



Date 15.10.2018

To
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001

Dear Sir,

Sub: Submission of Annual Return for the F.Y 2017-18 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

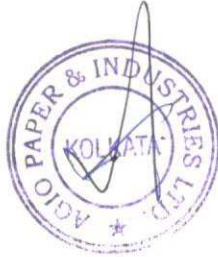
With reference to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith Annual Return of the company for the F.Y 2017-18.

Kindly take the same on records and do the needful.

Thanking you,

Yours faithfully
For AGIO PAPER & INDUSTRIES LTD


Anurag Gupta
Company Secretary



Regd. off.: Agio Paper & Industries Ltd.
505, Diamond Prestige
41A, A.J.C. Bose Road, Kolkata - 700 017
Phone : +91-33-6628 6654
E-mail : ho@agiopaper.com

Mill : Agio Paper & Industries Ltd
Village Dhenka, P.O. Damighat-Masturi
Bilaspur - 495 551 (Chhattisgarh)
Tele Fax: +91-7752-257 010
E-mail : mtl@agiopaper.com

CIN - L21090WB1984PLC037968

CORPORATE INFORMATION

Board of Directors Mr. Ankit Jalan - Executive Director Mr. Kamal Kumar Khetawat- Director Mrs. Mohini Agarwal - Director Mr. Neeraj Kichlu- Additional Director	Bankers Allahabad Bank Axis Bank State Bank of India
Key Managerial Personnel Mr. Ankit Jalan - CEO Mr. Rashmi Ranjan Debata - CFO	Registrar & Transfer Agent Maheshwari Datamatics Pvt. Ltd. 6 Mangoe Lane, Kolkata - 700 001 Ph. : (033) 2243 5809/5029
Statutory Auditors M/s.Jitendra K Agarwal & Associates Chartered Accountants 5-A, Nandalal Jew Road Kolkata - 700 026	Registered Office Agio Paper & Industries Ltd. 41A, AJC Bose Road Suite No. 505, Kolkata - 700 017 Phone : +91-33-6628 6654 Fax : +91-33-4022 5999 E-mail : cs.agiopaper@gmail.com
Secretarial Auditor Subhasis Bosu & Co. Company Secretaries 33/1, N. S. Road, Marshall House 8th Floor, R.No. 862 Kolkata - 700 001	Mill Village :Dhenka, P.O : Darrighat Masturi, Bilaspur - 495 551 Chhattisgarh Ph. : +91-7752-257 010 Fax : +91-7752-257 371

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NOTICE

NOTICE is hereby given that the Thirty third Annual General Meeting of the Members of Agio Paper & Industries Ltd. (CIN L21090WB1984PLC037968) will be held at Auditorium of Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23, R.N. Mukherjee Road, Kolkata – 700001 on Friday the 28th September, 2018 at 10:00 A. M. to transact the following Business:

Ordinary Business

1. To consider and adopt the audited financial statements of the Company for the year ended 31st March 2018, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Mr. Ankit Jalan (DIN: 02577501), who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of Messers Jitendra K Agarwal & Associates, Chartered Accountants, Statutory Auditors and to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s.Jitendra K Agarwal & Associates,, Chartered Accountants (ICAI Registration No.: 318086E), as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of 37th Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

Special Business

4. **Regularization of Independent Director Neeraj Kichlu (DIN: 05156014)**

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

"RESOLVED THAT in accordance with the provisions of Sections 152 and all other applicable provisions of the Companies Act, 2013 as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded for appointment of Mr. Neeraj Kichlu (DIN: 05156014) as Non-Executive Independent Director of the Company for a period of 5 Years from 21st March, 2018.

25th August, 2018

Registered Office:

41A, AJC Bose Road
Suite No. 505
Kolkata – 700 017

By Order of the Board
For Agio Paper & Industries Limited

Sd/-
Ankit Jalan
Whole Time Director
(DIN: 02577501)

CIN : L21090WB1984PLC037968

Phone : (033) 66286654, Fax : (033) 4022 5999

Email : cs.agiopaper@gmail.com, Website : www.agiopaper.com

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy and the proxy need not be a member of the Company.
2. The Proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting i.e. by 10:00 A. M. on 26th September, 2018.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. The Register of Members and Share Transfer Registers of the Company will remain closed from 22nd September, 2018 to 28th September, 2018 (both days inclusive).
6. Explanatory statements pursuant to section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting under Item No. 4 is Annexed hereto.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar M/s Maheshwari Datamatics Pvt. Ltd., 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700 001, Phone : 033 2243 5029/ 2248 2248, Fax : 033 2248 4787, E-mail : mdpldc@yahoo.com.
11. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the service of National Securities Depository Limited (NSDL) to provide the facility of electronic voting (e-voting) in respect of the Resolutions proposed at this Annual General Meeting. The Board of Directors has appointed Mr. Prateek Kohli, Partner of Prateek Kohli & Associates, Practicing Company Secretaries, as the Scrutinizer for this purpose.

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 25th September, 2018 (9:00 am) and ends on 27th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter at 5.00 p.m. on 27th September, 2018. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step-1 is mentioned below :

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

Your User ID is:

a) For Members who hold shares in demat account with NSDL.

8 Character DP ID followed by 8 Digit Client ID

For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who holds shares in demat account with CDSL.

16 Digit Beneficiary ID

For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company

For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below :

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
Click on **"Forgot User Details / Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below :

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cspkohli@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September 2018.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA at mdpldc@yahoo.com.

If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at 022 2499 4738 (Mr. Rajiv Ranjan) or at the toll free no.: 1800-222-990.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.agiopaper.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where shares of the Company are listed.

Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Itemno. 4:

Mr. Neeraj Kichlu (DIN: 05156014) was appointed by the board at its meeting held on 21st March, 2018 as an Additional Non - Executive Independent Director of the Company. His appointment is to be regularized in the Annual General Meeting of the Company.

The Company has received from Mr. Neeraj Kichlu (i) consent in writing to act as NonExecutive Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Neeraj Kichlu as a Non - Executive Independent Director of the Company for a term of 5 consecutive w.e.f. 21st March, 2018 years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Neeraj Kichlu proposed to be appointed, as a Non - Executive Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the Rules made hereunder and also the provisions as laid down in SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and he is independent.

The Board recommends to pass this resolution as an Ordinary Resolution.

The nature of concern or interest, financial or otherwise, if any, in respect of each items of-

- (i) Every Director: The directors of the company do not have any financial interest in the above item and are only interested to the extent of their shareholding in the company.
- (ii) Every other key managerial personnel: NA
- (iii) Relatives of the persons mentioned in (i) and (ii): N.A.

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your directors have pleasure in presenting the 33rd Annual Report together with the Audited Statement of Accounts of Agio Paper & Industries Limited for the year ended March 31, 2018.

1. SUMMARISED FINANCIAL HIGHLIGHTS**(Rs. in Lacs)**

	Current Year	Previous Year
Gross Turnover and other receipts	1,87,365	17,97,905
Profit / (Loss) before Interest and Depreciation	(1,75,37,974)	(1,42,10,274)
Less: Exceptional Items	3,21,95,140	-
Profit/(Loss) Before Depreciation	(4,97,33,114)	(1,42,10,274)
Less: Depreciation	16,77,307	19,42,262
Profit / (Loss) Before Tax	(5,14,10,421)	(1,61,52,536)
Less: Provision for taxation	(5596)	79051
Profit / (Loss) After Tax	(5,14,10,421)	(1,61,52,536)

2. BUSINESS PERFORMANCE

The Operation of paper factory at Bilaspur is under suspension since 6th October, 2010 because of pollution control issues. Efforts are being made to comply with the norms and alternate means are also explored to start the factory along with new paper mill and power plant. In view of future plans and valuation of fixed Assets of the company, no impairment of fixed assets is envisaged by the management.

3. FUTURE OUTLOOK

Being restricted by the Central Pollution Control Board's order the option of exploring other areas of business has always been in the mind of management till the restrictions are lifted. The company is constantly envisaging the avenues related to generation of energy from renewable resources.

4. DIVIDEND

In absence of any production activities no operational profit was generated for the commendation of dividend for the financial year ended 31st March, 2018.

5. SHARECAPITAL

The paid up Equity Share Capital as on March 31, 2018 was Rs.16.12 crores and Preference Share Capital is Rs. 31.97 Crores. During the year ended 31st March, 2018 the company has issued total 6,28,000 10% Non-Cumulative Redeemable Preference shares of Rs. 100/- each on private placement basis as approved by the shareholders in the AGM held on 10th July, 2017.

6. CREDIT FACILITIES

The Company has repaid all the Loans taken from Allahabad Bank during the F.Y. 2017-2018. The Company has not taken any further Secured Loans. The company is now a debt free company with no debts existing to Banks or Financial Institutions.

7. ECONOMIC SCENARIO AND OUTLOOK

As Financial Year 2017-18 (FY18) has drawn to a close, it is worth taking a look at India's economic performance over what has been quite an interesting period. While the first quarter of the year saw the impact of demonetisation settling down, in the next quarter, introduction of the landmark Goods and Services Tax (GST) brought in some uncertainties as businesses adjusted to the new regime. This did not take long, and from the third quarter onwards, signs of growth returning were evident.

In the coming financial year, we can expect that global economic activity continues to strengthen, global growth is forecast to grow by 3.9% during 2018 as per the International Monetary Fund's (IMF) January 2018 World Economic Outlook. The IMF expects India to grow at 7.4% during 2018 which could increase further to 7.8% during 2019 in contrast to 6.7% during 2017.

The Economic Survey for 2017-18 pegs the figure at 7-7.5% for the financial year ahead.

8. PAPER INDUSTRY OUTLOOK AND OPPORTUNITIES

The paper industry in India has become more promising as the domestic demand is on the rise. Increasing population and literacy rate, growth in GDP, improvement in manufacturing sector and lifestyle of individuals are expected to account for the growth in the paper industry of India.

Many of the existing players are increasing their capacity to meet the growing demand. The focus of paper industry is now shifting towards more eco-friendly products and technology. Government of India has established rules and regulations to control the population and degradation of forest. These measures taken by the government have brought significant changes in the paper industry of India.

According to CARE Ratings Paper Industry Research, paper demand is expected to grow at a CAGR of 6.6% and reach 18.5 million tonnes in 2018-19. The management is well aware of this potential and is in all interests to make gain for the company and its stakeholders from the same.

9. CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspiration of the community with those of the Company itself in an environment of partnership for inclusive development.

10. HUMAN RESOURCES

The well disciplined workforce who has served the company for three decades lies at the very foundation of the company's major achievements and this trend is set to continue. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

11. BUSINESS RISK MANAGEMENT

The prudent principles of risk minimization no longer are an option but have become a compulsion these days.

In keeping with these norms the board took a well informed decision to initiate the procedure and thereafter formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The objective of this policy is ensuring stability of business and its sound growth and also to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In accordance with newly introduced Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board ensures adherence and continuation of such risk management policy.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion facilities.

