



Ellora
PAPER MILLS LTD.

Nagpur Office :
379, Pt. Jawaharlal Nehru Marg,
Sitabuldi, Nagpur 440 012.
Ph.: 0712 2550496, 2550497
Fax : 0712 2550498
Email : ellorapaper@eth.net

To,
The General Manager
Listing Operation,
BSE Limited ,P.J. Tower,
Dalal Street, Fort,
Mumbai – 400 001

Subject: Annual Report of the Company for the Year ended on 31st March 2013.

Scrip ID: ELLOPAP
Scrip Code: 502374

Dear Sir,

With reference to captioned subject, please find enclosed herewith Annual Report of the Company for the year ended on 31st March 2013.

You are kindly requested to take it on your records and acknowledge it.

Thanking You
Yours Faithfully,

Sudhir Goenka
Managing Director
DIN: 0178189

Mumbai Office : Packing Paper Products Compound, M.I.D.C. Area, B-Cross Road, Andheri (East), Mumbai 400 093
Phone No. : 022 - 24530007 24530008 24530009, 24530010, Fax : 022 - 24530055
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Works : Devada Khurd, Post : Tumsar 441 912 Dist Bhandara (Maharashtra)
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ELLORA PAPER MILLS LIMITED

38th ANNUAL REPORT

2012-13

ELLORA PAPER MILLS LIMITED

38th Annual Report 2012-13

Board of Directors : Shri C. P. Goenka - Managing Director
: Shri Sudhir Goenka - Executive Director
: Shri Sandeep Goenka - Director

Bankers : State Bank of India

Statutory Auditors : M/s. Bhattad Rathi & Co.,
Chartered Accountants
Ramdaspath, Nagpur-440010

Registered Office : 379, Pandit Jawaharlal Nehru Marg,
Ashoka Vault Building, Sitabuldi
Nagpur – 440 012

Factory : Village : Dewada Khurd; Post: Tumsar
District: Bhandara;
State: Maharashtra – 441 912

**Registrar &
Transfer Agent** : Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai – 400 072

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of Ellora Paper Mills Limited will be held on Monday 30th September 2013, at 11:00 A.M. at the Registered Office of the company at 379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi, Nagpur – 440 012 to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013, the statement of Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon.
- 2) To appoint R.S Bhattad & Associates in place of retiring Auditors Bhattad Rathi & Co. and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 224 of the Companies Act, 1956, M/s. R .S. Bhattad & Associates, Chartered Accountants, Nagpur be and is hereby appointed as Statutory Auditor of the Company to hold the office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on a remuneration as may be agreed upon between the Board of Directors and Auditors."
- 3) Shri Sudhir Goenka, Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. being eligible, offered himself for reappointment

**For and behalf of Board of Directors of
ELLORA PAPER MILLS LIMITED**

**2nd September, 2013
Nagpur**

**Sd/-
Sudhir Goenka
Executive Director**

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 a proxy need not be a member of the company. The instrument appointing proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the 38th Annual General Meeting of the Company.
- 2) The register of members of the Company will remain closed from 25th September, 2013 to 30th September, 2013 (both days inclusive).
- 3) Corporate members intending to send their authorised representatives to attend the 38th Annual General Meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 4) Members are requested to notify immediately the change, if any, in their registered address.
- 5) Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the Annual General Meeting.

REPORT OF THE BOARD OF DIRECTOR'S TO THE MEMBERS

**To,
The Shareholders of
Ellora Paper Mills Limited**

The Directors hereby present the 38th Annual Report along with the Audited Balance Sheet of your Company as at 31st March, 2013 and the statement of Profit and Loss for the year ended on that date. The summarized financial results for the year are as follows:

Particulars	2012-13(Rs)	2011-12 (Rs)
Sales/Revenue	18,04,85,661	23,78,65,679
Other Operating Income	15,36,69,385	49,59,345
Profit/(Loss) Before Interest, Depreciation, Extraordinary Items and Taxes	5,07,25,668	(1,14,59,045)
Less: Interest	13,20,097	36,69,145
Depreciation	1,11,94,705	1,29,17,701
Profit/(Loss) Before Extraordinary Items and Taxes	3,82,10,866	(2,80,45,891)
Less: Extraordinary item	-	-
Profit/(Loss) Before Tax	3,82,10,866	(2,80,45,891)
Less : Tax Expenses		
• Current Tax	17,48,324	-
• Deferred Tax Expenses/ (Income)	2,56,18,523	(42,74,073)
Profit/(Loss) after tax for the year	1,08,44,019	(2,37,71,818)
Add : Excess provision of earlier years written back	-	-
Profit/(Loss) carried forward to Balance Sheet	1,08,44,019	(2,37,71,818)
Basis and Diluted EPS (In Rs)	5.42	(11.89)

REVIEW OF OPERATION

During the year under review, the Company has posted sales turnover of Rs. 1804.86 lacs as against Rs. 2378.66 lacs during the previous year. The paper plant division production was down at 6,101 MT as compared to previous financial year 2011-2012 for 7,968.00 tons. The Company is confident of increasing its production of paper and reducing downtime thereby increasing the efficiency and also to generate revenue by utilizing the best capacity available with the Company.

PUBLIC DEPOSITS

During the period under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under

DIVIDEND

Your Directors feel that it is prudent to plough back the profit and conserve the resources for the future operation and growth of the Company and therefore Board of Directors do not recommend any dividend for the year 2012-2013.

SAFETY AND POLLUTION CONTROL

The Company continues to give top priority to safety and pollution control aspects. It has strictly been following the requisite guidelines as received from Pollution Control Board from time to time.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Information in accordance with the provisions of section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo is given in **“Annexure A”** forming part of this Report.

Ellora Paper Mills Limited

PERSONNEL

During the year under review, there were no employees drawing remuneration in excess of the prescribed limits and whose particulars are required to be given in compliance with the provisions contained in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Hence the same statement has not been attached.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (a) In the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed.
- (b) Appropriate accounting policies have been selected and applied consistently and have 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 for the year under review.
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The annual accounts have been prepared on a going concern basis.

DIRECTORS

Shri Sunil Goenka, Director of the Company is retired in the 37th Annual General Meeting of the Company held on 29th September, 2012. Shri Sudhir Goenka, Executive Director of the Company who is liable to retire by rotation in the ensuing 38th Annual General Meeting, being eligible offered himself for re-appointment.

AUDITORS' REPORT

Auditors' Report for the year ended 31st March, 2013 is attached hereunder which is self explanatory.

APPOINTMENT OF STATUTORY AUDITORS

M/s Bhattad Rathi & Co., Chartered Accountants, Nagpur, Statutory Auditors of the Company retires at the ensuing Annual General Meeting and have not offered himself for reappointment as Statutory Auditors of Company for the financial year 2013-14.

The board proposed to appoint M/s R.S Bhattad and Associates, Chartered Accountants, Nagpur, to appoint as Statutory Auditors of the company in the ensuing Annual General Meeting for financial year 2013-14 who shall hold office of Statutory Auditors till the conclusion of the next Annual General Meeting.

