your Directors place on record their appreciation for the valuable services rendered by Mr. Shankarlal G. Mittal during his tenure on the Board of the Company since its inception.

Mrs. Seema Mittal and Mr. Anil Mittal were appointed as the Additional Directors of the Company with effect from 10th September, 2013 and 15th November, 2013 respectively to hold office up to the date of the ensuing Annual General Meeting of the Company.

The Company has received notice as per the provisions of Section 160 (1) of the Companies Act, 2013 from a Member proposing the candidature of the aforesaid appointees for their appointment as Directors of the Company. The Members may pass the resolution appointing them as the Directors on the Board of the Company.

Mr. Badal Mittal was appointed by the Board as the Chairman and Managing Director of the Company without any remuneration for a period of five (5) years with effect from 16th August, 2013, subject to approval of the Members of the Company at the ensuing Annual General Meeting. Members may pass the Special Resolution for the appointment of Mr. Badal Mittal as a Chairman and Managing Director of the Company.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions contained in Section 217 (2AA) of the Companies Act, 1956, (the Act) the Directors of your company confirm:

- A. That in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable Accounting Standards have been followed and no material departures have been made from the same.
- B. That Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2014 and of the loss of the Company for the year ended on that date.
- C. That the Directors have 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 for preventing and detecting fraud and other irregularities.
- D. That the Directors have prepared the annual accounts on a going concern basis.

**AUDIT COMMITTEE:**

Your Company has not constituted Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 since the Company has not been carrying on any business activities.

Pursuant to the provisions of new Companies Act, 2013 and Rules made there under, the Company is in process to constitute the Audit Committee.

**PARTICULARS OF EMPLOYEES:**

There was no Employee in respect of whom information is required to be disclosed as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended till date.

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

Since the Company has not carried out any activities falling within the purview of Section

217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 the information may be treated as NIL.

**LISTING OF SHARES:**

The Equity Shares of your Company continue to be listed on Bombay Stock Exchange and your Company has paid the Annual Listing fee for the year 2013-14. The shares of your Company are brought under the compulsory dematerialisation and accordingly, the Company has entered into Agreement with the NSDL and CDSL.

**AUDITOR'S REPORT:**

The Report of the Auditors on the Account is self explanatory and needs no further explanation.

**AUDITORS:**

The present Auditors of the Company, M/s. Sunil Advade & Co., Chartered Accountants hold office up to the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

You are requested to appoint the Auditors for the ensuing three financial years commencing from 2014-15 and ending up to 2016-17 as provided by Section 139 of the Companies Act, 2013 and Rules made there under and to fix their remuneration.

**ACKNOWLEDGEMENT:**

Your Directors are grateful to the Financial Institutions and the Bankers for their continued support and co-operation. Your Directors also wish to place on record their appreciation of the services rendered by the Employees at all levels.

For and on behalf of the Board of Directors

-sd- Badal Mittal Managing Director (DIN: 00076143)	-sd- Anil Mittal Director (DIN: 00040337)
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Regd. Off: M.I.D.C. Paithan  
Dist. Aurangabad: 431 148  
Maharashtra

Date: 30<sup>th</sup> May, 2014



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
AURANGABAD PAPER MILLS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of AURANGABAD PAPER MILLS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for 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 Standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

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- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss Account, of the **LOSS** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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, 2003("the Order") issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub Section (3C) of Section 211 read with General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
  - e) on the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Directors in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956.

**For Sunil Advade & Co.**

Chartered Accountants

FRN: 121360W

-Sd/-

**Sunil Shivram Advade**

(Proprietor)

Membership No. :109964

Place: Mumbai

Date: 30<sup>th</sup> May, 2014



## AURANGABAD PAPER MILLS LIMITED

**The Annexure referred to in Paragraph 1 of our Report of even date to the Members of  
AURANGABAD PAPER MILLS LIMITED on the Accounts of the Company for the year ended 31st March, 2014.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the Management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed of during the period, in our opinion, do not constitute a substantial part of the fixed assets of the company and such disposal has, in our opinion not affected the going concern status of the company.
2. (a) As explained to us, inventories have been physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, 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) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the Management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the other sub clauses are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the Management, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under Section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the Management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. In our opinion and as per information & explanation given by the Management, maintenance of cost records provisions of