Business risk, inter alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

12. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The system of internal control established is commensurate with the size and nature of business. Detailed procedures are in place to ensure all assets are safeguarded and protected against loss and all transactions are authorized, recorded and reported properly. The internal control system are monitored and evaluated by internal auditors and their reports are reviewed by the audit committee. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 the Company has complied with the laws and the codes of conduct applicable to it and has ensured that the business is conducted with integrity and accordingly the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website of company.

14. SEXUAL HARASSMENT POLICY

The Company has also framed a policy on prevention of Sexual Harassment of Women at Workplace which commits to provide a workplace that is free from all forms of discrimination, including sexual harassment.

As per the Policy, any complain received shall be forwarded to an Internal Complaint Committee ("ICC") formed under the Policy for redressal. The investigation shall be carried out by ICC constituted for this purpose. There was no such complaint during the year.

15. DIRECTORS & COMMITTEES

During the year under review, Mr. Sheo Shankar Joshi (DIN:01180895) has resigned from the post of the Non-Executive Independent Director w.e.f. 21st March, 2018 and Mr. Neeraj Kichlu (DIN:05156014) was appointed as the Additional Non-Executive Independent Director w.e.f. 21st March, 2018, whose appointment is proposed for regularization at the ensuing Annual General Meeting of the Company.

Mr. Saikat Ghosh has also tendered his resignation from the post of Company Secretary/Compliance Officer after the close of office hours on 28th February, 2018.

All Independent directors have given declaration that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and regulation 16(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

In accordance with the provisions of Companies Act, 2013, Mr. Ankit Jalan (DIN:02577501), Executive Director will retire by rotation and being eligible offers himself for re-appointment.

16.1 BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

16.2 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their Remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

16.3 MEETINGS

During the year Thirteen Board Meetings and one Independent Directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 were adhered to while considering the time gap between two meetings.

16.4 AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Status	Category
Mr. Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director
Mr. Ankit Jalan	Member	Executive Director
Mr. Neeraj Kichlu*	Member	Non Executive & Independent Director

*Mr. Neeraj Kichlu has been inducted as a member of the Committee w.e.f. 21.03.2018

16.5 NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration committee comprising of the following directors:

Name	Status	Category
Mr. Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director
Mr. Neeraj Kichlu*	Member	Non Executive & Independent Director
Mrs. Mohini Agarwal	Member	Non Executive & Independent Director

*Mr. Neeraj Kichlu has been inducted as a member of the Committee w.e.f. 21.03.2018

17. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

18. RELATED PARTY TRANSACTIONS

There were no material contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013.

All Related Party Transactions in usual course were placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

20. AUDITORS

20.1 STATUTORY AUDITORS

As per section 139 and other applicable provisions of the Companies Act, 2013 the Company has appointed M/s. Jitendra K Agarwal & Associates, Chartered Accountants (ICAI Registration No.: 318086E) as the Statutory Auditors of the Company, for a period of five years till the conclusion of 37th Annual General Meeting.

20.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Subhasish Bosu & Co. (CP No.:11469, FCS: 7277), Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as 'Annexure 1'.

20.3 INTERNAL AUDITORS

M/S Ashish K Gupta & Associates, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

21. CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report.

22. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure 2".

23. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure 3".

24. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended in respect of employees of the Company is as follows :

The company has one Executive Director and due to financial constraints being faced by the company he has forgone remuneration. Further, no sitting fees has been paid to any director during the year.

In terms of the amended rules the names of the top ten employees in terms of remuneration drawn are provided in "Annexure 4"

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are:

- | | |
|----------------------------------|-----|
| a) Employed throughout the year | Nil |
| b) Employed for part of the year | Nil |

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

25. IMPAIRMENT OF ASSETS & CAPITAL WORK-IN-PROGRESS

The paper plant was closed on 6th October, 2010 to fulfill certain pollution control measures. The management of the Company is not envisaging any impairment loss in the fixed assets and capital work in progress of the company as at the Balance Sheet Date as per the requirement of Ind AS 36 on "Impairment of Assets". However in absence of certainty towards future plans of the company or a binding sale agreement at arm's length basis indicating the amount obtainable from the sale of fixed assets and capital work in progress the impact of Impairment on the financial Statements therefore could not be determined.

26. FINANCIAL VIABILITY OF COMPANY

As it has been pointed out in the statutory auditor's report that there has been 50% erosion of net worth due to closure of our mill. The management of the Company envisaged future strategic plan for the revival of the company including plan of infusing preferential capital in the next financial year.

27. ACKNOWLEDGEMENTS

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

We look forward to receiving the continued patronage from all quarters to become a better and stronger Company.

28. CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

For and on behalf of the Board of Directors

Kolkata
25th August, 2018

Sd/-
RASHMI RANJAN DEBETA
(Chief Financial Officer)

Sd/-
ANKIT JALAN
(Executive Director/CEO)
(DIN: 02577501)

Annexure 1

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

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

To,
The Members,
Agio Paper & Industries Limited
41A, AJC Bose Road
Suite No.505, 5th Floor
Kolkata-700017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Agio Paper & Industries Limited (L21090WB1984PLC037968)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Agio Paper & Industries Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Agio Paper & Industries Limited** ("the Company") for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; as well as;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The EPF & Misc. Provisions Act, 1952;

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

The Listing Agreements (Revised) entered into by the Company with Bombay Stock Exchange;

We have also examined that the company has taken due care to comply with the Secretarial Standards (SS) specified by the Institute of Company Secretaries of India namely -

(i) SS-1 : Meetings of the Board of Directors and

(ii) SS-2 : General Meetings;

as approved by the Ministry of Corporate Affairs vide letter no.1/3/2014/CL/I dated April 10, 2015, as per the requirement of the provisions of section 118(10) of the Companies Act, 2013.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Mr. Sheo Shankar Joshi, Non-Executive Independent Director has resigned w.e.f. 09.03.2018 and Mr. Neeraj Kichlu appointed as Non-Executive Independent Director (Additional Director) of the company for a period of 5 years w.e.f. 21.03.2018. Mr. Saikat Ghosh has resigned from the post of Company Secretary/Compliance Officer w.e.f 28th February, 2018.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within due time, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not taken Major decisions in pursuance to section 180 of the Companies Act, 2013, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

Sd/-
CS Subhasis Bosu
For Subhasis Bosu & Co.
Company Secretaries
FCS No.:7277
C P No.:11469

Place : Kolkata

Date : 16th August, 2018

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

Annexure A

To,
The Members
Agio Paper & Industries Limited
41A, AJC Bose Road
Suite No.505, 5th Floor
Kolkata-700017

Our report of even date is to be read along with this letter.

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

Place : Kolkata
Date : 16th day of August, 2018

Sd/-
CS Subhasis Bosu
For Subhasis Bosu & Co.
Company Secretaries
FCS No.:7277
C P No.:11469

ANNEXURE 2

A. CONSERVATION OF ENERGY**Power:****a) Efforts made for conservation of energy :-**

- (i) By controlling process parameters.
- (ii) Replacement of high capacity motor.
- (iii) Installation of energy saving lamps wherever possible in plant and colony.
- (iv) Replacing old pumps & motors by high efficiency Pumps & low power consumption motors.
- (v) By changing process pipe line system.

b) Additional investment and proposal, if any:

- (i) Self power generation unit to overcome power tripping and breakdown in supply from Chhattisgarh State Electricity Board (CSEB).
- (ii) For better efficiency of Boiler and pollution free emission we are installing Electro Static Precipitator (ESP) in power plant.

c) Impact of above measures on consumption of energy :

Saving in consumption of electricity & steam.

d) Capital investment on energy conservation equipments

Capital investments were incurred previously but nothing during the previous year.

e) Power & Fuel Consumption:

Refer Form 'A' attached

B. TECHNOLOGY ABSORPTION

Refer Form 'B' attached.

C. FOREIGN EXCHANGE EARNING AND OUTGO

(Rs. In Lacs)

	2017 - 18	2016 - 17
Earning: Export	Nil	Nil
Outgo: Imports	Nil	Nil
Outgo on repayment of unsecured loan	Nil	Nil

FORM A

	2017-18	2016-17
A. POWER & FUEL CONSUMPTION		
1. ELECTRICITY:		
a) Chhattisgarh State Electricity Board		
Units (KWH in lacs)	0.41	0.44
Total Amount (Rs. in lacs)	4.60	6.58
Rate/KWH (In Rs.)	11.36	15.01
b) Own Generation		
i) Through Diesel (KWH in lacs)	NIL	NIL
ii) Through Steam Turbine Generator	NIL	NIL
2. Coal:		
a) Grade E (ROM)		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
b) ROM (Washery)		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
3. RICE HUSK		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
4. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity (KWH/MT)	NIL	NIL
Coal/Husk (MT/MT)	NIL	NIL

FORM B
TECHNOLOGY ABSORPTION :-
I. RESEARCH AND DEVELOPMENT (R & D)
Specific areas in which the Company carried out R & D :

- Installed Basis Weight Control Valve at paper machine.
- Fresh water consumption further reduced by recycling the machine back water at couch pit dilution, machine and pulp mill vacuum pumps.
- Installed 2 Nos. sludge press. Further we are going to install additional treatment before primary clarifier.
- Install ESP in power plant boiler.
- Further to reduce fresh water consumption, machine back water used in all vacuum pumps sealing water instead of fresh water.
- Installed black liquor recovery plant at ETP. 2nd filter press was commissioned.

Benefits derived as a result of above R & D :

- a) Control over the grammage variation of paper
- b) Fresh water consumption reduced and ETP load minimized
- c) Reduced the SS load in primary clarifier also reduced the COD & BOD load.
- d) Emission in the air is negligible and maintains all emission parameters.
- e) Reduce fresh water consumption.
- f) Minimise black liquor storage problem and recovered lignin sludge for using as fuel alongwith coal in boiler.

Future Plan of action:

- a) To improve quality of paper further to increase market share in printing segment.
- b) To install slotted pressure screen in paper machine to minimize dirt & specks and improve the paper cleanliness.
- c) To install Waste Paper Street with deinking facility for which black liquor and effluent load reduced.
- d) To install 1 no. B-2 thickness in machine back water system for recovery of black water fiber and reuse the back water.
- e) Installation of ESP in power plant boiler-reduce the Air pollution load in ambient.
- f) Minimum use of fresh water and recycling of such water.

Expenses on R & D :

- | | | |
|----------------------------|--|--------------------------------------|
| a) Capital | | The development work is carried by |
| b) Recurring | | the concerned department on an |
| c) Total | | ongoing basis. The expenses and |
| d) Total R & D expenditure | | the cost of assets are grouped under |
| As a % of total turnover | | the respective heads. |

II. Technology absorption, adaptation and innovation :

1. Efforts made towards technology absorption, adaptation and innovation:-
Use of rice husk and low cost coal was introduced.
2. Benefits derived as a result of above efforts
This will result in reduction in over all cost of coal consumption.

Annexure 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2018 of AGIO PAPER & INDUSTRIES LIMITED [Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

CIN	L21090WB1984PLC037968
Registration Date	20.09.1984
Name of the Company	Agio Paper & Industries Ltd.
Category / Sub-Category of the Company	Company having share capital
Address of the Registered Office and contact details	41A, AJC Bose Road, Suit No. 505, Kolkata - 700017 Tel No. : 033 6628 6654
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001 Tel No. : 033 2248 2248

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :-

Sl No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Writing & Printing Paper	1701	Nil

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and Address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	None				
2.					