M/s R.S Bhattad and Associates, Chartered Accountants, Nagpur, have confirmed that they are eligible for the appointment and their appointment, if confirmed, shall be within the specified limits as stipulated under Section 224(1B) of the Companies Act, 1956. The Members are requested to appoint M/s R.S Bhattad and Associates, Chartered Accountants, Nagpur, as the Statutory Auditors of the Company

COST AUDIT

The Cost Audit of the Cost Accounts of the Company for the year ended on 31st March, 2013, is being carried out by M/S G. R. Paliwal & Co, Cost Accountants, Nagpur. They will submit their report on completion of the audit to the Central Government as required under the relevant rules.

Ellora Paper Mills Limited

LISTING OF SHARES

The equity shares of the company are listed on The Bombay Stock Exchange Limited, Mumbai. They are also dematerialized and made live in the CDSL and NSDL systems. M/s. Bigshare Services Private Limited have been appointed as the R & T Agent of the company. Shareholders may contact them at “ E-2/3, Ansa Industrial Estate , Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400072” regarding transfer, dematerialization, etc., of shares.

SECRETARIAL COMPLIANCE CERTIFICATE:

Pursuant to section 383A of the Companies Act, 1956, a secretarial compliance certificate issued by Mr. Sunil Zore, Practicing Company Secretary is furnished as “**Annexure B**” forming part of this Report.

ACKNOWLEDGEMENTS:

Your Directors express their gratitude to the Government of India, Government of Maharashtra, Bankers and Valued Customers for their continuing goodwill and support to the Company.

Your Directors wish to place on record their deep appreciation for the dedication and loyalty shown by the officers, staff members and workers of the Company. Your Directors sincerely acknowledge the continued trust and confidence you, the shareholders, have placed in the Company.

**By order of the Board
For ELLORA PAPER MILLS LIMITED**

**NAGPUR
2nd September, 2013**

**C.P. Goenka
MANAGING DIRECTOR**

**Sudhir Goenka
EXECUTIVE DIRECTOR**

Information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

1. CONSERVATION OF ENERGY:

(a) Energy consumption in total and per unit of production in form "A".

FORM – A

Form for disclosure of particulars with respect to conservation of energy

Particulars	Unit	2012-13	2011-12
(A) Power and Fuel Consumption			
1 Electricity			
a. Purchase Units	KWH	5336300	6713846
Total Cost	Rs.(In	346.34	377.13
Rate / Unit	lacs)	6.49	5.62
b. Own Generation	Rs./KWH	-	289020
	KWH		
2 Coal			
(Grade B,C or ROM depending upon availability)			
Quantity	M.T.	82	342
Total Cost	Rs. In lacs	10.07	10.07
Average Rate	Rs./MT	3013	30.13
3 Furnace Oil		NIL	NIL
4 Others/Internal Generation			
Rice Husk			
Quantity	M.T.	4557	6178
Total Cost	Rs. In lacs	169.51	169.51
Average Rate	Rs./MT	2744	2744
(B) Consumption per unit of production–Paper (M.T.)			
Particulars	Unit	2012-2013	2011-2012
Electricity	KWH	879	879
Furnace Oil	M.T.	NIL	NIL
Coal	M.T.	0.043	0.043
Rice Husk	M.T.	0.78	0.78

II. TECHNOLOGY ABSORPTION

a. Research & Development (R&D) absorption of Technology

The Company has no separate R&D Department
The Company has not imported any technology.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs.in Lacs)

	2012-2013	2011-2012
a. Foreign Exchange Earnings	Nil	NIL
b. Foreign Exchange Outgo	Nil	NIL

**ANNEXURE 'B' TO THE DIRECTORS' REPORT
SECRETARIAL COMPLIANCE CERTIFICATE**

Registration No. of the Company: 11-019972

Nominal Capital: Rs. 3,00,00,000/-

Paid-up Capital: Rs. 1,99,36,750/-

The Members

ELLORA PAPER MILLS LIMITED

Nagpur (M.S.)

I have examined the registers, records, books and papers of **ELLORA PAPER MILLS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2013 (financial year from 01.04.2012 to 31.03.2013). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate as per provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies / Central Government / Regional Director / Company Law Board or other authorities within the time prescribed under the Act,
3. The Company being a public limited Company, the company has minimum number of shareholder and minimum prescribed paid up capital.
4. The Board of Directors duly met 5 (Five) times respectively on 28.05.2012, 13.06.2012, 13.08.2012, 14.11.2012, 04.02.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members for the period of five days from 25.09.2012 to 29.09.2012 (both days inclusive) during the financial year and has complied with the requirements of section 154 of the Act.
6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 29.09.2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the financial year.
9. The Company has complied with the provisions of section 297 of the Act in respect of contracts specified in that section.

10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfer or transmission in accordance with the provisions of the Act during the financial year. There was no allotment of shares during the financial year.

(ii) The Company was not required to deposit any amount in a separate bank Account as no dividend was declared during the financial year.

(iii) The Company was not required to post warrants for dividends to any members of the Company.

(iv) The Company was not required to transfer any amounts in Investor Education and Protection Fund as there were no outstanding balances in unpaid dividend account or application money due for refund or matured deposits or matured debentures and interest accrued thereon which have remained unclaimed or unpaid for the period of seven years.

(v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the re-appointment of Director retiring by rotation has been duly made.
15. The Company has not appointed any Managing Director/Whole Time Director / Manager during the financial year..
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As there were no outstanding preference shares or debentures, question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

23. The Company has not accepted public deposits within the meaning of 58A of the Act read with the Companies (Acceptance of Deposits) Rules, 1975.
24. The Company has not made any borrowings during the financial year.
25. The Company has made loans or advances but has not given any guarantees or provided securities to other bodies corporate and has made necessary entries in the Register kept for the purpose. The Company has not complied with the provisions of section 372A of the Act in that behalf.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny..
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund. As such , the Company has not constituted any specific Fund / Trust for the said purpose and hence, the provisions of section 418 of the Act are not applicable.

Date : 2nd September, 2013
Place : Nagpur

Sd/-
CS Sunil Zore
Practicing Company Secretary
ACS 22144 (CP No. 11837)

ANNEXURE 'A' TO SECRETARIAL COMPLIANCE CERTIFICATE

Registers as maintained by the Company

1. Register of Members under section 150 of the Act.
2. Copies of Annual Return under section 163 of the Act.
3. Minutes Book containing minutes of Board Meetings and General Meetings under section 193 of the Act.
4. Books of Accounts under section 209 of the Act.
5. Register of contracts / Companies and firms in which directors etc. are interested under section 301 of the Act.
6. Register of Directors, Managing Directors/Manager/Secretary under section 303 of the Act.
7. Register of Directors' Shareholdings under section 307 of the Act.
8. Register of investments or loans made, guarantee or security provided under section 372A of the Act.
9. Register of charges under section 143 of the Act
10. Register of Deposits under section 58A and Deposit Rules

Apart from above, the Company has also maintained all the requisite statutory registers, books, returns, etc. to be kept or maintained by the Company in terms of various provisions of the Act/Rules. Nevertheless, there were no entries/transactions to be recorded therein during the financial year.