- clauses (a) and (b) are not applicable to the Company.
9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate Authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
  10. In our Opinion, the Company has accumulated losses at the end of the Financial Year and has incurred cash loss during the Financial Year covered by our audit as well as in the immediately preceding the financial year.
  11. Based on our audit procedures and on the information and explanations given by the Management, we are of the opinion that, the Company has not defaulted in repayment of dues to a Financial Institution, Bank or Debenture holders during the Financial Year covered by our audit.
  12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. The Company is not a Chit Fund or a Nidhi /Mutual Benefit Fund/Society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
  14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments. Therefore, the provisions of the clauses are not applicable to the Company.
  15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
  16. Based on our audit procedures and on the information given by the Management, we report that the company has not raised any term loans during the year.
  17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
  18. Based on the audit procedures performed and the information and explanations given to us by the Management, we report that the Company has not made any preferential allotment of shares during the year.
  19. The Company has no outstanding debentures during the period under audit.
  20. The Company has not raised any money by public issue during the year.
  21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the Management.

**For Sunil Adavade & Co.**  
Chartered Accountants  
FRN: 121360W

-Sd/-  
**Sunil Shivram Adavade**  
(Proprietor)  
Membership No. :109964

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014



# **AURANGABAD PAPER MILLS LIMITED**

## **BALANCE SHEET AS AT 31ST MARCH, 2014**

	Note	As At 31 <sup>st</sup> March, 2014 ₹	As At 31 <sup>st</sup> March, 2013 ₹
<b>A. EQUITY AND LIABILITIES :</b>			
1. Shareholders Funds :			
(a) Share capital	1	61,207,380	61,207,380
(b) Reserves and surplus	2	(173,350,888)	(63,790,793)
		(112,143,508)	2,583,413
2. Share application money pending allotment :	-	-	-
3. Non-current liabilities :			
(a) Long-term borrowings	3	225,714,696	264,036,782
(b) Other long term liabilities	4	-	-
		225,714,696	264,036,782
4. Current liabilities :			
(a) Short-term borrowings		-	-
(b) Trade payables	5	383,791	6,091,480
(c) Other current liabilities	6	1,619,785	899,956
(d) Short-term provisions		-	-
<b>TOTAL</b>		<b>115,574,764</b>	<b>268,444,805</b>
<b>B. ASSETS</b>			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	76,748,128	236,715,115
(ii) Intangible assets		-	-
(iii) Capital work-in progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	15,500	15,500
(c) Long-term loans and advances	9	17,987,366	14,701,166
(d) Other Non-current assets	10	904,829	904,829
		18,907,695	15,621,495
2. Current assets			
(a) Current investments		-	-
(b) Inventories	11	14,583,845	14,583,844
(c) Trade receivables		-	-
(d) Cash and cash equivalents	12	5,335,096	1,474,351
(e) Short-term loans and advances		-	50,000
(f) Other currents assets		-	-
		19,918,941	16,108,195
<b>TOTAL</b>		<b>115,574,764</b>	<b>286,444,805</b>