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual / HUF	108963	-	108963	0.6757	115468	-	115468	0.7161	0.0404
b) Central Govt.									
c) State Govt (s)									
d) Bodies Corp.	2938194	-	2938194	18.2209	2938194	-	2938194	18.2209	0
e) Banks / FI									
f) Any Other...									
Sub-total (A) (1) :-	3047157	-	3047157	18.8966	3053662	-	3053662	18.9370	0.0404
2) Foreign									
a) NRIs-Individuals	7195868	-	7195868	44.6244	7195868	-	7195868	44.6244	0
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2) :-	7195868	-	7195868	44.6244	7195868	-	7195868	44.6244	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	10243025	-	10243025	63.5210	10249530	-	10249530	63.5614	0.0404
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	6800	6800	0.0422	-	6800	6800	0.0422	Nil
b) Banks / FI	100	200	300	0.0019	100	200	300	0.0019	Nil
c) Central Govt.									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1) :-	100	7000	7100	0.0441	100	7000	7100	0.0441	Nil
2) Non-Institutions									
a) Bodies Corp.	314389	22150	336539	2.0870	294954	22150	317104	1.9665	-0.1205
i) Indian									
ii) Overseas									
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	1098878	758393	1857271	11.5177	1100228	755503	1855731	11.5081	-0.0096
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3623676	39500	3663176	22.7168	3636082	0	3636082	22.5488	-0.1680
c) Others (specify)									
Trusts	400	-	400	0.0025	400	-	400	0.0025	Nil
Custodians / Clearing member	3871	-	7410	0.0460	3871	-	3871	0.0240	-0.194
NRIs	14018	-	14018	0.0808	9363	-	9363	0.0581	-0.0288
Sub-total(B)(2) :-	5055232	820043	5875275	36.4349	5091117	777653	5868770	36.3949	-0.0403
Total Public Shareholding (B)=(B)(1)+(B)(2)	5055332	827043	5882375	36.4790	5091271	784653	5875870	36.4387	-0.0403
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15298357	827043	16125400	100.00	15340747	784653	16125400	100.00	Nil

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Murari Lal Jalan	6445868	39.9734	Nil	7195868	44.6244	Nil	4.6511
2	Renu Jalan	108963	0.6757	Nil	108963	0.6757	Nil	Nil
3	Arrow Syntex Pvt. Ltd.	2938194	18.2209	Nil	2938194	18.2209	Nil	Nil
4	Ankit Jalan	0	0	Nil	6505	0.0403	Nil	0.0403
	Total	8743025	54.219		9493025	58.870		

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year Murari Lal Jalan Renu Jalan Arrow Syntex Pvt. Ltd. Ankit Jalan	7195868 108963 2938194 0	44.6244 0.6757 18.2209 0	7195868 108963 29138194 6505	- - - 0.0403
	Data wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 30/12/2017 Ankit Jalan (Acquisition of shares)	6505	0.0403	6505	0.0403
	At the end of the year Murari Lal Jalan Renu Jalan Arrow Syntex Pvt. Ltd. Ankit Jalan	7195868 108963 2938194 6505	44.6244 0.6757 18.2209 0.0403		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anand Purohit	1500000	9.3021	1500000	9.3021
2.	Bharat Mekani	1500000	9.3021	1500000	9.3021
3.	Subramanian P	149340	0.9261	164590	1.0207
4.	Brownia Business Ltd	100000	0.6201	100000	0.6201
5.	Mili Consultants & Investment Pvt. Ltd.	83348	0.5169	83348	0.5169
6.	Manish Singh	11105	0.0689	41900	0.2598
7.	Abhay Krishi Udyog Pvt Ltd	64525	0.4001	64525	0.4001
8.	Dineshkumar Muktilal Paldiwal	45290	0.2809	45290	0.2809
9.	Rekha Khetawat	41852	0.2595	41852	0.2595
10.	Custodian (Special Court) A/c Rasila Mehta/Sudhir S Mehta	0	0	39500	0.2450

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Ankit Jalan					
	At the beginning of the year	0	0	6505	0.0403
	Data wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) 30.12.2017	-	-	6505	0.0403
	At the end of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	8,84,00,000	17,00,268	9,01,00,268
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	8,84,00,000	17,00,268	9,01,00,268
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	(4700000)	(38,130)	47,38,130
Net Change	-	(4700000)	(38,130)	47,38,130
Indebtedness at the end of the financial year				
i) Principal Amount	-	8,37,00,000	16,62,138	8,53,62,138
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	8,37,00,000	16,62,138	8,53,62,138

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary					
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-	
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commission	-	-	-	-	
	- as % of profit					
	- others, specify.....					
5.	Others, please specify	-	-	-	-	
	Total (A)	-	-	-	-	
	Ceiling as per the Act					

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors					
	• Free for attending board / committee meetings	-	-	-	-	
	• Commission	-	-	-	-	
	• Others, please specify	-	-	-	-	
	Total (1)	-	-	-	-	
2.	Other Non-Executive Directors					
	• Free for attending board / committee meetings	-	-	-	-	
	• Commission	-	-	-	-	
	• Others, please specify	-	-	-	-	
	Total (2)	-	-	-	-	
	Total (B) = (1+2)	-	-	-	-	
	Total Managerial Remuneration	-	-	-	-	
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,94,375	2,29,500	6,23,875
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	82,808	10,500	93,308
	c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		4,77,183	2,40,000	7,17,183

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure 4

Information pursuant to Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended displaying the names of the top ten employees in terms of remuneration drawn:

Sr. No.	Name of employees	Designation	Remuneration (Rs.)
1.	Saikat Ghosh	Company Secretary	477183
2.	Rashmi Ranjan Debata	CFO	240000
3.	Manjur Ali	Manager –Accounts	224300
4.	Malay Chakrabarty	Executive-Accounts	184636
5.	Manoj Giri	Electrician	126170
6.	Nand Kumar Chandravanshi	Executive Raw Material	67,856
7.	Krishna Kumar Singh	Shift Incharge	127983
8.	Christopher David	Office Assistant	81239
9.	Kamalesh Bose	Office Assistant	104880
10.	Ashok Kumar Dubey	Executive Purchase	65935

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company

Corporate Governance is to put in place a system of checks and balances for the benefit of all stakeholders. It rests on the four cornerstones of fairness, transparency, accountability and responsibility. It extends beyond corporate law and encompasses the entire spectrum of functioning of a Company. The Corporate Governance is about commitment to values and integrity in directing the affairs of the Company and it is a collective responsibility of each of the three pillars of an enterprise - the board of directors, shareholders and management. The Company believes and is committed to and always strives for excellence through adoptions of good corporate governance which are founded upon the core values of adherence to the ethical business practices, delegations, responsibilities and accountabilities, honesty and transparency, empowerment, independent monitoring and environmental consciousness in the functioning of the management and the Board; true, complete and timely disclosures and compliance of law, ultimately resulting in maximizing shareholders' value and protecting the interest of the other stakeholders.

BOARD COMPOSITION

Size and Composition of Board of Directors

Board of Directors

- The Company has 4 Directors of which 1 is an Executive Director and 2 are Non-Executive and Independent Directors and also a woman director who falls in the category of Non-Executive and independent director. The composition of the Board is in conformity with erstwhile clause 49 of the listing Agreement as well as regulation 17 of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 requirements.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanship / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, section 8 companies, and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Name of the Director	Category	Attendance Particulars		No. of Directorship and other committee Membership/Chairmanship			No. of shares held in the Company as on 31.03.2017
		Board Meeting	Last AGM	Directorship	Committee Membership	Chairmanship	
Mr. Ankit Jalan	Executive Director	10	Yes	1	1	Nil	Nil
*Mr. Sheo Shankar Joshi	Independent Director	10	No	Nil	Nil	Nil	Nil
Mr. Kamal Kumar Khetawat	Independent Director	10	Yes	1	Nil	Nil	Nil
Mrs. Mohini Agarwal	Independent Director	2	No	Nil	1	Nil	Nil
#Neeraj Kichlu	Independent Director	2	No	Nil	1	Nil	Nil

* Resigned from the post of Director with effect from 21st March, 2018. His positions in the Committees of the Board also ceased from that date.

Appointed as Additional Non-Executive Independent Director with effect from 21st March, 2018.

None of the present directors are "Relative" of each other as defined in section 2 (77) of companies act, 2013 and Rule 4 of the companies (Specification of definitions details) Rule 2014.

Thirteen Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

- 29th April, 2017	- 13th July 2017	- 25th September, 2017
- 04th May, 2017	- 04th August, 2017	- 02nd November, 2017
- 30th May 2017	- 04th September, 2017	- 14th November, 2017
- 12th June, 2017	- 14th September, 2017	- 10th February, 2018
- 21st March, 2018		

During the year, information as mentioned in part A of schedule II of SEBI (Listing Obligations and Disclosures) Regulations, 2015 requirements has been placed before the Board for its consideration.

The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company.

The company has formulated a policy to familiarise the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programmes are disclosed in the website of the company at the following link <http://www.agiopaper.com/Compliance.html>.

Code of Conduct for Board members and Senior Management

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. Additionally all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

The Code of Conduct is available on the website of the company.

BOARD COMMITTEES

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has three committees i.e Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

AUDIT COMMITTEE

The audit committee was reconstituted in accordance with the provisions of Companies Act, 2013 and erstwhile clause 49 of listing agreement at a board meeting held on 26.09.2014. The committee continues to perform its tasks under the companies Act, 2013 as well as newly introduced SEBI (Listing Obligations and Disclosures) Regulations, 2015. The major tasks performed by the audit committee may be grouped under the following heads:

Statutory audit, internal audit, reporting and other aspects

- The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee acts as a link between the Management, Auditors and the Board of Directors of the Company and has full access to the financial information.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory authorities.
- Reviewing the Management Discussion & Analysis of financial and operational performance.
- Reviewing, with the management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
- Review the adequacy and effectiveness of the company's system and internal control.
- Evaluation of internal financial controls and risk management systems.
- To review the functioning of the Whistle Blower mechanism.

Audit & other duties

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Discussion with internal auditors of any significant findings and follow up there on.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and internal Auditors considering their independence and effectiveness and their replacement and removal.
- To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
- To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

Composition of Audit Committee and attendance of each Director during the meetings held in financial year 2017-18 are given below:

Name	Status	Category	No of Meetings Attended during the year 2017-18
Mr. Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director	6
Mr. Ankit Jalan	Member	Executive Director	6
Mr. Sheo Shankar Joshi*	Member	Non Executive & Independent Director	6
Mr. Neeraj Kichlu#	Member	Non Executive & Independent Director	0

* Vacated his member from the Committee w.e.f. 21.03.2018

Appointed as Additional Non-Executive Independent Director with effect from 21st March, 2018.

Six Audit Committee meetings were held during the year and the gap between two meetings never exceeded four months. The dates on which such meetings were held are as follows:

- 29th April, 2017 - 3rd July, 2017 - 04th Sept, 2017 - 14th Sept, 2017 - 14th Nov, 2017 - 10th Feb, 2018

The company secretary acts as the secretary to the committee.