Date : 2nd September, 2013
Place : Nagpur

Sd/-
CS Sunil Zore
Practicing Company Secretary
ACS 22144 (CP No. 11837)

ANNEXURE 'B' TO SECRETARIAL COMPLIANCE CERTIFICATE

Forms and returns as filed by the Company with the Registrar of Companies/Regional Director/Central Government /other authorities during the Financial Year ending on 31st March, 2013:

With Registrar of Companies, Maharashtra

Form 23C regarding application to the Central Government for appointment of Cost Auditor in respect of financial year 2012-13 was duly e-filed under section 233B(2) of the Act on 26/06/2012 vide Challan No. S08864829.

Date : 2nd September, 2013
Place : Nagpur

Sd/-
CS Sunil Zore
Practicing Company Secretary
ACS 22144 (CP No. 11837)

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF ELLORA PAPER MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ELLORA PAPER MILLS LIMITED, ("the Company") which comprise the Balance Sheet as at 31st March 2013, 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 and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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.

Auditors' 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 misstatements.

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 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 :

- (a) In the case of Balance Sheet, of the State of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit & Loss, of the Profit 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.

Ellora Paper Mills Limited

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 section 227 (4A) of the Companies Act, 1956 of India and on the basis of such checks we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e. On the basis of the written representations received from the Director's as on March, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Bhattad Rathi & Co.
Firm Reg. No. 101353W
Chartered Accountants

Nagpur,
2nd September 2013

R.S. Bhattad
Partner M.No. 014999

Ellora Paper Mills Limited

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the management according to a phased program designed to cover all the items over a period of one year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, a physical verification was carried out during the year and we were informed that no material discrepancies were noticed on such verification.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory of the Company has been physically verified by the management during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
3. (a) The Company has not granted unsecured loans and Inter-corporate deposits to companies covered in the register maintained under section 301 of the Act. Hence, the provisions of Clause (3) (a), (b), (c), (d) of Paragraph 4 are not applicable to Company.
- (b) The Company has not taken unsecured loans and Inter-corporate deposits from companies covered in the register maintained under section 301 of the Act. Hence, the provisions of Clause (3) (e), (f), (g), of Paragraph 4 are not applicable to Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination and information and according to the explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.

Ellora Paper Mills Limited

5. a) In our opinion and according to the information and explanations given to us, the transactions, that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act, and exceeding the value of five lac rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under. Therefore, the provisions of Section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public are not applicable to the Company.
7. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records has been prescribed under Section 209 (1) (d) of the Act. We are of the opinion, that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
8. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
(b) According to the information and explanations given to us, no arrears of undisputed provident Fund dues as at 31st March 2013 are remaining unpaid.
(c) According to the information and explanations given to us, there are no dues in respect of sales tax, income tax, customs duty and cess, which, have not been deposited on account of any dispute.
9. The Company has no accumulated losses as at 31st Mach, 2013. The Company has not incurred cash loss during the financial year but has incurred cash losses in the immediately preceding financial year.
10. Based on our audit procedures and on the information and explanations given by the management, in our opinion, the company has not defaulted in repayment of dues to any bank or financial institution as at the balance sheet date.
11. The Company has not granted any loans and advances on the basis of Security by way of pledge of shares, debentures and other securities.
12. The Company is not a Chit Fund, nidhi, mutual benefit fund or a society. Accordingly clause 4(xiii) of the Order is not applicable.
13. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the Order is not applicable.

Ellora Paper Mills Limited

14. The Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions, whereof, in our opinion, are prima facie prejudicial to the interest of the Company.
15. In our opinion and according to the information and explanations given to us and on an overall examination, the term loans have been applied for the purpose for which they were raised.
16. According to the information and explanation given to us, the Company has not raised any funds on short term basis. All assets have been funded by Shareholder's Funds.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
18. The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
19. The Company has not raised any money by public issue during the year. Accordingly clause 4(xx) of the Order is not applicable.
20. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Bhattad Rathi & Co.**
Firm Reg. No. 101353W
Chartered Accountants

Nagpur,
2nd September 2013

R.S. Bhattad Partner
Membership. No.
014999

Balance Sheet as at 31st March 2013

Figures in Rupees

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	3	1,99,36,750	1,99,36,750
(b) Reserves and Surplus	4	2,32,08,511	1,23,64,492
2 Non Current Liabilities			
(a) Long Term Borrowings	5	1,51,69,626	1,57,39,936
(b) Long Term Provisions	6	1,35,75,602	1,24,61,601
3 Current Liabilities			
(a) Short Term Borrowings	7	3,42,00,000	3,42,00,000
(b) Trade Payables	8	1,79,36,618	48,08,524
(c) Other Current Liabilities	9	2,24,57,845	16,41,57,964
(d) Short Term Provision	10	27,39,292	7,90,968
TOTAL		14,92,24,244	26,44,60,235
II. ASSETS			
1 Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	10,24,68,861	15,15,79,432
(iii) Capital Work in Progress		17,52,129	17,52,129
		10,42,20,990	15,33,31,561
(b) Non Current Investment	12	50,000	45,000
(c) Long Term Loans and Advances	13	42,79,010	29,81,310
(d) Deferred Tax assets (Net)	14	(1,92,31,844)	63,86,680
2 Current Assets			
(a) Inventories	15	45,19,281	2,19,73,331
(b) Trade Receivables	16	1,62,94,173	3,98,00,341
(c) Cash and Cash Equivalents	17	38,93,233	1,99,41,002
(d) Short Term Loans & Advances	18	3,51,99,401	2,00,01,010
TOTAL		14,92,24,244	26,44,60,235

Corporate information & Significant Accounting Policies

1 & 2

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date
For and on behalf of
Bhattad Rathi & Co.
Firm Regn. No. 101353W
Chartered Accountants