Significant Accounting Policies  
Notes on Financial Statements

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AS PER OUR REPORT ATTACHED

**FOR SUNIL ADAVADE & CO.**

Chartered Accountant

**SUNIL ADAVADE, F.C.A.**

Proprietor

MEMBERSHIP NO. 109964

PLACE : MUMBAI

Date: 30<sup>th</sup> May, 2014

-sd-

**BADAL MITTAL**

Managing Director

-sd-

**ANIL MITTAL**

Director

PLACE : MUMBAI

Date: 30<sup>th</sup> May, 2014

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

	Note	As At 31 <sup>st</sup> March, 2014 ₹	As At 31 <sup>st</sup> March, 2013 ₹
1. Revenue from Operations (Gross)	13	0	0
Less : Excise duty			
Revenue from Operations (Net)		0	0
2. Other income	14	98,769	799,289
3. Total revenue(1 + 2)		98,769	799,289
4. Expenses			
(a) Cost of materials consumed		0	0
(b) Employee benefits expense	15	258,389	481,255
(c) Finance costs	16	5,178,214	4,888,058
(d) Depreciation and amortisation expense		0	0
(e) Other expense	17	4,320,061	5,086,420
Total expenses		9,756,664	10,455,733
5. Profit / (Loss) before Exceptional items (3-4)		(9,657,895)	(9,656,444)
6. Exceptional items		(99902200)	(543873)
Profit / (Loss) after Exceptional items (5+6)		(109560095)	(10200317)
6. Tax expense:			
(a) Current tax expense for current year		0	0
(b) (Less): MAT credit (where applicable)		0	0
(c) Current tax expense relating to prior years		0	0
(d) Net current tax expense		0	0
(e) Deferred tax		0	0
7. Profit / (Loss) for the year (6-7)		(10,95,60,095)	(1,02,00,317)
Earnings per Equity share face value (of ₹ 10/- each):			
I. Basic and Diluted in (₹) excluding exceptional items		(17)	(17)
II. Basic and Diluted in (₹) including exceptional items		(188)	(18)

Significant Accounting Policies and Notes to  
Financial Statements

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AS PER OUR REPORT ATTACHED

**FOR SUNIL ADAVADE & CO.**

Chartered Accountant

**SUNIL ADAVADE, F.C.A.**

Proprietor

MEMBERSHIP NO. 109964

PLACE : MUMBAI

Date: 30<sup>th</sup> May, 2014

-sd-

**BADAL MITTAL**

Managing Director

-sd-

**ANIL MITTAL**

Director

PLACE : MUMBAI

Date: 30<sup>th</sup> May, 2014



# AURANGABAD PAPER MILLS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	(₹ in Lacs) 2013 - 2014	(₹ in Lacs) 2012 - 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) before tax and extraordinary items:	(96.58)	(96.56)
<b>Adjustment for :</b>		
(a) Profit / (Loss) on sale of assets	0.00	0.00
(b) Dividend Income / Interest Income	0.00	0.00
(c) Interest & Finance charges	51.78	48.88
(d) Sundry Balances written Off / back	0.00	(7.74)
(e) Lease premium paid	0.22	0.22
	<b>(44.58)</b>	<b>(55.20)</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :</b>		
<b>Adjustment for :</b>		
(a) Trade and other receivables	(32.36)	20.89
(b) Inventories	0.00	0.00
(c) Trade and other payable	(49.88)	9.43
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(126.82)</b>	<b>(24.88)</b>
Interest & Finance charges	(51.78)	(48.88)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(178.60)</b>	<b>(73.76)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
(a) (Purchase) of Fixed assets	(0.55)	0.00
(b) Sale of Fixed Assets	600.98	116.40
(c) Dividend received	0.00	0.00
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>600.43</b>	<b>116.40</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(a) Repayment of Loans	(383.22)	(32.48)
(b) Proceeds from borrowings	0.00	0.00
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(383.22)</b>	<b>(32.48)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>38.61</b>	<b>10.14</b>
Cash and cash equivalents as at 01.04.2013 ( Opening Balance )	14.74	4.60
Cash and cash equivalents as at 31.03.2014 ( Closing Balance )	53.35	14.74
<b>Net Increase/ (Decrease) as disclosed above</b>	<b>38.61</b>	<b>10.14</b>

Note: All figures in brackets are outflows

PLACE : MUMBAI  
Date: 30<sup>th</sup> May, 2014

-sd-  
Badal Mittal  
Managing Director

-sd-  
Anil Mittal  
Director

### AUDITORS, CERTIFICATE

We have verified the above cash flow statement of Aurangabad Paper Mills Limited derived from the audited annual account for the year ended 31<sup>st</sup> March, 2014 and found the same to be drawn in accordance therewith and also with the requirements of the listing agreement with Stock Exchange.

FOR SUNIL ADAVADE & CO.  
Chartered Accountant

PLACE : MUMBAI  
Date: 30<sup>th</sup> May, 2014

SUNIL ADAVADE, F.C.A.  
Proprietor  
MEMBERSHIP NO. 109964

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014**  
**SIGNIFICANT ACCOUNTING POLICIES:**

**(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial Statements have been prepared and presented under the historical cost convention, in accordance with the accounting principles generally accepted in India and in accordance with the applicable Accounting Standards, Guidance Notes and the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 ("new Act"). The Company has not sold substantial part of the fixed assets during the year so the Balance Sheet has been prepared on going concern concept.