NOMINATION AND REMUNERATION COMMITTEE

The remuneration committee was renamed and reconstituted as Nomination and Remuneration Committee at a board meeting held on 26.09.2014. The committee continues to perform its tasks under the companies Act, 2013 as well as newly introduced SEBI (Listing Obligations and Disclosures) Regulations, 2015. The major tasks performed by the audit committee may be grouped under the following heads:

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present the company retains the option to do so in future. As and when it is done it shall be revealed in the report.

The committee meeting was held on 21.03.2018 and the committee meeting was chaired during the year by Mr. Kamal Kumar Khetawat who has been appointed as chairman. The details of the composition of the Remuneration Committee are as under:

NAME	Status	CATEGORY	No. of meeting during the year 2017-18	
			Held	Attended
Mr. Kamal Kumar Khetawat	Chairman	Non-Executive & Independent Director	1	1
Mr. Sheo Shankar Joshi*	Member	Non-Executive & Independent Director	1	1
Mrs. Mohini Agarwal	Member	Non-Executive & Independent Director	1	1
Mr. Neeraj Kichlu#	Member	Non- Executive & Independent Director	1	0

* Ceased to be a member of the Committee w.e.f. 21.03.2018

Became a member of the Committee w.e.f. 21.03.2018

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders / Investors Grievance committee was renamed and reconstituted as Stakeholders Relationship Committee at a board meeting held on 26.09.2014. The committee continues to perform its tasks under the companies Act, 2013 as well as newly introduced SEBI (Listing Obligations and Disclosures) Regulations, 2015. The major tasks performed by the audit committee may be grouped under the following heads :

The Committee performs following functions :

- Transfer/Transmission of shares
- Issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company's Registrar & Transfer Agent.
- All other matters related to the shares.

The committee meeting was held on 21.03.2018 and the committee meeting was chaired during the year by Mr. Kamal Kumar Khetawat who has been appointed as chairman. The details of the composition of the Remuneration Committee are as under:

The details of composition of the Committee are as under:

NAME	Status	CATEGORY	No. of meeting during the year 2016-17	
			Held	Attended
Mr Kamal Kumar Khetawat	Chairman	Non-Executive & Independent Director	1	1
Mr Ankit Jalan	Member	Executive Director	1	1
*Mr Sheo Shankar Joshi	Member	Non-Executive & Independent Director	1	1
#Mr. Neeraj Kichlu	Member	Non-Executive & Independent Director	1	0

* Ceased to be a member of the Committee w.e.f. 21.03.2018.

Appointed as Additional Non-Executive Independent Director with effect from 21st March, 2018.

Mr. Saikat Ghosh, the Company Secretary was the Compliance Officer during the year under review. He performed the functions of monitoring the complaints received vis-à-vis share transfer and other related processes and reported them to the Board. He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchanges, Registrar of Companies, R.B.I. in respect of implementing laws rules and regulations, and directives of such authorities concerning investor service and complaints.

No complaints were received from the shareholders during the year.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 31, 2018, inter alia to discuss:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

1. Criteria of selection of Non Executive Directors

- The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.

- iii. The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- iv. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

3. Managing Director & Whole Time Director - Criteria for selection / appointment

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director or Whole Time Director

- i. At the time of appointment or re-appointment, the Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Company (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director or Whole Time Director may be broadly divided into fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
 - a. the relationship of remuneration and performance benchmarks is clear;
 - b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. responsibility required to be shouldered by the Managing Director or Whole Time Director, the industry benchmarks and the current trends.

REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the board level) the Committee shall ensure / consider the following:
 - i. the relationship of remuneration and performance benchmark is clear;
 - ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance and current compensation trends in the market.
- II. The Managing Director or Whole Time Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

RELATED PARTY TRANSACTIONS

There were no material contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013.

All Related Party Transactions whenever it occurs are placed before the Audit Committee as also the Board for approval.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

POLICY FOR PRESERVATION OF DOCUMENTS

In accordance with regulation 9 of SEBI (Listing Obligations and Disclosures) Regulations, 2015 the board has during the year adopted a policy for preservation of documents which has been uploaded on the website of the company.

POLICY FOR DETERMINATION OF MATERIALITY OF THE DISCLOSURE OF EVENTS & INFORMATION

In accordance with regulation 30 (4) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material and the same is also available on the website of the company.

ARCHIVAL POLICY

In accordance with regulation 30 (8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 an archival policy has been adopted which has also been uploaded on the website of the company.

WHISTLE BLOWER POLICY

The company had earlier in accordance with requirement of Companies Act, 2013 and erstwhile clause 49 of listing agreement with stock exchange drafted and adopted a whistle blower policy and which is available in the website of the company. Further in accordance with requirement of Para C 10 (c) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 affirmation is also given that no personnel has been denied access to audit committee.

Disclosures

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The company has ensured compliance with requirements specified in regulation 17 and 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosures) Regulations, 2015.

Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

GENERAL BODY MEETING

The details of last three Annual General Meeting of the Company held are given below :

Financial Year	Location of the Meeting	Date	Time
2014 - 2015	Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001	30.05.2015	10.30 A.M.
2015 - 2016	Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001	13.06.2016	10.30 A.M.
2016 - 2017	Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata - 700001	10.07.2017	10.30 A.M.

Ten Special Resolutions were passed during the last three Annual General Meetings. No resolution was passed through postal ballot last year.

CEO/CFO CERTIFICATION

As required under regulation 17(8) read with schedule II of part B of SEBI (Listing Obligations and Disclosures) Regulations, 2015 Mr. Ankit Jalan, Executive Director - Finance as well as CEO and Mr. Rashmi Ranjan Debata -CFO certify to the Board that:

- a) The financial statements and the Cash Flow Statement for the year have been reviewed and to the best of their knowledge and belief:
 - (i) these statements do not contain any untrue statement of material fact, have not omitted any material fact and do not contain any statement that is misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- b) To the best of their knowledge and belief no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- d) They have indicated to the auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year
 - ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) There have been no instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

MEANS OF COMMUNICATION

29. Annual Reports in respect of each financial year are mailed to all shareholders in June / July of each calendar year. However, during the previous year it was done during month of May. Each Report contains the annual accounts of the company in respect of the financial year with the Directors' and Auditors' Reports. Also included in each Annual Report is the Notice convening the annual general meeting, the financial year's Corporate Governance Report and the cash flow statement together with the corresponding reports of the auditors.

The financial results of the company were officially released or would be released in accordance with the following schedule:

Sl no.	Nature of Communication	Media used for Publication	Date of Publication/ Proposed date of Publication	Forwarded/to be forwarded to Stock Exchange on
1	Quarterly Un-audited Financial Statements (1st Quarter 2016-17)	Newspaper	15.09.2017	14.09.2017
2	Half -yearly Un-audited Financial Statements (2nd Quarter 2016-17)	Newspaper	15.11.2017	14.11.2017
3	Quarterly Un-audited Financial Statements (3rd Quarter 2016-17)	Newspaper	11.02.2018	10.02.2018
4	Annual Audited Financial Results for the financial year	Newspaper	26.05.2018	25.05.2018

The quarterly, half-yearly and annual financial results were/will be published in eminent daily news papers like **Business Standard** and **Ekdin** and also displayed on Company's website www.agiopaper.com.

SHAREHOLDER INFORMATION

Registered Office

41A, AJC Bose Road
Suite No. 505, Kolkata - 700 017
Telephone No. – (033) 6628-6654
Fax No. – (033) 4022-5999
Email: cs.agiopaper@gmail.com

PARTICULARS OF DIRECTORS APPOINTED / REAPPOINTED

As required under of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the details of membership of the Director and other relevant details in respect of Directors who are being recommended for reappointment are given hereunder:

Name of the Director	Age	Qualification	Experience	Directorship in other Public Limited Companies
Mr. Ankit Jalan	34	MBA-Finance	Mr Ankit Jalan has graduated with Bachelor of science in Business Management from the U.S.A. His area of specialization is finance and heads the finance division of the company	Bengal Orion Financial Hub Ltd.
Mr. Neeraj Kichlu	56	Graduate	Mr. Neeraj Kichlu is a Graduate having vast experience in the field of trade and commerce. He has vast knowledge of the Domestic and Foreign Trade.	Bengal Orion Financial Hub Ltd.

Registrar and Transfer Agent

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, non-receipt of annual report and any other query relating to the shares of the Company:

Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001
Telephone No: (033) 2243-5809 / 2248-2248
E Mail: mdpldc@yahoo.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

Plant Location

Village – Dhenka
Post - Darrighat, Masturi
District – Bilaspur
Chhatisgarh – 495 551
Telephone: +91 7752 257010

Compliances**Mandatory Requirements**

The Company has fully complied with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosures) Regulations, 2015. As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by M/S A.K Labh & Co. (CP No.:3238, FCS : 4848) Company Secretaries with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited.

A secretarial audit report for the year 2016-17 carried out by M/S Subhasish Bosu & Co, (CP No.:11469, FCS: 7277), Company Secretaries is annexed to the Directors Report and forms a part of the Annual Report.

Adoption of non-mandatory requirements under Listing Agreement**The Board :**

Since the company does not have a non executive chairman it does not maintain such office.

Shareholders Rights :

The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website www.agiopaper.com. Hence, half yearly performance including summary of the significant events are not individually sent to the Shareholders.

Audit Qualification :

Qualification is given by the Auditors in their Auditors Report.

Management clarification :

Refer point no. 25 in page no.10.

Separate posts of Chairman and CEO:

There is no separate post for Chairman.

Reporting of Internal Auditor:

The internal auditor reports to audit committee.

General Shareholders Information

Annual General Meeting

- ◆ Date :28thSeptember,2018
- ◆ Day : Friday
- ◆ Time : 10.30 A.M
- ◆ Venue : Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001

FINANCIAL CALENDAR

- o Financial Year : 1st April to 31st March
- o For the year ended 31st March, 2018, results were announced on :
 - September 2017 : First Quarter
 - November 2017 : Second Quarter
 - February 2018 : Third Quarter
 - May 2018 : Audited Results

Book Closure

The dates of book closure are from 22nd September to 28th September, 2018 (inclusive of both days).

No dividend recommended considering the closure of the factory of the company.

Listing

At present, the equity shares of the company are listed on the Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE). The company has already applied for delisting for shares from the Calcutta Stock Exchange Limited. The company is regular in paying listing fees to Bombay Stock Exchange Ltd.

Stock Exchanges	Stock Code
Bombay Stock Exchange Ltd. 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Demat Segment - 516020
The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata 700 001	Demat Segment – 21021

SHARE TRANSFER SYSTEM

The Company's shares are in demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respect.