R.S. Bhattad
Partner
M.NO. 014999
Nagpur
02nd September 2013

For & on behalf of Board of Directors
Ellora Paper Mills Limited

C.P. Goenka
Managing Director

Sudhir Goenka
Executive Director

Statement of Profit and Loss for the year ended 31st March 2013			
Figures in Rupees			
Particulars	Notes	Year ended 31st March 2013	Year ended 31st March 2012
I. Revenue From Operations	19	18,04,85,661	23,78,65,679
II. Other Income	20	15,36,69,385	49,59,345
III. Total Revenue (I+II)		33,41,55,046	24,28,25,024
IV. Expenses			
(a) Cost of Material Consumed	21	11,24,43,213	12,37,29,469
(b) Changes of Inventories	22	1,02,49,380	(89,307)
(c) Employee Benefits Expense	23	2,72,06,519	2,80,04,822
(d) Finance Cost	24	13,20,097	36,69,145
(e) Depreciation and Amortization Expenses	11	1,11,94,705	1,29,17,701
(f) Other Expenses	25	13,35,30,266	10,26,39,085
Total Expenditure (IV)		29,59,44,180	27,08,70,915
V. Profit/(Loss) Before Extraordinary Items and Tax (III-IV)		3,82,10,866	(2,80,45,891)
VI. Less : Extraordinary Item		-	-
VII. Profit/(Loss) Before Tax (V-VI)		3,82,10,866	(2,80,45,891)
VIII. Less Tax Expense:			
(a) Current Tax		17,48,324	-
(b) Deferred Tax expense / (income)		2,56,18,523	(42,74,073)
IX. Profit/(Loss) for the year		1,08,44,019	(2,37,71,818)
X. Add : Excess provision of earlier years written back		-	-
XI. Profit / (Loss)		1,08,44,019	(2,37,71,818)
XII. Basic and Diluted EPS (in `)	26	5.42	(11.89)
Corporate information & Summary of Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of

Bhattad Rathi & Co.

Firm Regn. No. 101353W

Chartered Accountants

R.S. Bhattad

Partner

M.NO. 014999

Nagpur

02nd September 2013

For & on behalf of Board of Directors

Ellora Paper Mills Limited

C.P. Goenka

Managing Director

Sudhir Goenka

Executive Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

		Figures in Rupees	
	For the Year ended 31st March 2013	For the Year ended 31st March 2012	
Cash flow operating activities			
Net profit / (Loss) before tax	3,82,10,866	(2,80,45,891)	
Adjustment for :			
Depreciation	1,11,94,705	1,29,17,701	
Loss / (Profit) on sale of assets	3,53,25,245	(66,620)	
Loss / (Profit) on sale of Investment		-	
Interest expenses	13,20,097	32,74,417	
Interest received	2,72,211	(16,25,599)	
Forfeiture of Advance Money	(15,16,41,720)	(15,46,749)	
Bad debt written off	1,32,71,252	8,47,793	
Operating Profit before working capital changes	(5,20,47,344)	(1,42,44,948)	
Adjustment for:			
Trade and Other receivable	(62,61,175)	4,60,72,553	
Inventories	1,74,54,050	1,17,92,572	
Trade Payable and other Liabilities	2,61,32,020	3,96,93,681	
Sub total	3,73,24,895	9,75,58,806	
Direct Tax (PAID) Refund	-	-	
Net cash flow Operating activities (A)	(1,47,22,449)	8,33,13,858	
Cash flow from investing activities			
Purchase of fixed assets	(4,91,379)	(53,61,771)	
Sale of fixed assets	30,82,000	1,94,05,222	
Purchase of Non current investments	(5,000)	-	
Interest received	(2,72,211)	14,00,364	
Net Cash flow from investing Activities (B)	23,13,410	1,54,43,815	
Cash flow from financing Activities			
Repayment of long term borrowing	(5,70,310)	3,76,000	
Repayment short term borrowing	-	(7,90,81,048)	
Interest Paid	(13,20,097)	(32,74,403)	
Net cash flow from financing activities (C)	(18,90,407)	(8,19,79,451)	
Net increase / Decrease in Cash & Cash Equivalent (A)+(B)+(C)	(1,42,99,446)	1,67,78,222	
Cash & Cash equivalent as at 1st April 2012	1,99,41,002	31,62,780	
Cash & Cash equivalent as at 31st March 2013	56,41,556	1,99,41,002	

Notes:

1) Cash flow statement has been prepared following the indirect method except in case of interest paid /received which have been considered on the basis of actual movement of cash with necessary adjustment in the corresponding assets and liabilities.

2) Cash and Cash equivalent consist of cash in hand and balance with banks.

As per our attached report of even date

For and on behalf of

Bhattad Rathi & Co.

Firm Regn. No. 101353W

Chartered Accountants

R.S. Bhattad

Partner

M.NO. 014999

Nagpur

02nd Sept 2013

For & on behalf of Board of Directors

Ellora Paper Mills Limited

C.P. Goenka

Managing Director

Sudhir Goenka

Executive Director

Note- 3 Share Capital		Figures in Rupees	
Particulars	As at 31st March 2013	As at 31st March 2012	
(A) Authorised			
28,00,000 (Previous Year 28,00,000) Equity Shares of 10 each	2,80,00,000	2,80,00,000	
2,00,000 unclassified shares of ₹ 10/- each	20,00,000	20,00,000	
Total	3,00,00,000	3,00,00,000	
Issued and Subscribed:			
20,00,000 (Previous Year 20,00,000) Equity Shares of 10 each.	2,00,00,000	2,00,00,000	
Total	2,00,00,000	2,00,00,000	
Paid Up Capital			
20,00,000 (Previous Year 20,00,000) Equity Shares of 10' each, fully paid up	2,00,00,000	2,00,00,000	
Less : In arrears (other than Directors)			
Allotment Money	(19,625)	(19,625)	
First & Final call Money	(43,625)	(43,625)	
Total	1,99,36,750	1,99,36,750	
(B) Reconciliation of number of shares outstanding at the beginning and at the end of reporting period			
Particulars	As at 31st March 2013	As at 31st March 2012	
No. of shares at the beginning of the year	20,00,000	20,00,000	
Add: Issue of shares during the year	-	-	
Less: Deduction during the year	-	-	
No. of shares at the end of the year	20,00,000	20,00,000	
(C) Details of Shareholding			
No. of Shares held by each Shareholder holding more than 5% shares			
Particulars	As at 31st March 2013		
	No. of Shares	% Held	
(i) Sudhir Goenka HUF	4,02,000	20.10%	
(ii) Sudhir Goenka karta of Huf	2,98,000	14.90%	
(iii) Savitri Exports Limited	2,00,000	10.00%	
(iv) Textile Agencies Limited	2,00,000	10.00%	
(v) IDBI Bank	2,50,950	12.55%	
Total	13,50,950	67.55%	
Particulars	As at 31st March 2012		
	No. of Shares	% Held	
(i) Sudhir Goenka HUF	4,02,000	20.10%	
(ii) Sudhir Goenka karta of Huf	2,98,000	14.90%	
(iii) Savitri Exports Limited	2,00,000	10.00%	
(iv) Textile Agencies Limited	2,00,000	10.00%	
(v) IDBI Bank	2,50,950	12.55%	
Total	13,50,950	67.55%	

Note- 4 Reserves & Surplus		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(i) General Reserve		
Balance as per last Balance Sheet	59,88,390	59,88,390
Add: Amount Transferred from Profit & Loss Account	-	-
	59,88,390	59,88,390
(ii) Profit & Loss Account		
Balance as per last Balance Sheet	63,76,102	3,01,47,920
Add: Profit/(Loss) as per statement of Profit and loss	1,08,44,019	(2,37,71,818)
	1,72,20,121	63,76,102
Total	2,32,08,511	1,23,64,492