**(b) USE OF ESTIMATES:**

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and the disclosure of contingent liabilities on the date of Financial Statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

**(c) REVENUE RECOGNITION:**

- a. Sales are accounted on dispatch of products to customers.
- b. Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.

**(d) FIXED ASSETS AND DEPRECIATION:**

- a) Premium on Leasehold land is amortized over the period of lease.
- b) Depreciation is provided on Fixed Assets as under:
  - i) In respect of Buildings and Plant & Machinery - on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956 / Section 133 of the New Act, at the rates specified in Schedule XIV to the Companies Act, 1956, as revised by Notification No.GSR 756(E) dt.16.12.1993 of the Dept. of Company Affairs.
  - ii) In respect of all other Fixed Assets - on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956 / Section 133 of the New Act at the rates specified in Schedule XIV to the Companies Act, 1956, as revised by the Notification.
  - iii) In respect of additions to/deletions from the Fixed Assets on pro-rata basis with reference to the date of addition / deletion of the Asset.

Fixed Assets are stated at cost less depreciation/amortization. The Depreciation shown in Fixed Assets Schedule has been provided up to Financial Year ending on 31st March, 2000. In subsequent Financial Years- 1st April, 2000 till 31st March, 2014 no depreciation has been provided.

**(e) INVENTORIES:**

Stock of stores, spares, packing materials, coal, color and Chemicals and raw materials are valued after considering deterioration of quality and damage of raw materials, color & chemicals stores & spares, packing materials and coal have been written off on estimated basis. Finished goods are valued at lower of cost or net realizable value.



**(f) BORROWING COSTS:**

Interests and other borrowing costs attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Other borrowing costs are charged to the Profit and Loss Account.

**(g) TAXATION:**

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant Assessment Year.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization as per Accounting Standard 22 " Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India.

**(h) IMPAIRMENT OF ASSETS:**

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favorable change in the estimate of the recoverable amount.

**(i) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- a) A provision is recognized, if as a result of past event, the Company has a present legal obligation that can be measured reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.
- b) A disclosure for Contingent Liability is made when there is possible obligation or a present obligation that may, but probably will not, required outflow of resources. Where there is a possible obligation or present obligation where likelihood of outflow is remote, no provision or disclosure is made.
- c) Contingent assets are neither recognized nor disclosed in the Financial Statements.

**(j) LEASED ASSETS:**

Rentals and all other expenses in respect of leased assets are treated as revenue expenditure.

**(k) TREATMENT OF EXPENDITURE DURING CONSTRUCTION /EXPANSION PERIOD:**

- a. Expenditure during construction / expansion period are included under capital work in progress and the same is allocated to the respective Fixed Assets on the completion of construction/trial run period.
- b. Interest on borrowing for financing the acquisition of new fixed assets is capitalized till the completion of the project.

**Notes on Financial Statements for the year ended on 31st March, 2014****Note 1 Share Capital**

	As at 31 March, 2014		As at 31 March, 2013	
Particulars	Number of shares		Number of shares	
<b>(a) Authorised Share Capital:</b>				
Equity shares of ₹ 10/- each	5,825,000	58,250,000	5,825,000	58,250,000
Preference shares of ₹ 100/- each	217,500	21,750,000	217,500	21,750,000
<b>Total</b>	<b>6,042,500</b>	<b>80,000,000</b>	<b>6,042,500</b>	<b>80,000,000</b>
<b>(b) Issued, Subscribed and Paid up :</b>				
Equity shares of ₹ 10/- each	5,814,138	58,141,380	5,814,138	58,141,380
Cumulative Convertible Redeemable Preference shares of ₹ 100/- each	30,660	3,066,000	30,660	3,066,000
<b>Total</b>	<b>5,844,798</b>	<b>61,207,380</b>	<b>5,844,798</b>	<b>61,207,380</b>

**Details of shares held by each shareholder holding more than 5% shares:**

	As at 31 March, 2014		As at 31 March, 2013	
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Againi Investmnets Private Limited	8,83,866	15.20	8,83,866	15.20
Susmit Investments & Finance P Ltd	9,91,656	17.06	9,91,656	17.06
Shailabala K. Chaudhari	3,83,455	6.60	3,83,455	6.60