Stock Market Data

Bombay Stock Exchange Limited

Market Price Data as compared to closing Sensex during 2017-2018 :

Month	HIGH (Rs)	LOW (Rs)	Close (Rs)	No of Shares Traded	No of Trades	SENSEX Closing
April, 2017	3.44	1.94	3.44	62536	89	29918.4
May, 2017	3.58	3.5	3.58	10789	30	31145.8
June, 2017	3.71	3.3	3.71	3482	13	30921.61
July, 2017	5.05	3.14	3.14	52694	85	32514.94
August, 2017	3.14	2.66	2.97	25196	29	31730.49
September, 2017	4.46	3.11	4.46	35985	55	31283.72
October, 2017	5.99	4.55	5.16	17691	65	33213.13
November, 2017	6.06	4.64	5.11	34704	81	33149.35
December, 2017	7.55	4.86	7.43	49573	230	34056.83
January, 2018	8.4	4.86	4.86	45026	153	35965.02
February, 2018	5.1	4.7	4.7	3434	14	34184.04
March, 2018	4.5	3.87	4.06	2400	10	32968.68

Distribution of Shareholding as on 31st March, 2018

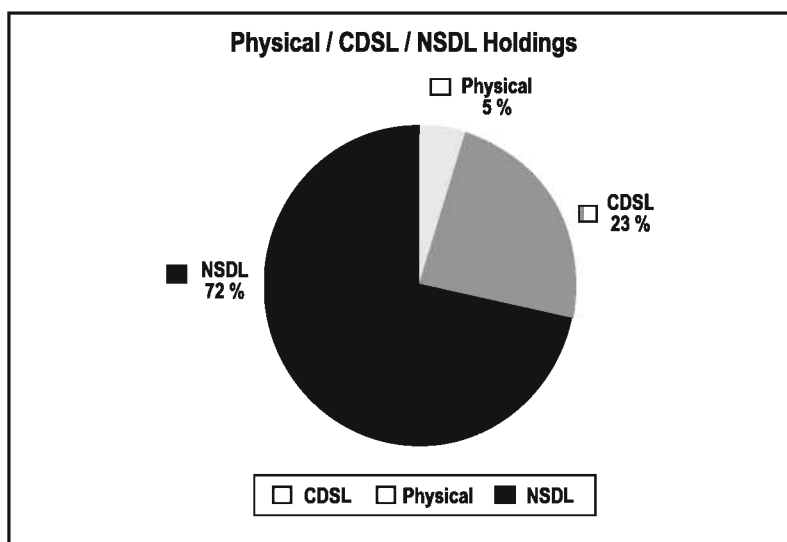
Shareholding	Holders	Percentage %	No of shares	Percentage %
Upto 500	7115	92.4506	1016931	6.3064
501 to 1000	305	3.9631	247513	1.5349
1001 to 2000	126	1.6372	195141	1.2101
2001 to 3000	47	0.6107	120139	0.7450
3001 to 4000	16	0.2079	57324	0.3555
4001 to 5000	22	0.2859	101943	0.6322
5001 to 10,000	32	0.4158	219929	1.3639
10001 and above	33	0.4288	14166480	87.8520
Grand Total	7696	100.0000	16125400	100.0000

Shareholding pattern as on 31st March, 2018

Category Code	Category	Total Shares	% of Share Capital
A	Shareholding of Promoter & Promoter Group		
	1. Indian Promoters	3053662	18.9369
	2. Foreign Promoters	7195868	44.6244
	Sub - Total	10249530	63.5613
B	Public Shareholding		
	1. Institutions		
	a. Mutual Funds / UTI	6,800	.0422
	b. Financial Institutions / Banks	300	.0019
	c. Central Govt. / State Govt.	Nil	Nil
	d. F.I.I	Nil	Nil
	2 Non Institutions		
	a. Bodies Corporate	317104	1.9665
	b. Individual Holding		
	i. Nominal Share Capital up to Rs 2 Lakh	1855731	11.5081
	ii. Nominal Share Capital in excess of Rs. 2 Lakh	3636082	22.5488
	Non Resident Individual	9363	0.0581
	Others	50490	0.3131
	Sub Total	5875870	36.4387
	Grand Total	16125400	100.00

Physical/NSDL/CDSL/Summary Report as on 31st March, 2018

PARTICULARS	HOLDERS	SHARES	PERCENTAGE (%)
PHYSICAL	4745	784653	4.87
NSDL	1913	11576009	71.78
CDSL	1038	3764738	23.35
TOTAL	7696	16125400	100.0000



ADDRESS OF CORRESPONDENCE

Shareholders may contact:

Mr Ankit Jalan
Executive Director
(DIN : 02577501)

Agio Paper & Industries Ltd.
41A, AJC Bose Road
Suite No. 505
Kolkata – 700 017
Telephone : (033) 6628 6654
E-mail : cs.agiopaper@gmail.com

TO WHOMSOEVER IT MAY CONCERN

I, Ankit Jalan, the Executive Director and Chief Executive Officer of the Company, do hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of para D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Place: Kolkata
Date: 25th August, 2018

Sd/-
Ankit Jalan
Executive Director
(DIN : 02577501)

SECRETARIAL AUDITORS CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE REQUIREMENT UNDER PART-E OF SCHEDULE-V [Read with Regulations 34(3) and 53(f)] OF SEBI (LODR) REGULATIONS, 2015

TO THE MEMBERS OF

AGIO PAPER & INDUSTRIES LIMITED

I have examined the compliance of conditions of Corporate Governance by **Agio Paper & Industries Limited** ("the Company"), for the year ended on March 31, 2018, as stipulated in:

Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring to compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied in all material respects, with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreements and the Listing Regulations as applicable.

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

**For Subhasis Bosu & Co.
Company Secretaries**

**33/1, N. S. Road, Marshall House
8th Floor, R.No. 862
Kolkata - 700 001
The 16th Day of August, 2018**

**Sd/-
(Subhasis Bosu)
CP NO : 11469
Membership No. F-7277**

INDEPENDENT AUDITOR'S REPORT

To The Members of **AGIO PAPER & INDUSTRIES LIMITED**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of **M/S AGIO PAPER & INDUSTRIES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and the rules made thereunder, including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS financial statements.

Basis for Qualified Opinion

The paper factory of the company has been under shut down since October 6, 2010 to fulfil certain pollution control measures as enumerated in note no. 33 in the financial statements. As further explained in note no. 34, based on the future plans and valuation of fixed assets, the management of the company is not envisaging any impairment loss in the fixed assets and capital work in progress of the Company as at the balance sheet date as per the requirements of Ind AS 36 on "impairment of Assets". However, in absence of any certainty towards future plans of the Company or a binding sale agreement at arm's length basis indicating the amount obtainable from sale of fixed assets & capital work in progress, we are unable to comment on the quantum of impairment loss on the fixed assets & capital work in progress, if any, at the balance sheet date.

The impact of the above on the financial statements therefore could not be determined.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the basis of qualified opinion paragraph*, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Comparative Ind AS financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with accounting principles generally accepted in India, including Companies (Accounting Standard) Rules, 2006 (as amended) specified under section 133 of Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 (as amended), audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated April 29, 2017 and May 4, 2016 respectively expressed a qualified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our Opinion is not modified in the respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. *Except for the effects of the matter described in the basis for qualified opinion paragraph*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e. *The matter described in the "Basis of Qualified Opinion" paragraph above, in our opinion, may have an adverse effect on the functioning of the Company*
 - f. On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - g. With respect to the adequacy of the internal financial with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation as on March 31, 2018 on its financial position in its Ind AS financial statement - Refer Note no. 32 to the Ind AS financial statements;
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For JITENDRA K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.318086E

Sd/-
(Abhishek Mohta)
Partner

Membership No. 066653

Place : KOLKATA
Date : 25th day of May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date in respect to statutory audit of AGIO PAPER & INDUSTRIES LIMITED for the year ended March 31, 2018, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the explanation provided to us by the management, *due to non-operation of factory during the whole year, physical verification of the fixed assets could not be carried out.*
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. According to the information and explanation given to us, the inventory (excluding stocks with third parties) has been physically verified by the internal auditors during the year. In respect of inventory lying with third parties, these have been substantially confirmed by them. The discrepancies noticed on verification between the book stock and the physical stock, wherever ascertained were not significant.
3. The Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the requirements of clauses (iii) (a), (b) & (c) of the paragraph 3 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not made any loans or investments during the year. The Company has neither issued any guarantee nor has provided any security on behalf of any party.
5. In our opinion and according to the information and explanations given to us, the Company did not receive any deposits covered under section 73 to 76 of the Act and the rules framed there under.
6. According to the information and explanations given to us, the requirements of maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company during the year.
7. (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 generally been regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed dues as above were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2018 which have not been deposited on account of dispute except for the following:

Name of Statute	Nature of Dues	Amount in Rs.	Period to which it relates	Forum where disputes are pending
The Central Excise Act, 1944	Cenvat Claim	320,192	1991-92 to 1992-93	Central Excise & Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	550,000	AY 2007-08	Deputy Commissioner (Appeals)

8. According to the records of the Company examined by us and the information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to any Banks. Based on our audit procedures and on the basis of information and explanations given by the management, the Company did not have any outstanding debentures or due to the financial institution during the year.
9. According to the information and explanation given to us and based on our overall examination of the books of accounts, we report that the company has not availed any term loan facility during the year. Furthermore, the company has neither raised moneys through initial public offer nor through further public offer during the year.
10. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of 628,000 preference shares of Rs. 100 each during the year. The requirements of section 42 of Companies Act have been complied with and the amount raised is used for the purpose for which the funds were raised.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For JITENDRA K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.318086E

(Abhishek Mohta)

Partner

Membership No. 066653

Place : KOLKATA
Date : 25th day of May, 2018

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date, in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act, of AGIO PAPER & INDUSTRIES LIMITED for the year ended March 31, 2018, we report that:

We have audited the internal financial controls over financial reporting of AGIO PAPER & INDUSTRIES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance

Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For JITENDRA K AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.318086E

Sd/-
(Abhishek Mohhta)
Partner
Membership No. 066653

Place : KOLKATA
Date : 25th day of May, 2018

AGIO PAPER & INDUSTRIES LIMITED
CIN - L21090WB1984PLC037968
BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in Rs.)