Note- 5 Long Term Borrowings		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(A) Unsecured Loan		
(i) Interest free sales tax loan from SICOM Limited	-	10,36,787
(ii) Sales Tax deferral	1,51,69,626	1,47,03,149
Total	1,51,69,626	1,57,39,936

(B) Terms & conditions		
(i) The company received an interest free sales tax loan of ` 176.16 lacs from State Industrial and Investment Corporation of Maharashtra Limited during the period from 27.01.1981 to 15.03.1994. The loan is repayable after 18 years in three equal annual instalments from the date of disbursement. All the outstanding instalments of the said loan have been discounted @ 11 % p.a. The difference between the present value as of 31st March 2013 and 31st March 2012 is debited to Profit and loss account and shown as interest expense of ` 2.14 lacs.		
(ii) Sales tax amounting to ` 257.87 lacs was availed by the company during the period from April 2004 to April 2009 as Deferral. This liability is payable in instalments over the period of time spanning from April-2011 to April-2024. In order to present a realistic picture of the liability, the said liability had been reviewed and discounted at 11% per annum. The difference between the present value as of 31st March 2013 and 31st March 2012 is debited to Profit and loss account and shown as interest expense of ` 10.41 lacs.		
(C) Maturity profile and rate of interest:-		
Rate of Interest 11%		

Maturity	Figures in Rupees
2014-2015	8,24,418
2015-2016	9,42,124
2016-2018	30,52,688
2018-2025	1,03,50,396
Total	1,51,69,626

Note- 6 Long Term Provisions		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits (refer note 28)	1,35,75,602	1,24,61,601
Total	1,35,75,602	1,24,61,601
Note- 7 Short Term Borrowings		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(A) Unsecured		
(i) Rupee Loans from Body corporate*	3,42,00,000	3,42,00,000
Total	3,42,00,000	3,42,00,000
(C) Security		
(i) * Rupee loans received by the company is secured against pledging of Ellora Paper Mills Limited shares of Directors.		
Note- 8 Trade Payables		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
Sundry Creditors		
(i) Micro, Small and Medium Enterprises *	-	-
(ii) Payable to related parties	90,000	4,93,608
(iii) Other creditors	1,78,46,618	43,14,916
Total	1,79,36,618	48,08,524
* The Company has not received information from creditors regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and hence disclosure as required under the Companies Act,1956 relating to amounts unpaid as at the end of the period together with interest paid/payable thereon has not been given.		
Note- 9 Other Current Liabilities		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(i) Current Maturities of Long Term Debt	50,10,124	42,81,379
(ii) Advance from customer	-	14,75,00,000
(iii) Other Payables towards expenses**	1,74,47,721	1,23,76,585
Total	2,24,57,845	16,41,57,964
**During the year ended on 31st March 2013, the Company has unpaid sale tax liabilities of ` 40.94 lacs and excise duty liability of 72.13 Lacs		
** Includes statutory dues, security deposit employees dues and expenses accrued but not yet due		

Note- 10 Short Term Provisions

Figures in Rupees

Particulars	As at 31st March 2013 As at 31st March 2012	
	Provision for employee benefits (Leave encashment)	9,90,968
Provision for Taxes	17,48,324	
Total	27,39,292	7,90,968

Particulars of Assets	As at 01st April 2012	Additions	Deductions	As at 31st March 2013	As at 01st April 2012	Depreciation	Deletion	As at 31st March 2013	As at 31st March 2013	As at 31st March 2012
Land	32,93,772	-	-	32,93,772	-	-	-	-	32,93,772	32,92,337
Building	3,98,67,019	48,780	-	3,99,15,799	1,15,20,797	9,87,296	-	1,25,08,093	2,74,07,706	2,83,46,222
Plant & Machinery	22,32,47,363	4,35,749	4,53,16,787	17,83,66,325	12,35,48,930	78,59,738	1,89,69,587	11,24,39,081	6,59,27,244	9,96,99,868
Water Works Distribution System	21,88,527	-	-	21,88,527	21,62,254	1,655	-	21,63,909	24,618	26,273
Borewell	4,76,915	-	-	4,76,915	3,06,642	8,514	-	3,15,156	1,61,759	1,70,273
Furniture, Fixture & office Equipment	1,62,33,257	6,850	-	1,62,40,107	1,10,09,404	10,93,490	-	1,21,02,894	41,37,213	52,23,853
Drawing Equipment	14,695	-	-	14,695	14,618	14	-	14,632	63	77
Laboratory Equipemnt	4,56,485	-	-	4,56,485	3,07,895	20,669	-	3,28,564	1,27,921	1,48,590
Vehicles	87,99,497	-	11,24,763	76,74,734	69,44,360	1,89,094	8,28,331	63,05,123	13,69,611	18,55,137
Workshop & Construction Machinery	4,27,806	-	-	4,27,806	4,05,790	3,062	-	4,08,852	18,954	22,016
Co-Generation Power Plant	1,95,29,794	-	1,95,29,794	-	67,35,008	10,31,173	77,66,181	-	-	1,27,94,786
Total	31,45,35,130	4,91,379	6,59,71,344	24,90,55,165	16,29,55,698	1,11,94,705	2,75,64,099	14,65,86,304	10,24,68,861	15,15,79,432
Previous Year's Total	32,22,37,548	50,70,345	1,27,72,763	31,45,35,130	15,30,76,605	1,29,17,701	30,38,608	16,29,55,698	15,15,79,432	16,91,60,943

Note- 12 Non Current Investment		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
Investment in NSC	50,000	45,000
Total	50,000	45,000
Note- 13 Long Term Loans and Advances		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
Security Deposits (Unsecured and Considered Good)	42,79,010	29,81,310
Total	42,79,010	29,81,310
Note- 14 Deferred Tax Assets (Net)		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(A) Liabilities		
(i) Related to Fixed Assets	2,71,40,028	2,81,93,617
Total	2,71,40,028	2,81,93,617
(B) Assets		
(i) Gratuity provision disallowed under Income tax	42,12,128	38,50,635
(ii) Unabsorbed Losses	-	3,03,71,822
(iii) Leave encashment provision disallowed under Income tax	2,99,122	3,57,840
(iv) Disallowance u/s43B-Government Taxes	33,96,934	-
Total	79,08,184	3,45,80,297
Deferred Tax Assets (Net)	(1,92,31,844)	63,86,680
Note- 15 Inventories		
Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(i) Raw Materials	10,58,508	36,33,729
(ii) Finished Goods	4,31,167	88,06,747
(iii) Semi finished goods	-	18,73,800
(iv) Store and Spares	30,29,606	76,59,055
Total	45,19,281	2,19,73,331
In the opinion of the management, Inventories are of the value stated, if realised in the ordinary course of business.		