**The reconciliation of number of shares outstanding is set out below:**

	As at 31 March, 2014	As at 31 March, 2013
Particulars	Number of Shares	Number of Shares
Equity shares at the beginning of the year	58,14,138	58,14,138
Add: Shares issued on exercised on Employee Stock Options	0	0
Less: Shares cancelled on buyback of Equity shares	0	0
<b>Equity shares at the end of the year</b>	<b>58,14,138</b>	<b>58,14,138</b>

**The reconciliation of number of shares outstanding is set out below :**

	As at 31 March, 2014	As at 31 March, 2013
Particulars	Number of Shares	Number of Shares
Cumulative Convertible Redeemable Preference shares at the beginning of the year	30,660	30,660
Add: Shares issued on exercised on Employee Stock Options	0	0
Less: Shares cancelled on buyback of Equity shares	0	0
<b>Cumulative Convertible Redeemable Preference shares at the end of the year</b>	<b>30,660</b>	<b>30,660</b>



## AURANGABAD PAPER MILLS LIMITED

### Notes on Financial Statements for the year ended on 31st March, 2014

Note 2 : Reserves and Surplus		As at 31 March, 2014	As at 31 March, 2013
Particulars		₹	₹
(k) Surplus / (Deficit) in Statement of Profit and Loss :			
Opening balance		(63,790,793)	(53,590,476)
Add: Profit / (Loss) for the year		(109,560,095)	(10,200,317)
Closing balance		(173,350,888)	(63,790,793)
<b>Total</b>		<b>(173,350,888)</b>	<b>(63,790,793)</b>

Note 3 : Long-Term Borrowings		As at 31 March, 2014	As at 31 March, 2013
Particulars		₹	₹
(a) Unsecured loans from Banks		32,399,557	32,221,643
(b) Unsecured Deferred payment liabilities		51,797,517	51,797,517
(c) Unsecured Loans and advances from Other parties		141,517,622	180,017,622
<b>Total</b>		<b>255,714,696</b>	<b>264,036,782</b>

**Note 3.1 : Long-term borrowings (contd.)** As at 31 March, 2014 As at 31 March, 2013  
Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment	Secured	Unsecured	Secured	Unsecured
Deferred sales tax Loan Interest free		0	51,797,517	0	51,797,517
<b>Total - Deferred payment liabilities</b>		<b>0</b>	<b>51,797,517</b>	<b>0</b>	<b>51,797,517</b>

(iv) Details of long-term borrowings guaranteed by some of the directors or others:

Loans from National Co-op. Bank Ltd	0	32,399,557	0	3,22,21,643
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Note 4 : Other long-term liabilities		As at 31 March, 2014	As at 31 March, 2013
Particulars		₹	₹
(a) Trade Payables: Sundry Creditors		-	-
(b) Other Liabilities		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

Note 5 : Trade payables		As at 31 March, 2014	As at 31 March, 2013
Particulars		₹	₹
Sundry Creditors		383,790	6,091,480
<b>Total</b>		<b>383,790</b>	<b>6,091,480</b>

Note 6 : Other Current Liabilities		As at 31 March, 2014	As at 31 March, 2013
Particulars		₹	₹
Other Liabilities		1,619,785	899,956
<b>Total</b>		<b>1,619,785</b>	<b>899,956</b>