	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	5	3,52,94,155	3,70,68,851	3,89,71,113
Capital Work-In-Progress		30,80,45,872	35,82,71,041	35,82,71,041
Financial Assets				
Trade Receivables	6	-	-	-
Loans	7	4,76,915	4,62,597	10,38,603
Other Financial Assets	8	2,70,483	2,85,080	2,67,324
Deferred Tax Assets (net)	9	59,06,409	59,06,409	59,06,409
Other Non-Current Assets	10	76,77,743	76,77,743	76,77,743
CURRENT ASSETS				
Inventories	11	65,69,465	98,53,965	1,31,38,465
Financial Assets				
Cash and Cash Equivalents	12	29,83,381	5,04,373	5,33,519
Bank balances other than Note 12	13	13,50,000	2,50,000	2,50,000
Other Financial Assets	8	15,000	35,000	35,000
Other Current Assets	10	35,43,834	64,62,468	65,30,624
Current Tax Assets	14	20,850	4,368	-
Total Assets		37,21,54,107	42,67,81,895	43,26,19,841
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	16,12,73,500	16,12,73,500	16,12,73,500
Other Equity	16	81,36,402	52,95,084	(7,49,91,273)
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	17	5,14,71,403	3,82,93,194	1,34,222,894
Other Financial Liabilities	18	16,62,138	17,00,268	17,84,268
Provisions	19	39,53,830	39,84,821	38,47,633
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	20	8,37,00,000	8,84,00,000	9,07,50,000
Trade Payables	21	31,27,008	37,68,884	58,60,055
Other Financial Liabilities	18	3,26,087	11,44,47,950	10,02,11,276
Provisions	19	2,01,923	2,96,771	3,82,356
Other Liabilities	22	5,24,13,962	34,33,569	33,91,278
Current Tax Liabilities (Net)	23	58,87,854	58,87,854	58,87,854
Total Equity and Liabilities		37,21,54,107	42,67,81,895	43,26,19,841

Basis of Accounting 2
Significant Accounting Policies 3
Significant Judgements & Estimates 4
The accompanying notes are an integral part of the Financial Statements
As per our report of even date annexed

For JITEDNRA K AGARWAL & ASSOCIATES

Chartered Accountants

Firm Registration No. 318086E

Sd/-

ABHISHEK MOHTA

Partner

Membership No. 066653

Kolkata : 25th May, 2018

Sd/-
(R R DEBATA)
Chief Financial Officer

Sd/-
K K KHETAWAT
(Director)
DIN:00438830

For and on behalf of Board of Directors

Sd/-
ANKIT JALAN
(Executive Director/CEO)
DIN:02577501

AGIO PAPER & INDUSTRIES LIMITED
CIN - L21090WB1984PLC037968
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018 (Amount in Rs.)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME			
Other Income	24	1,87,365	17,97,905
Total Income		1,87,365	17,97,905
EXPENSES			
Employee Benefits Expense	25	19,24,185	20,15,865
Finance Costs	26	46,83,050	28,40,022
Depreciation and Amortisation Expense	27	16,77,307	19,42,262
Other Expenses	28	1,11,18,104	1,11,52,292
Total Expenses		19,402,646	17,950,441
Profit before Exceptional Items and Tax		(1,92,15,281)	(1,61,52,536)
Exceptional Items	29	3,21,95,140	-
Profit before Tax		(5,14,10,421)	(1,61,52,536)
Tax Expense:	30		
Current Tax		-	-
Deferred Tax		(5,596)	79,051
Profit for the year		(5,14,04,825)	(1,62,31,587)
Other Comprehensive Income	31		
i. Items that will not be reclassified to profit or loss		21,522	(2,55,829)
ii. Income tax relating to these items		(5,596)	79,051
Total Other Comprehensive Income for the Year (Net of Tax)		15,926	(1,76,778)
Total Comprehensive Income for the period		(5,13,88,899)	(1,64,08,365)
Earnings Per Share			
Nominal Value of Shares (Rs. 10)			
Weighted Average Number of Ordinary Shares outstanding during the year		1,61,25,400	1,61,25,400
Basic & Diluted Earnings Per Share		(3.19)	(1.02)

Basis of Accounting 2
Significant Accounting Policies 3
Significant Judgements & Estimates 4
The accompanying notes are an integral part of the Financial Statements
As per our Report annexed of even date

For JITEDNRA K AGARWAL & ASSOCIATES

Chartered Accountants
Firm Registration No. 318086E
Sd/-
ABHISHEK MOHTA
Partner
Membership No. 066653
Kolkata : 25th May, 2018

Sd/-
(R R DEBATA)
Chief Financial Officer

Sd/-
K K KHETAWAT
(Director)
DIN:00438830

For and on behalf of Board of Directors

Sd/-
ANKIT JALAN
(Executive Director/CEO)
DIN:02577501

AGIO PAPER & INDUSTRIES LIMITED
CIN - L21090WB1984PLC037968
Statement of Change in Equity for the year ended 31st March, 2018

a Equity Share Capital		No. of Shares	Amount in Rs.		
Balance as at 1st April 2016*		1,61,25,400	16,12,73,500		
Add: Changes in Equity Share Capital during the year		-	-		
Balance as at 31st March 2017*		1,61,25,400	16,12,73,500		
Add: Changes in Equity Share Capital during the year		-	-		
Balance as at 31st March 2018*		1,61,25,400	16,12,73,500		
* Includes amount Rs. 19,500 received on forfeited shares (FY 1994-95)					
b Other Equity		(Amount in Rs.)			
	Reserves & Surplus				
	Capital Redemption Reserve	Equity Component of Preference Shares	Security Premium	Retained Earnings	Total
Balance as at 1st April, 2016	10,000	12,51,14,206	5,06,27,000	(25,07,42,479)	(7,49,91,273)
Profit/(Loss) for the Year				(16,231,587)	(16,231,587)
Equity component of Preference Shares		9,66,94,722			9,66,94,722
Remeasurement Gain/(Loss)				(2,55,829)	(2,55,829)
Impact of Tax				79,051	79,051
Total Comprehensive Income	10,000	22,18,08,928	5,06,27,000	(26,71,50,844)	52,95,084
Balance as at 31st March, 2017	10,000	22,18,08,928	5,06,27,000	(26,71,50,844)	52,95,084
Balance as at 31st March, 2017	10,000	22,18,08,928	5,06,27,000	(26,71,50,844)	52,95,084
Profit/(Loss) for the Year				(5,14,04,825)	(5,14,04,825)
Equity Component of Preference Shares		5,42,30,217			5,42,30,217
Remeasurement Gain/(Loss)				21,522	21,522
Impact of Tax				(5,596)	(5,596)
Total Comprehensive Income	10,000	27,60,39,145	5,06,27,000	(31,85,39,743)	81,36,402
Balance as at 31st March, 2018	10,000	27,60,39,145	5,06,27,000	(31,85,39,743)	81,36,402

The accompanying notes are an integral part of the Financial Statements
As per our Report annexed of even date

For JITEDNRA K AGARWAL & ASSOCIATES

Chartered Accountants

Firm Registration No. 318086E

Sd/-

ABHISHEK MOHTA

Partner

Membership No. 066653

Kolkata : 25th May, 2018

Sd/-

(R R DEBATA)

Chief Financial Officer

Sd/-

K K KHETAWAT

(Director)

DIN:00438830

Sd/-

ANKIT JALAN

(Executive Director/CEO)

DIN:02577501

For and on behalf of Board of Directors

AGIO PAPER & INDUSTRIES LIMITED
CIN - L21090WB1984PLC037968
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Rs.)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
(A) Cash flow from operating activities:		
Net Profit before tax	(5,14,10,421)	(1,61,52,536)
Adjustments for :		
Depreciation and Amortisation Expenses	16,77,307	19,42,262
Sundry Balances/ Liabilities no longer required written back	(14,112)	(12,58,924)
Sundry balance written off	1,68,461	5,29,424
Provision for non moving items of Inventory	32,84,500	32,84,500
Loss on Sale/ Discard of Property, Plant & Equipment (Net of Exceptional Item)	3,22,35,529	-
Interest Expenses	46,83,050	28,40,022
Interest Income	(1,73,253)	(34,988)
Operating Profit before working capital changes	(95,48,939)	(88,50,240)
Adjustments for :		
(Increase)/Decrease in Inventory	-	-
(Increase)/Decrease in Trade Receivable & Other Assets	27,91,267	1,14,738
Increase/(Decrease) in Trade Payable & Other Liabilities	(8,59,491)	(10,41,508)
Cash generation from/(used in) operations	(76,17,163)	(97,77,010)
Direct Taxes (paid)/refund	(16,482)	(4,368)
Net cash flow from/(used in) operating activities	(76,33,645)	(97,81,378)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Payment for Purchase of Property, Plant & Equipment	-	(40,000)
Proceeds from Sale of certain Equipment out of Capital Work in Progress	6,70,34,839	-
Bank Fixed Deposit	(11,00,000)	-
Interest Received	1,52,438	17,232
	6,60,87,277	(22,768)

AGIO PAPER & INDUSTRIES LIMITED
CIN - L21090WB1984PLC037968
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Amount in Rs.)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(74,624)	(50,000)
Repayment of Long Term Borrowings	(11,40,00,000)	(9,98,00,000)
Repayment of Short Term Borrowings (Net)	(47,00,000)	(23,50,000)
Proceeds from Issue of Preference Shares	6,28,00,000	11,19,75,000
	(5,59,74,624)	97,75,000
Net Increase/(Decrease) in Cash and Cash equivalents	24,95,490	(29,146)
Cash and Cash equivalents as at 1st April	5,04,373	5,33,519
Cash and Cash equivalents as at 31st March	29,83,381	5,04,373

Note :

- Cash and cash equivalent at the year end represents cash in hand and bank balance with schedule banks as reflected in note 12 and are available for use in the ordinary course of business.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
- Amendment to Ind AS 7 :**
The amendment to Ind AS 7 Cash Flow Statements require the entities to provide the disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclosure is made below :

Particulars	As at 31st March, 2017	Cash Flows	Non Cash Changes		As at 31st March, 2018
			Fair Value	Accrued Interest	
Long Term Borrowings	3,82,93,194	6,28,00,000	(5,42,30,217)	46,08,426	5,14,71,403
Other Financial Liabilities	11,40,00,000	(11,40,00,000)	-	-	-
Short Term Borrowings	8,84,00,000	(47,00,000)	-	-	8,37,00,000

- Previous year's figures have been rearranged and/or regrouped, wherever necessary.

The accompanying notes are an integral part of the Financial Statements
As per our Report annexed of even date

For JITEDNRA K AGARWAL & ASSOCIATES

Chartered Accountants
Firm Registration No. 318086E
Sd/-
ABHISHEK MOHTA
Partner
Membership No. 066653
Kolkata : 25th May, 2018

Sd/-
(R R DEBATA)
Chief Financial Officer

Sd/-
K K KHETAWAT
(Director)
DIN:00438830

For and on behalf of Board of Directors

Sd/-
ANKIT JALAN
(Executive Director/CEO)
DIN:02577501

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2018

1. CORPORATE AND GENERAL INFORMATION

APIL is engaged in manufacturing of Writing & Printing paper. The paper manufactured by APIL finds application in printing of books, textbooks, brochures, pamphlets, including manufacturing of notebooks and office and computer stationery. The factory unit of APIL was originally set up for manufacturing of Writing, Printing and Kraft Paper with an installed capacity of 13,800 TPA and later increased to 15,500 MT. The unit is situated at Village Dhenka, P.O. Darrighat, Masturi at a distance of approx. 8 km from Bilaspur Distt., Chhattisgarh.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended 31st March, 2017, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP"). These financial statements for the year ended 31st March, 2018 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as at 1st April, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First Time Adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note No. 38. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2016 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arising from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2016 as required by Ind- AS 101. The financial statements of the Company for the year ended 31st March, 2018 have been approved by the Board of Directors in their meeting held on 25th May, 2018.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined Benefit Plans - plan assets measured at fair value; and

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information is presented in INR.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current Vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Provision is made for obsolete and slow moving stocks where necessary.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset

is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement :

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.5 Leases**3.5.1. Company as lessor**

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.5.2. Company as Lessee

Leases in which significant portion of risk and rewards of ownership are not transferred to the Company as lease are classified as operating leases. Payments made under operating leases (net of any incentives receipt from the lessor) are charged to profit or loss on a straight line basis over the period of the leases unless the payments are structured to increase in line with expected general inflation to compensate for the lessors expected inflationary cost increases. Leases where the company assumes substantially all risks and rewards incidental to the ownership of the leases assets are classified as finance leases.