Note- 16 Trade Receivables

Figures in Rupees

Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(Unsecured and subject to confirmation)		
(i) Due for a period exceeding six months		
Considered Good	51,64,435	1,77,10,889
Considered Doubtful	-	-
	51,64,435	1,77,10,889
Less : Provision for Doubtful Debts	-	-
	51,64,435	1,77,10,889
(ii) Due for a period within six months		
Considered good	1,11,29,738	2,20,89,452
Considered Doubtful	-	-
	1,11,29,738	2,20,89,452
Less : Provision for Doubtful Debts	-	-
	1,11,29,738	2,20,89,452
Total	1,62,94,173	3,98,00,341

Note- 17 Cash and Bank Balances

Figures in Rupees

Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(i) Cash on Hand	11,351	93,826
(ii) Balance with Bank - Current account #	10,67,982	1,70,33,276
(iii) Fixed Deposit with Banks		
-Maturity more than 12 months	2,25,000	26,76,400
-Maturity less than 12 months	25,88,900	1,37,500
Total	38,93,233	1,99,41,002

Balance with Bank includes unclaimed Dividend of ` 0.4 lacs (31st March 2012 : ` 0.4 lacs)

Note- 18 Short Term Loans and Advances

Figures in Rupees

Particulars	Figures in Rupees	
	As at 31st March 2013	As at 31st March 2012
(Unsecured, Considered good and Subject to Confirmation)		
(i) Loans and Advances to related parties	15,69,200	15,50,000
(ii) Advance Recoverable in Cash or Kind #	2,23,52,043	72,28,010
(iii) Balance with Customs, Central Excise Authorities & Sale	1,05,67,028	1,05,39,091
(iv) Interest accrued but not yet due	2,25,235	2,25,235
(v) Advance Income Tax	4,85,895	4,58,674
Total	3,51,99,401	2,00,01,010

Includes fire insurance claim of ` 46.89 lacs (31st March 2012 : ` 3.57 lacs). The assessment of the fire loss of ` 812.98 lac in respect of Fixed asset has not, yet, been finalized by the Insurer.

In the opinion of the management, Loans and Advances are of the value stated, if realised in the ordinary course of business.

Note- 19 Revenue from Operations		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
Sales of Goods		
(i) Manufactured Goods	18,99,19,208	23,94,88,492
(ii) Traded Goods	-	49,483
	18,99,19,208	23,95,37,975
(iii) Less : Excise Duty recovered	(94,33,547)	(16,72,296)
Total	18,04,85,661	23,78,65,679

Note- 19 Particulars of Sale of Products

Note- 19 Particulars of Sale of Products		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(i) Paper product	18,99,19,208	23,16,34,886
(ii) Rice product	-	79,03,089
Total	18,99,19,208	23,95,37,975

Note- 20 Other Income

Note- 20 Other Income		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(i) Forfeiture of advance money	15,16,41,720	-
(iii) Interest Received	2,72,211	16,25,599
(iv) Balance Written Back	-	15,46,749
(v) Profit on sale of assets	-	66,620
(vii) Profit on sale of raw material	-	14,60,162
(viii) Other Miscellaneous Receipts	17,55,454	2,60,215
Total	15,36,69,385	49,59,345

Note- 21 Cost of Material Consumed

Note- 21 Cost of Material Consumed		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(i) Opening Stock of Raw Materials	30,26,944	1,26,51,824
(ii) Add: Purchases	11,04,74,777	12,27,61,114
(iii) Less: Cost of raw material sold	-	(86,56,525)
(iv) Less: Closing Stock of Raw Materials	(10,58,508)	(30,26,944)
Total	11,24,43,213	12,37,29,469

Note- 21 Particulars of Material consumed

Note- 21 Particulars of Material consumed		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(A) Imported		
(i) Waste paper	-	-
(ii) Rice paddy	-	-
(B) Indigenous		
(i) Waste paper	11,24,43,213	12,37,29,469
(ii) Rice paddy	-	-
Total	11,24,43,213	12,37,29,469

Note- 22 Changes in Inventories		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(i) At the end of the period		
Closing Stock of finished Goods & semi finished goods	(4,31,167)	(1,06,80,547)
(ii) At the beginning of the period		
Opening Stock of finished Goods & semi finished goods	1,06,80,547	1,05,91,240
(iii) Stock loss due to fire accident	-	-
Total	1,02,49,380	(89,307)

Note- 23 Employee Benefit Expense		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(A) (i) Salaries and wages	1,91,18,385	2,03,47,613
(ii) Contribution to provident and other funds	43,94,130	39,96,312
(iii) Staff Welfare Expenses	6,70,004	6,36,897
(iv) Remuneration to Managing Director		
a. Remuneration	15,00,000	15,00,000
b. Contribution to Provident Fund	1,80,000	1,80,000
c. Reimbursement of Medical Expenses / LTA	-	-
(v) Executive Director's Remuneration		
a. Remuneration	12,00,000	12,00,000
b. Contribution to Provident Fund	1,44,000	1,44,000
Total	2,72,06,519	2,80,04,822

Note- 24 Finance Cost		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(ii) Other Interest	13,20,097	32,74,417
Total	13,20,097	32,74,417

Note- 25 Other Expenses		
Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
(A) Manufacturing Expenses		
(i) Consumption of Store & Spares	1,03,26,057	1,59,87,479
(ii) Power and Fuel	4,84,74,317	5,55,70,548
(iii) Repair & Maintenance		
- Building	9,43,495	1,02,291
- Plant & Machinery	44,49,963	29,51,547
- Others	10,60,239	11,94,943
(iv) Other Manufacturing Expenses	54,91,125	35,42,983
Sub Total	7,07,45,196	7,93,49,791

(B) Administrative and Other Expenses		
(i) Rent	9,83,400	26,68,500
(ii) Rates and Taxes	8,14,615	11,23,777
(iii) Insurance	8,49,976	13,18,035
(iv) Printing and Stationary	96,732	91,865
(v) Telephone and Lease line Expenses	7,28,328	9,69,553
(vi) Travelling and Conveyance	19,32,297	31,40,028
(vii) Vehicle Maintenance	2,97,501	14,35,552
(viii) Legal and Professional Expenses	7,65,588	19,94,481
(ix) Payment to Auditors		
- Audit Fees	1,50,000	1,50,000
- Cost Audit	30,000	30,000
(x) Miscellaneous Administrative Expenses	24,66,428	33,88,382
(xi) Loss on sale of Fixed Assets (Net)	3,53,25,245	-
(xii) Bank Charges & Commission	32,001	3,94,728
Sub Total	4,44,72,111	1,67,04,901
(C) Selling and Distribution Expenses		
(i) Advertisement and Publicity	17,460	42,287
(ii) Commission	30,76,880	30,26,538
(iii) Sales Promotion Expenses	56,036	8,18,511
(iv) Freight and Forwarding Charges	4,30,510	14,57,814
(v) Cash discount	14,35,821	7,66,278
Sub Total	50,16,707	61,11,428
(D) Other Expenses		
(i) Balance Written off	1,32,71,252	8,47,793
(ii) Donation	25,000	19,900
Sub Total	1,32,96,252	8,67,693
Total	13,35,30,266	10,30,33,813

Note- 26 Earning Per Share

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Basic Earning Per Share		
(i) Net Profit After Tax (In Rupees)	1,08,44,019	(2,37,71,818)
(ii) Less: Expenses for Earlier Years Amount available for Equity	-	-
(iii) Shareholders (In Rupees) (A)	1,08,44,019	(2,37,71,818)
(iv) Weighted Average Number of Shares (B)	20,00,000	20,00,000
Basic & Diluted Earning Per Share of		
(v) ₹ 10/- Each (A)/(B)	5.42	(11.89)

Note- 27 Expenditure in Foreign Currency

Particulars	Figures in Rupees	
	Year ended 31st March 2013	Year ended 31st March 2012
Travelling	-	1,00,704
Total	-	1,00,704

Note- 29 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

(i) List of related parties where control exist and with whom transaction have taken place.