**AURANGABAD PAPER MILLS LIMITED**

**Notes on Notes on Financial Statements for the year ended on 31st March, 2014**

**Note 7 : Fixed Assets**

DESCRIPTION	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AS AT 31.03.2013	ADDITIONS AS AT 31.03.2014	DEDUC- TIONS AS AT 31.03.2013	FOR THE YEAR DEDUC- TIONS AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
<b>TANGIBLE ASSETS:</b>						
<b>OWN ASSETS:</b>						
Buildings	86924381	0	86924381	0	0	66087122
Plant & Machinery	310399223	0	160000000	145794265	0	4604958
Furniture & Fixtures	5354032	0	5354032	3618627	0	1735405
Fire Fighting Equipments	1129542	0	0	922329	0	207213
Computers	83776	54758	0	1129542	0	83776
<b>SUB-TOTAL</b>	<b>403890954</b>	<b>54758</b>	<b>160000000</b>	<b>243945712</b>	<b>171172480</b>	<b>72773232</b>
<b>LEASEHOLD ASSETS:</b>						
Land	3996641	0	21745	3996641	0	3996641
<b>SUB-TOTAL</b>	<b>3996641</b>	<b>0</b>	<b>21745</b>	<b>3996641</b>	<b>0</b>	<b>3996641</b>
<b>TOTAL Rs. (A)</b>	<b>407887595</b>	<b>54758</b>	<b>160021745</b>	<b>247920608</b>	<b>171172480</b>	<b>76748128</b>
<b>INTANGIBLE ASSETS:</b>						
Technical Knowhow Fees	0	0	0	0	0	0
Software	0	0	0	0	0	0
Development Rights	0	0	0	0	0	0
Others	0	0	0	0	0	0
<b>TOTAL Rs. (B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL Rs. (A+B)</b>	<b>407887595</b>	<b>54758</b>	<b>160021745</b>	<b>247920608</b>	<b>171172480</b>	<b>76748128</b>
<b>PREVIOUS YEAR</b>	<b>420093740</b>	<b>0</b>	<b>12206145</b>	<b>407887595</b>	<b>171172480</b>	<b>236715115</b>



## AURANGABAD PAPER MILLS LIMITED

### Notes on Financial Statements for the year ended on 31st March, 2014

Note 8 : Non-current investments		As at 31 March, 2014			As at 31 March, 2013		
Particulars	Quoted ₹	Unquoted ₹	Total ₹	Quoted ₹	Unquoted ₹	Total ₹	
<b>Investments (At cost) :</b>							
(A) Trade Investments	0	0	0	0	0	0	0
<b>Total (A)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note 8 : Non-current investments (contd.)		As at 31 March, 2014			As at 31 March, 2013		
Particulars	Quoted ₹	Unquoted ₹	Total ₹	Quoted ₹	Unquoted ₹	Total ₹	
<b>(B) Other investments :</b>							
National Co-operative Bank Limited	-	1,250	12,500	0	1,250	12,500	
The Bombay Mercantile Bank Limited	-	100	3,000	-	100	3,000	
<b>Total - Other investments (B)</b>	<b>-</b>	<b>1,350</b>	<b>15,500</b>	<b>-</b>	<b>1,350</b>	<b>15,500</b>	
<b>Total (A+B)</b>	<b>-</b>	<b>1,350</b>	<b>15,500</b>	<b>-</b>	<b>1,350</b>	<b>15,500</b>	
Less: Provision for diminution in value of investments			-			-	
<b>Total</b>			<b>15,500</b>			<b>15,500</b>	
Aggregate amount of quoted investments	-		-	-		-	
Aggregate market value of listed and quoted investments	-		-	-		-	
Aggregate value of listed but not quoted investments	-		-	-		-	
Aggregate amount of unquoted investments		1,350	15,500		1,350	15,500	

Note 9 : Long-term loans and advances		As at 31 March, 2014		As at 31 March, 2013	
Particulars		₹		₹	
(a) Unsecured Loans and advances to employees		5,143,086		4,166,263	
(b) Other advances		9,101,608		9,101,608	
(c) Income tax Refund receivable		38,449		38,449	
(d) Unsecured Deposits with Government Authorities		3,694,847		1,394,847	
(e) Tax Deducted at source & advance taxes		9,376		0	
<b>Total</b>		<b>17,987,366</b>		<b>14,701,167</b>	

Note 10 : Other Non-Current assets		As at 31 March, 2014		As at 31 March, 2013	
Particulars		₹		₹	
<b>Unamortised expenses</b>					
(i) Share issue expenses		7,42,829		7,42,829	
(ii) Non- Convertible Debenture Issue Expenses		1,62,000		1,62,000	
<b>Total</b>		<b>9,04,829</b>		<b>9,04,829</b>	

**Notes on Financial Statements for the year ended on 31st March, 2014**

<b>Note 11 : Inventories</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
Stores & Spares	14,583,844	14,583,844
<b>Total</b>	<b>14,583,844</b>	<b>14,583,844</b>

<b>Note 12 : Cash and cash equivalents</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
(a) Cash on hand	599,718	302,776
(b) Balances with bank in current accounts	4,250,720	1,171,575
in deposit accounts	484,659	0
<b>Total</b>	<b>5,335,096</b>	<b>1,474,351</b>