3.6 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

3.6.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

3.6.2. Interest Income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.3. Other Income

All the other income is recognized as and when the same is accrued.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Post Employment Benefits

The Company operates the following post employment schemes :

- **Defined Benefit Plans**

The liability recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

Defined contribution plans such as provident fund etc are charged to the statement of profit and loss as and when incurred.

3.7.3. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit & Loss immediately.

3.8 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.9.1. Financial Assets

- **Recognition and Initial Measurement :**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement :**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS - 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.9.2. Financial Liabilities

- **Recognition and Initial Measurement :**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement :**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.10 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units - CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.11 Provisions, Contingent Liabilities and Contingent Assets

3.11.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.11.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.11.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.12 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet.

Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

3.13 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.14 Standards Issued but not yet Effective

The standard issued but not yet effective up to the date of issuance of the Company's financial Statements is disclosed below. The company intends to adopt this Standard when it becomes effective.

3.14.1. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

3.14.2. In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The amendment is applicable to the Company for the reporting period beginning April 1, 2018. Ind AS 115 replaces existing revenue recognition standards Ind AS 11, Construction Contracts and Ind AS 18, Revenue and revised guidance note of the ICAI on Accounting for Real Estate Transaction for Ind AS entities issued in 2016.

The amendment will come into force from April 1, 2018. The Company is in the process of evaluating the requirement of the

amendments as well as the impact of the same.

4. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes :

- **Recognition of Deferred Tax Assets** : The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable assets (tangible)** : Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Classification of Leases** : The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Defined Benefit Obligation (DBO)** : Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies** : The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets** : The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts** : The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments** : When the fair values of financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

5 PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs.)

Particulars	Year Ended 31st March 2018								
	Gross Block			Accumulated Depreciation					Net Carrying Amount
	As at 31st March 2017	Additions	Disposals	As at 31st March 2018	As at 31st March 2017	For the Year	Deductions	As at 31st March 2018	
Land & Land Development	9,58,276			9,58,276	-			-	9,58,276
Buildings	1,32,11,323			1,32,11,323	6,88,179	6,88,176		13,76,355	1,18,34,968
Plant and Machinery	2,16,98,039			2,16,98,039	7,09,208	4,43,020		11,52,228	2,05,45,811
Furniture and Fittings	26,69,583			26,69,583	5,29,611	5,24,157		10,53,768	16,15,815
Motor Vehicles	1,89,603		97,389	92,214	15,264	21,954	-	37,218	54,996
Office Equipments	1,74,822			1,74,822	-	-		-	1,74,822
Computers & Data Processing Units	1,09,467			1,09,467	-	-		-	1,09,467
Total	3,90,11,113	-	97,389	3,89,13,724	19,42,262	16,77,307	-	36,19,569	3,52,94,155

Particulars	Year Ended 31st March 2017								
	Gross Block			Accumulated Depreciation				Net Carrying Amount	
	Deemed Cost as at 1st April 2016	Additions	Disposals	As at 31st March 2017	As at 1st April 2016	For the Year	Deductions		As at 31st March 2017
Land & Land Development	9,58,276	-	-	9,58,276	-	-	-	-	9,58,276
Buildings	1,32,11,323	-	-	1,32,11,323	-	6,88,179	-	6,88,179	1,25,23,144
Plant and Machinery	2,16,98,039	-	-	2,16,98,039	-	7,09,208	-	7,09,208	2,09,88,831
Furniture and Fittings	26,69,583	-	-	26,69,583	-	5,29,611	-	5,29,611	21,39,972
Motor Vehicles	1,49,603	40,000	-	1,89,603	-	15,264	-	15,264	1,74,339
Office Equipments	1,74,822	-	-	1,74,822	-	-	-	-	1,74,822
Computers & Data Processing Units	1,09,467	-	-	1,09,467	-	-	-	-	1,09,467
Total	3,89,71,113	40,000	-	3,90,11,113	-	19,42,262	-	19,42,262	3,70,68,851

Note :

5.1 For Property, Plant and Equipment existing as on 1st April 2016, i.e. the date of transition to Ind AS for the company, the company has opted to take the existing carrying value as deemed cost as per the option available under para D7AA of Ind AS 101 "First Time Adoption".

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

6 TRADE RECEIVABLES

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Receivables	6.1 & 6.2	29,83,320	29,83,320	29,83,320
Less: Provision for doubtful receivables		29,83,320	29,83,320	29,83,320
Total Trade Receivables		-	-	-
Break Up of Security Details				
Secured, considered good		-	-	-
Unsecured, considered good		-	-	-
Doubtful		29,83,320	29,83,320	29,83,320
Total		29,83,320	29,83,320	29,83,320
Less: Provision for doubtful receivables		29,83,320	29,83,320	29,83,320
Total Trade Receivables		-	-	-

6.1 Trade receivables are non-interest bearing.

6.2 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

7 LOANS

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other Loans and Advances				
Advance to Employees, unsecured, considered good		4,76,915	4,62,597	10,38,603
Advance to Employees, unsecured, considered doubtful		6,000	6,000	6,000
Less: Provision for Doubtful Advance		(6,000)	(6,000)	(6,000)
Total Loans		4,76,915	4,62,597	10,38,603

7.1 No Loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner, a director or a member.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

8 OTHERS FINANCIAL ASSETS

(Amount in Rs.)

	Refer Note No.	Long Term			Short Term		
		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Security & Other Deposits		83,098	1,18,510	1,18,510	15,000	35,000	35,000
Interest Accrued on Deposits		1,87,385	1,66,570	1,48,814	-	-	-
		2,70,483	2,85,080	2,67,324	15,000	35,000	35,000

9 DEFERRED TAX ASSETS (NET)

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred Tax Liabilities				
Arising on account of :				
Property, Plant & Equipment		50,25,014	48,89,776	57,32,307
		50,25,014	48,89,776	57,32,307
Less: Deferred Tax Assets				
Arising on account of :				
Section 43B of Income-tax Act		1,70,671	2,01,434	2,25,775
Provision for doubtful debts		12,26,555	12,14,761	14,57,713
Brought Forward Unabsorbed Losses	9.1	6,29,729	13,50,108	25,15,562
MAT Credit Entitlement		59,06,409	59,06,409	59,06,409
Others		29,98,059	21,23,473	15,33,257
		1,09,31,423	1,07,96,185	1,16,38,716
Deferred Tax Assets (Net)		59,06,409	59,06,409	59,06,409

- 9.1** The recognition of deferred tax asset on unabsorbed depreciation/business losses has been restricted to the extent of deferred tax liability on account of timing difference in respect of depreciation, the reversal of which is virtually certain. The Company has not recognized deferred tax assets of Rs. 41,411,473/- (previous year - as on 31st March, 2017 Rs. 36,426,694/- as on 1st April, 2016 Rs. 32,221,141/-) on unabsorbed business losses and unabsorbed depreciation of Rs. 133,633,634/- (previous year - as on 31st March, 2017 Rs. 117,885,741/- as on 1st April, 2016 Rs. 104,275,537/-) on account of prudence.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

9.2 Movement in deferred tax assets and liabilities during the year ended 31st March, 2017 and 31st March, 2018

(Amount in Rs.)

	As at 1st April, 2017	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2018
Deferred Income Tax Liabilities				
Property, Plant & Equipment	48,89,776	1,35,238		50,25,014
	48,89,776	1,35,238	-	50,25,014
Deferred Income Tax Assets				
Section 43B of Income-tax Act	2,01,434	(25,167)	(5,596)	1,70,671
Provision for doubtful debts	12,14,761	11,794		12,26,555
Brought Forward Unabsorbed Losses	13,50,108	(7,20,379)		6,29,729
MAT Credit Entitlement	59,06,409	-		59,06,409
Others	21,23,473	8,74,586		29,98,059
	1,07,96,185	1,40,834	(5,596)	1,09,31,423

(Amount in Rs.)

	As at 1st April, 2016	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31st March, 2017
Deferred Income Tax Liabilities				
Property, Plant & Equipment	57,32,307	(8,42,531)		48,89,776
	57,32,307	(8,42,531)	-	48,89,776
Deferred Income Tax Assets				
Section 43B of Income-tax Act	2,25,775	(1,03,392)	79,051	2,01,434
Provision for doubtful debts	14,57,713	(2,42,952)		12,14,761
Brought Forward Unabsorbed Losses	25,15,562	(11,65,454)		13,50,108
MAT Credit Entitlement	59,06,409	-		59,06,409
Others	15,33,257	5,90,216		21,23,473
	1,16,38,716	(9,21,582)	79,051	1,07,96,185

9.3 Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

AGIO PAPER & INDUSTRIES LIMITED

Notes to Financial Statements as on and for the year ended 31st March, 2018

10 OTHER ASSETS

(Amount in Rs.)

	Refer Note No.	Long Term			Short Term		
		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Advances		66,57,106	66,57,106	66,57,106	-	-	-
Less : Provision for Doubtful Advances		(12,72,648)	(12,72,648)	(12,72,648)	-	-	-
Advances other than Capital Advances							
Advance against supply of Goods & Services		4,55,551	4,55,551	4,55,551	2,36,667	2,36,667	2,66,208
Less : Provision for Doubtful Advances		(4,55,551)	(4,55,551)	(4,55,551)	-	-	-
Prepaid Expenses		-	-	-	57,050	64,451	44,652
Amount Paid Under Protest		22,93,285	22,93,285	22,93,285	-	-	-
Balances with Government & Statutory Authorities		-	-	-	26,97,638	56,18,871	56,77,285
Other Receivables		-	-	-	5,52,479	5,42,479	5,42,479
Total Other Assets		76,77,743	76,77,743	76,77,743	35,43,834	64,62,468	65,30,624

11 INVENTORIES

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(As valued and certified by the Management)				
Stores and Spares etc.	11.1	1,81,00,461	1,81,00,461	1,81,00,461
Provision for Obsolescence		(1,15,30,996)	(82,46,496)	(49,61,996)
		65,69,465	98,53,965	1,31,38,465

11.1 Refer note no. 28 for information in relation to the amount of inventories recognized as expenses.

12 CASH AND CASH EQUIVALENTS

Balances With Banks :				
In Current/Cash Credit Account		29,79,949	4,91,203	4,72,685
Cash in Hand		3,432	13,170	60,834
		29,83,381	5,04,373	533,519

13 BANK BALANCES (OTHER THAN NOTE: 12)

Deposits held as margin money/ security	13.1	13,50,000	2,50,000	2,50,000
		13,50,000	2,50,000	2,50,000

13.1 Includes deposits marked lien in favour of Govt. Authorities

14 CURRENT TAX ASSETS

Advance Taxes (including TDS)		20,850	4,368	-
		20,850	4,368	-

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
15 EQUITY SHARE CAPITAL							
15.1 Authorised Share Capital							
Ordinary Shares of Rs. 10/- each		1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
Preference Shares of Rs. 100/- each		39,50,000	39,50,00,000	39,50,000	39,50,00,000	14,50,000	14,50,00,000
		1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
15.2 Issued Share Capital							
Ordinary Shares of Rs. 10/- each		1,61,25,400	16,12,54,000	1,61,25,400	16,12,54,000	1,61,25,400	16,12,54,000
Add: Equity Shares forfeited (Paid Up)		3,900	19,500	3,900	19,500	3,900	19,500
		1,61,29,300	16,12,73,500	1,61,29,300	16,12,73,500	1,61,29,300	16,12,73,500
15.3 Subscribed and Paid-up Share Capital							
Ordinary Shares of Rs. 10/- each fully paid-up		1,61,25,400	16,12,54,000	1,61,25,400	16,12,54,000	1,61,25,400	16,12,54,000
Add: Equity Shares forfeited (Paid Up)		-	19,500	-	19,500	-	19,500
		1,61,25,400	16,12,73,500	1,61,25,400	16,12,73,500	1,61,25,400	16,12,73,500

15.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

15.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of Ordinary shares having a face value of Rs. 10 per share and each holder of Ordinary shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meetings. The claim of Ordinary Shareholders on earnings and on assets in the event of liquidation, follows all others, in proportion to their shareholding.