Sr.No. Name of Related Party

- 1 Ellora Plantation Limited
- 2 Brajeshwari Paper Traders
- 3 Eqube Academy Private Limited
- 4 Richards Pharma Lab Limited
- 5 Citizen Welfare Association
- 6 Benupick Paper Board Private Limited
- 7 Texline Agencies Limited

(ii) Key Management Personnel

Sr.No. Name of Key Managerial Personnel

- 1 Shri C.P Goenka , Managing Director
- 2 Shri Sudhir Goenka, Executive Director

(iii) Relatives & Enterprises of Key management personnel where transactions have taken place.

Sr.No. Name of Related Party

- 1 Smt. Kusum Goenka
- 2 Smt. Archana Goenka
- 3 Smt. Savitri Devi Goenka
- 4 Shri Ashok Dalmia
- 5 Ashok Dalmia HUF
- 6 Shri Parikshit Dalmia
- 7 Sudhir Goenka HUF
- 8 Ms. Twisha Goenka
- 9 Ms. Megha Goenka
- 10 Shri. Shashank Goenka
- 11 Shri. Sandeep Goenka
- 12 Shri. C.P. Goenka (HUF)
- 13 Lofty Vyapaar Private Limited

(IV) Transactions with Related Parties

For the period ended on 31st March 2013

Figures in Rupees

Sr.no.	Nature of Transaction	Key Managerial Personnel	Related Parties	Total
1	Interest paid on unsecured Loan (Previous year 2011-2012)	- (1,73,133)	- (8,74,892)	- (10,48,025)
2	Interest received (Previous year 2011-2012)	- -	- (10,57,633)	- (10,57,633)
3	Rent (Previous year 2011-2012)	- -	7,58,500 (9,18,000)	7,58,500 (9,18,000)
4	Remuneration & perks (Previous year 2011-2012)	30,24,000 (30,24,000)	- -	30,24,000 (30,24,000)
5	Pollution Prevention expenses (Previous year 2011-2012)	- -	- -	- -
6	Stores Purchases (Previous year 2011-2012)	- -	- -	- -
7	Unsecured Loan Given (Previous year 2011-2012)	50,000 (50,000)	15,00,000 (15,00,000)	15,50,000 (15,50,000)

Sr.no.	Nature of Transaction	Key Managerial	Related Parties	Total
8	Unsecured Loan received (Previous year 2011-2012)	-	(3,28,00,000)	(3,28,00,000)
9	Unsecured Loan taken (repaid) (Previous year 2011-2012)	(61,82,217)	(4,94,52,396)	(5,56,34,613)
10	Unsecured Loan given (repaid) (Previous year 2011-2012)	-	(3,30,00,000)	(3,30,00,000)
	Balances as at 31st March 2013	-	-	-
1	Loans and Advances (Previous year 2011-2012)	50,000 (50,000)	15,00,000 (15,00,000)	15,50,000 (15,50,000)
2	Sundry creditors (Previous year 2011-2012)	-	90,000 (4,93,608)	90,000 (4,93,608)
3	Unsecured Loan (Previous year 2011-2012)	-	-	-
				-

Note- 30 Contingent Liabilities and Commitments

Figures in Rupees

Particulars	As at 31st March	
	2013	2012
Contingent Liabilities		
Performance guarantees given by a bank	11,37,000	11,37,000
Total	<u>11,37,000</u>	<u>11,37,000</u>

Note- 31 Previous year figures

The previous year figures have been regrouped/reclassified /recasted/rearranged wherever necessary to correspond with the current year classification/disclosure.

As per our attached report of even date
For and on behalf of
Bhattad Rathi & Co.
Firm Regn. No. 101353W
Chartered Accountants

R.S. Bhattad
Partner
M.NO. 014999
Nagpur
02nd September 2013

For & on behalf of Board of Directors
Ellora Paper Mills Limited

C.P. Goenka
Managing Director

Sudhir Goenka
Executive Director

Notes to financial statements for the year ended 31st March 2013

Note – 1 : Corporate Information

Ellora Paper Mills Limited is a public Company domiciled in India and incorporated under the provision of the Companies Act, 1956. Its registered office is situated at 379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi, Nagpur- 440 012. Ellora Paper Mills Limited is engaged in the business of manufacture of paper products.

Note - 2: Significant accounting policies

a. Basis of preparation of financial statements

The Financial Statements are prepared on accrual basis under the historical cost convention, in conformity in all material aspects in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

b. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

c. Inventories

(i) Raw material, stores & spare parts, chemicals, coal and rice husk are stated at cost of acquisition (including freight etc.) or market value whichever is lower.

(ii) Finished Goods are valued at cost or market value whichever is lower.

(iii) Work in Process is stated at cost.

d. Fixed Assets

i) Fixed Assets (other than land) are stated at cost less accumulated depreciation. Plant & Machinery are stated at book value, cost comprises of purchase price and freight, duties, levies and all other incidentals attributable to bringing the asset to its working condition for its intended use.

ii) The carrying amounts are reviewed at each balance sheet date when required to assess whether they are required to be recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

iii) All project related expenditures viz. civil work, machine under erection, construction and erection materials, pre-operative expenditure incidental/attributable to construction of project, borrowing cost incurred prior to the date of commencement of commercial operation and trial run expenditure etc. are shown under Capital Work-in-Progress.

e. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised.

f. Impairment of Assets

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

g. Depreciation:

(i) The Company's practice is to provide the depreciation of Building, Plant & Machinery and Water Works Distribution System added prior to 2nd April, 1987 on Straight Line Method pursuant to circular No.1.1/1986-CLV No.14(50) 84 L.L.VI dated 21st May, 1986 issued by the Department of Company Affairs and in accordance with the Provisions of Section 205(2) (b) of the Companies Act, 1956 at the rates corresponding to the rates applicable under Income Tax Rules in force from time to time.