<b>Note 13 : Revenue from operations</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
(a) Sale of products	0	0
(b) Other operating revenues ( Refer No (i) below )	98,769	7,99,289
	98,769	7,99,289
(c) <b>Less: Excise duty</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>98,769</b>	<b>7,99,289</b>
<b>(i) Other operating revenues comprise:</b>		
Sale of scrap	0	0
Duty drawback and other export incentives	0	0
Others (specify nature)	98,769	0
<b>Total - Other operating revenues</b>	<b>98,769</b>	<b>7,99,289</b>

<b>Note 14 : Other income</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
(a) Interest income	93,765	0
(b) Dividend income from long-term investments others	0	0
(c) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (i) below)	5,004	7,99,289
<b>Total</b>	<b>98,769</b>	<b>7,99,289</b>
<b>(i) Other non-operating income comprises:</b>		
Sundry Balances Written back	5,004	7,74,289
Spares & Stores restored	0	0
Miscellaneous income	0	25,000
<b>Total - Other non-operating income</b>	<b>5,004</b>	<b>7,99,289</b>

**AURANGABAD PAPER MILLS LIMITED****Notes on Financial Statements for the year ended on 31st March, 2014**

<b>Note 15 : Employee Benefits Expense</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
(a) Salaries and wages	171,317	422,138
(b) Contributions to provident and other funds	-	-
(c) Staff welfare expenses	87,072	59,117
<b>Total</b>	<b>258,389</b>	<b>481,255</b>

<b>Note 16 : Finance costs</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
(a) Interest Expense	5,177,914	4,887,447
(b) Other Borrowing Cost	300	611
(c) Bank Guarantee charges paid	-	-
<b>Total</b>	<b>5,178,214</b>	<b>4,888,058</b>

<b>Note 17 : Other expenses</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Particulars</b>	<b>₹</b>	<b>₹</b>
<b>(a) Manufacturing Expenses:</b>		
Rent including lease rentals	21,745	21,745
<b>(b) Selling and Distribution Expenses:</b>		
Advertisement and Publication	10,400	24,883
<b>(c) Establishment Expenses:</b>		
Rates and taxes	154,252	119,615
Communication, Postage & Courier charges	332,706	37,750
License Registration & Inspection	89,863	82,234
Travelling and conveyance	31,097	44,381
Sales tax paid	-	1,617,639
Excise duty paid	-	989,000
Printing and stationery	68,390	43,895
Legal and professional fees	443,573	957,927
Payments to Auditors	30,899	16,854
Repairs & Maintenance	493,495	1,49,059
Commission & Brokerage	200,000	-
Security charges	714,033	665,108
Processing fees	10,000	-
Miscellaneous expenses	1,055,530	-
Security charges	165,061	-
Processing fees	26,779	44,769
Miscellaneous expenses	472,238	271,561
<b>Total</b>	<b>4,320,061</b>	<b>5,086,420</b>

**18. NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014.**

**1. Since the plant was not in operation during the year:**

- i. No depreciation has been provided on Fixed Assets. (Previous year - NIL)
- ii. No Provision for Income Tax has been made for the Current Financial Year due to carried forward losses and accumulated Depreciation and as per the provisions of Section 115JB (Minimum Alternate Tax) of Income Tax Act, 1961 as applicable to Profit of Sick Industrial Company.
- iii. DEFERRED TAX LIABILITY:

In accordance with the Accounting Standard 22 "Accounting for taxes on Income" (AS 22) issued by the Institute of Chartered Accountants of India, deferred tax assets and liability should be recognized for all timing differences in accordance with said Standards. However, considering the present financial position and requirement of the Accounting Standard regarding certainty/virtual certainty, the same is not provided for as an asset (net). However, the same will be reassessed at a subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid Accounting Standard.