(ii) On all the additions made after 1st April 1987 towards Building, Plant & Machinery and Water Distribution System, the depreciation is provided on Straight Line Method as per the rates specified, and in the manner specified in Schedule XIV of the Companies Act, 1956. Pursuant to revision in the rates vide notification No.GSR 756 (E) dated 16.12.93 issued by the Ministry of Law, Justice and Company affairs depreciation has been calculated at revised rates on all additions made after the said date.

(iii) On remaining assets, the depreciation is provided on Written Down Value method as per the rates specified and in the manner specified in Schedule XIV of the Companies Act, 1956.

h. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

- i.) Revenue in relation to sale of goods is recognised on transfer of significant risks and rewards associated with ownership of the goods to the buyer for consideration.
- ii.) Interest income is recognised on the basis of its accrual as per the terms of the agreement.
- iii.) Dividend income is recognised when the right to receive the same is established.
- iv.) Other revenue is recognised when it is earned and no significant uncertainty exists as to its ultimate collection.

i. Investments

Current Investments are valued at lower of their cost and Net Realisable Value. Non-current investments are carried at cost. Provision for diminution in value of non-current investments is made only if such a decline is other than temporary in nature.

j. Employee Benefits

i.) Short term employee benefits are recognized as an expenses at the undiscounted amount in the profit and loss/ preoperative expenses of the period in which related service is rendered.

ii.) Post employment and long term employee benefits are recognized as an expense in the profit and loss/ pre- operative expenses for the period in which the employees has rendered services and other statutory requirements are met. The expense will be recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses in respect of post employment and other long term benefits are charged to the profit and loss account/ pre-operative expenses. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is unfunded.

iii.) Classification of provision for employee benefits into current and non-current is made on the basis of actuarial valuation report.

k. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

l. Foreign Exchange Transaction

i. The transactions of foreign exchange are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

ii. Monetary items denominated in foreign currencies at the year end are restated at year end rates.

iii. Non monetary foreign currency items are carried at cost.

m. Excise Duty and Sales Tax / Value Added Tax

Excise duty and Sales Tax / Value Added Tax in respect of goods manufactured by the Company and according to the method of accounting consistently followed, is accounted at the time of removal of goods from the factory for sale and captive consumption. This accounting practice, however, has no impact on the profit for the year.

n. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

o. Prior Period And Extraordinary Items

Prior period and extraordinary items and changes in accounting policies having material impact on the financial affairs of the company are disclosed.

p. Provision, Contingent Liabilities and Contingent Assets:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes to accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

q. Segment Reporting

Segment accounting policies are in line with the accounting policies of the Company. However, the following specific accounting policies have been followed for segment reporting:

The Company operates in two segments, viz. Manufacturing of Paper and Rice Milling. The Company has chosen these business segments as its primary segments considering the dominant source and nature of risks and returns and the internal organization and management structure.

(i) Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.

(ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Result. The expenses which relate to the Company as a whole and not allocable to segments, are included under "Unallocated expenditure".

(iii) Income, which relates to the Company, as a whole and not allocable to segments is included in "Unallocated Corporate Income".

(iv) Segment Assets and Liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Unallocated assets mainly comprise investments, unallocated loans and advances and, deferred revenue expenditure.

Note 28 Employee Retirement Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is unfunded. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

The following table summarises the components of net benefit expense recognized in the profit and loss account and the amounts recognized in the balance sheet.

1) Reconciliation of opening and closing balances of Defined Benefit Obligation (Gratuity)

	Figures in	
	As at 31st March 2013	As at 31st March 2012
Defined Benefit obligation at beginning of year	1,24,61,601	1,13,95,653
Current Service Cost	8,98,209	8,49,121
Interest cost on Defined benefit obligation	9,96,928	8,77,132
Expected Return on Plan Assets		
Net Actuarial Losses/(gains) recognized in the Year	(7,81,136)	2,02,695
Benefits paid	-	(8,63,000)
Defined benefit obligation at the end of year	1,35,75,602	1,24,61,601

2) Expenses recognised during the year (Gratuity)

	Figures in	
	As at 31st March 2013	As at 31st March 2012
Current Service Cost	8,98,209	8,49,121
Interest cost on Defined benefit obligation	9,96,928	8,77,132
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(gains) recognized in the Year	(7,81,136)	2,02,695
Net cost	11,14,001	19,28,948

3) Amount recognised in Balance sheet (Gratuity)

	Figures in	
	As at 31st March 2013	As at 31st March 2012
Liability	1,35,75,602	1,24,61,601
Assets		
Net Liability	1,35,75,602	1,24,61,601

4) The Principal assumptions used in determining gratuity obligations for the Company's plan are shown below (Gratuity):

	As at 31st March 2013	As at 31st March 2012
	(%)	(%)
Discount Rate	8.00%	8.00%
Expected Rate of Return on Assets	-	-
Rate of escalation in salary (per annum)	3.00%	3.00%

AUDITORS CERTIFICATE

The Board of Directors

ELLORA PAPER MILLS LTD., NAGPUR

We have examined the above Cash Flow Statement of M/s. Ellora Paper Mills Limited, for the year ended on 31st March 2013. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement with the Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 2th September, 2013 to the members of the Company.

**For Bhattad Rathi & Co.
Firm Regd. No. 101353W
Chartered Accountants**

**Sd/-
R.S. Bhattad
Partner
Membership .No. 014999**

**Nagpur,
2th September, 2013**

ELLORA PAPER MILLS LIMITED
379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur – 440 012

PROXY FORM

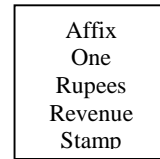
Regd. Folio. : _____

No. of Share : _____

I/We _____ of _____ in the district of _____ being a member/members of Ellora Paper Mills Limited hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ to act as my/our Proxy to attend and vote for me/us and on my/our behalf at the THIRTY EIGHT ANNUAL GENERAL MEETING of the Company, held at 379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur – 440 012 on Monday the 30th September, 2013 at 11.00 am . and at any adjournment thereof.

As WITNESS my hand / our hand this _____ day of _____ 2013

Signed by the said _____



NOTE : This proxy form duly completed must be received at the Company's registered Office at least 48 hours before the commencement of meeting.

ELLORA PAPER MILLS LIMITED
379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur – 440 012

ATTENDANCE SLIP
(To be handed over at the entrance of the Meeting hall)

Folio No./ Client Id _____

I certify that I am a registered Shareholder/beneficiary of the Company and hold _____ Equity shares.

I hereby record my presence at the THIRTY EIGHT ANNUAL GENERAL MEETING of the Company, Annual General Meeting held at 379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur – 440 012 on Monday the 30th September, 2013 at 11.00 am. and at any adjournment thereof.

Name of the Member/proxy in Block Letter

Member's/Proxy's signature

- NOTES:
1. A member/proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance duly signed.
 2. If you intend to appoint a proxy, please complete the proxy form given below and deposit it at the Company's Registered Office at least 48 hours before the meeting.