- iv. During the year the Company has sold Fixed Assets worth Rs. 16,00,00,000/- and has incurred a Loss on Sale of Fixed Assets of Rs. 9,99,02,200/-

**2. Contingent Liabilities not provided for:**

- i) Bills discounted with Banks Rs.2,11,283/- (Previous year Rs.2,11,283/-)
- ii) Excise Modvat set off Rs.6,62,799/- (Previous year Rs.6,62,799/-) claimed, by the Company but disallowed by Excise Authorities, the same is disputed in Appeal.
3. Debenture Redemption Reserve was created in the year 1995-96 in respect of years ended 31st March, 1993 and 31st March, 1994 amounting to Rs.33,33,400/-. However, due to absence of profits, the Company has not set apart any further amount to Debenture Redemption Reserve for the Financial Years ended 31st March 1995 to 31st March 2003 amounting to Rs.1,50,00,300/- in the aggregate.
4. Land includes Rs. 37,17,923/- ( Previous year Rs. 37,39,668/-) as leasehold land.
5. In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

Current Assets, Current Liabilities and Loans & Advances are subject to confirmation / reconciliation and consequential adjustments, if any.

6. There are no Micro, Small and Medium Enterprises to which the Company owes dues, which are outstanding as at the Balance sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the Auditors.



## AURANGABAD PAPER MILLS LIMITED

7. The Foreign Exchange Outflow during the year amounts to Rs. NIL (Previous Year: Rs. NIL)

**8. Auditor's Remuneration includes:**

	Current Year	Previous Year
Statutory Audit fees	Rs 15,000/-	Rs. 15,000/-

**9. EARNING PER SHARE:**

Particulars		As on 31.03.2014	As on 31.03.2013
Net (Loss) / Profit as per Profit & Loss Account available for Equity Shareholders	₹	(10,95,60,095)	(1,02,00,317)
Equity shares	Nos.	58,14,138	58,14,138
Weighted average number of equity shares outstanding during the year	Nos.	58,14,138	58,14,138
Earnings Per Share of ₹ 10 each (basic and diluted)	₹	(188.00)	(18.00)

**10. SEGMENT REPORTING:**

The Company is not having any sales during the year. Therefore, the question of segment reporting does not arise as defined by Accounting Standard 17 – "Segmental Reporting" issued by ICAI.

11. Previous Year's figures have been regrouped / reclassified where necessary, to conform to the current year's presentation.

**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

Name of the attending Member (in Block Letters)	Membership Folio Number
Name of Proxy (in Block Letters) [To be filled in if Proxy attends instead of the Member(s)]	Number of shares held

I hereby record my presence at the Thirty Nine Annual General Meeting of the Company being held on Saturday, 23rd August, 2014 at 10.30 a.m. at Regd. Office : MIDC, Paithan, Dist. Aurangabad - 431 148, Maharashtra.

Member's/Proxy's Signature  
(To be signed at the time of  
handing over the slip)

**Form No. MGT-11****Proxy form**

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

Name of the Company: Aurangabad Paper Mills Limited

CIN: L21000MH1974PLC017962

Registered office: M.I.D.C Paithan, Dist – Aurangabad- 431 148, Maharashtra.

Name(s) of the member(s):	_____
Registered address:	_____
Email Id:	_____
Folio No./Client Id:	_____
DP ID:	_____

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_, Address: \_\_\_\_\_, E-mail Id: \_\_\_\_\_, or failing him,
2. Name: \_\_\_\_\_, Address: \_\_\_\_\_, E-mail Id: \_\_\_\_\_, or failing him
3. Name: \_\_\_\_\_, Address: \_\_\_\_\_, E-mail Id: \_\_\_\_\_, as my proxy to

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Saturday the 23rd day of August, 2014 at 10.30 A.M. (S.T.) at the Registered Office of the Company at M.I.D.C Paithan, Dist – Aurangabad- 431 148, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

Sr. No.	Particulars	For	Against
1.	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2.	Appointment of a Director in place of Mr. Shankarlal G. Mittal, who retires by rotation but has not offered for re-appointment.		
3.	Appointment of Auditors and fixing their remuneration.		
4.	Appointment of Mrs. Seema Mittal as a Director of the Company.		
5.	Appointment of Mr. Anil Mittal as a Director of the Company.		
6.	Appointment of Mr. Badal Mittal as a Managing Director of the Company.		

Signed this ..... day of ..... 2014

Signature of  
shareholder:

Affix a  
1 Rupee  
Revenue  
Stamp

Signature(s) of Member(s)

Signature of Proxy holder(s): .....

- Note:**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
  2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.
  3. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

**BOOK POST**

*If undelivered, please return to :*  
**AURANGABAD PAPER MILLS LIMITED**  
MIDC, Palthan, Dist. Aurangabad - 431 148. Maharashtra.