15.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

15.7 Details of Equity Shareholders holding more than 5% shares in the Company

(Amount in Rs.)

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of Rs. 10/- each fully paid						
Murari Lal Jalan	71,95,868	44.62%	71,95,868	44.62%	64,45,868	39.97%
Arrow Syntex Private Limited	29,38,194	18.22%	29,38,194	18.22%	29,38,194	18.22%
Anand Purohit	15,00,000	9.30%	15,00,000	9.30%	15,00,000	9.30%
Bharat Mekani	15,00,000	9.30%	15,00,000	9.30%	15,00,000	9.30%

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

15.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

15.9 The Company has not allotted any equity shares against consideration other than cash nor has allotted any shares as fully paid up by way of bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

15.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

15.11 No calls are unpaid by any Director or Officer of the Company during the year.

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
16 OTHER EQUITY				
Capital Redemption Reserve		10,000	10,000	10,000
Equity Component of Preference Shares		27,60,39,145	22,18,08,928	12,51,14,206
Security Premium		5,06,27,000	5,06,27,000	5,06,27,000
Retained Earnings		(31,85,39,743)	(26,71,50,844)	(25,07,42,479)
		81,36,402	52,95,084	(7,49,91,273)

The Description of the nature and purpose of each reserve within equity is as follows :

- a Capital Redemption Reserve :** Capital Redemption reserve can be used as per the guidelines provided under Companies Act, 2013.
- b Equity Component of Preference Shares :** This represents the equity component of the preference shares calculated based on the guidelines provided under Ind AS 32.
- c Security Premium :** The amount received in excess of face value of equity shares is recognized in Securities Premium.
- d Retained Earnings :** Retained earnings are the profits that the company has earned till date less any transfers to any reserves or dividend or distribution to shareholders.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

17 BORROWINGS

(Amount in Rs.)

	Refer Note No.	Non-Current Portion			Current Maturities		
		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
17.1 Non-Cumulative Redeemable Preference Shares (Face Value of Rs. 100/- each) Preference Shares of Rs. 100 each	17.3						
		5,14,71,403	3,82,93,194	2,02,22,894			
		5,14,71,403	3,82,93,194	2,02,22,894	-	-	-
17.2 Term Loans							
From Banks :							
Rupee Loans		-	-	11,40,00,000	-	11,40,00,000	9,98,00,000
		-	-	11,40,00,000	-	11,40,00,000	9,98,00,000
Total		5,14,71,403	3,82,93,194	13,42,22,894	-	11,40,00,000	9,98,00,000
Amount disclosed under the head "Other Financial Liability"				-	-	(11,40,00,000)	(9,98,00,000)
		5,14,71,403	3,82,93,194	13,42,22,894	-	-	-
Break Up of Security Details							
Secured		-	-	11,40,00,000	-	11,40,00,000	9,98,00,000
Unsecured		5,14,71,403	3,82,93,194	2,02,22,894	-	-	-
Total		5,14,71,403	3,82,93,194	13,42,22,894	-	11,40,00,000	9,98,00,000

17.3 Rights, Preferences and Restrictions attached to Non Cumulative Redeemable Preference Shares

- a The Company has issued total 31,96,605, 10% Non-cumulative Redeemable Preference Shares having par value of Rs. 100 each per share including 6,28,000 shares issued during the year. The entire preference shares have been issued on private placement basis to M/s Bengal Orion Financial Hub Limited in order to increase and strengthen the capital base of the company and to meet working capital requirement and general corporate purpose.
- b **Non Cumulative Redeemable Preference Shares held by each shareholder holding more than 5% shares**

(Amount in Rs.)

	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
10% Non Cumulative Redeemable Preference Shares						
Bengal Orion Financial Hub Limited	31,96,605	100.00%	25,68,605	100.00%	14,48,855	100.00%

AGIO PAPER & INDUSTRIES LIMITED

Notes to Financial Statements as on and for the year ended 31st March, 2018

18 OTHER FINANCIAL LIABILITIES

(Amount in Rs.)

	Refer Note No.	Non-Current Portion			Current Maturities		
		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current maturities of Long Term Debt	17	-	-	-	-	11,40,00,000	9,98,00,000
Trade & Security Deposits (Unsecured)		16,62,138	17,00,268	17,84,268	-	-	-
Employees related Liabilities					1,11,201	2,33,064	1,96,390
Amount payable for Capital Goods					2,14,886	2,14,886	2,14,886
		16,62,138	17,00,268	17,84,268	3,26,087	11,44,47,950	10,02,11,276

19 PROVISIONS

Provision for Employee Benefits		4,54,505	4,85,496	3,48,308	2,01,923	2,96,771	3,82,356
Other Provisions		-	-	-	-	-	-
		4,54,505	4,85,496	3,48,308	2,01,923	2,96,771	3,82,356
Provision for Contingency		34,99,325	34,99,325	34,99,325	-	-	-
		39,53,830	39,84,821	38,47,633	2,01,923	2,96,771	3,82,356

20 SHORT TERM BORROWINGS

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Loan Repayable on Demand				
Other Loans from Related Parties				
From Director		-	-	7,50,000
From Other Body Corporates	20.1	8,37,00,000	8,84,00,000	9,00,00,000
		8,37,00,000	8,84,00,000	9,07,50,000
20.1 The above amount includes				
Secured Borrowings		-	-	-
Unsecured Borrowings		8,37,00,000	8,84,00,000	9,07,50,000
		8,37,00,000	8,84,00,000	9,07,50,000
20.2 Terms and conditions of Short Term Borrowings				
The loan From Other Body Corporates is unsecured, interest free and repayable on demand.				
21 TRADE PAYABLES				
Dues to Micro and Small Enterprises		-	-	-
Dues to Creditors other than Micro & Small Enterprises				
For Goods		31,27,008	37,68,884	58,60,055
		31,27,008	37,68,884	58,60,055

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

21.1 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015. The Company has compiled this information based on intimation received from the suppliers of their status as Micro or Small Enterprises and/or its registration with appropriate authority under the Micro, Small and Medium Enterprises Act, 2006 ("MSMED Act").

Sl. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	-	-	-
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

22 OTHER LIABILITIES

(Amount in Rs.)

	Refer Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advances Received against sale of fixed assets		4,89,47,810	-	-
Statutory Dues		34,66,152	34,33,569	33,91,278
		5,24,13,962	34,33,569	33,91,278

23 CURRENT TAX LIABILITIES (NET)

Provision for Taxation (Net)		72,48,003	72,48,003	72,48,003
Less : Taxes paid		13,80,999	13,64,517	13,60,149
Closing balance		58,67,004	58,83,486	58,87,854

AGIO PAPER & INDUSTRIES LIMITED

Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
24 OTHER INCOME			
Interest Income			
On Banks Deposits		1,66,379	25,508
On Other Deposits, etc		6,874	9,480
Other Non Operating Income			
Excess Provision/ Liabilities written back		14,112	12,58,924
Insurance and Other Claims (Net)		-	36,680
Other Miscellaneous Income		-	4,67,313
		1,87,365	17,97,905
25 EMPLOYEE BENEFITS EXPENSE			
Salaries & Wages		16,73,271	17,58,901
Contribution to Provident and Other Funds		1,96,361	2,04,021
Staff Welfare Expenses		54,553	52,943
		19,24,185	20,15,865
26 FINANCE COST			
Interest Expenses			
On Unsecured Loan & Others		74,624	50,000
Dividend on Preference Share Capital		46,08,426	27,90,022
		46,83,050	28,40,022
27 DEPRECIATION AND AMORTIZATION EXPENSES			
On Tangible Assets		1,677,307	1,942,262
		1,677,307	1,942,262
28 OTHER EXPENSES			
Stores, Spare Parts & Packing Materials Consumed		32,84,500	32,84,500
Power & Fuel		4,60,436	6,57,866
Repairs to Buildings		93,322	40,887
Repairs to Machinery		21,568	86,129
Repairs to Other Assets		16,750	12,895
Auditors' Remuneration	28.1	2,34,000	2,58,750
Rent, Rates & Taxes		1,76,879	1,98,456
Insurance		1,41,460	6,125
Bad debt & Advances written off		1,68,461	5,29,424
Loss on Sale/ Discard of Property, Plant & Equipment (Net)		40,389	-
Legal and Professional Charges		3,51,087	3,38,290
Travelling & Conveyance Expenses		1,24,433	71,665
Listing & Filing Fees		13,10,752	23,46,939
Other Expenses		46,94,067	33,20,366
		1,11,18,104	1,11,52,292

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Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
28.1 Auditors' Remuneration			
a Statutory Auditors			
Audit Fees		1,25,000	1,25,000
Issue of Certificates		1,00,000	1,00,000
Reimbursement of Expenses		9,000	33,750
		<u>2,34,000</u>	<u>2,58,750</u>
29 EXCEPTIONAL ITEM			
Loss on Sale/ Discard of Capital Work in Progress (Net)		3,21,95,140	-
		<u>3,21,95,140</u>	<u>-</u>
30 TAX EXPENSE			
Current Tax		-	-
Deferred Tax		(5,596)	79,05,100
		<u>(5,596)</u>	<u>79,05,100</u>
30.1 Reconciliation of estimated Income tax expense at Indian statutory			
Income tax rate to income tax expense reported in statement			
of profit & loss Income before Income Taxes		(5,14,10,421)	(1,61,52,536)
Indian Statutory Income Tax Rate		25.750%	25.750%
Estimated income Tax Expenses		<u>(1,32,38,183)</u>	<u>(41,59,278)</u>
Tax effect of adjustments to reconcile expected Income tax			
expense to reported Income Tax Expenses			
Exempt Income			
Tax Payable at different rate		14,766	-
Expenses not allowed under Income Tax		83,70,736	89,489
Deferred Tax not recognized on unabsorbed losses		42,14,935	36,04,193
Others		7,60,676	3,86,545
		<u>1,33,61,113</u>	<u>40,80,227</u>
Income Tax Expenses as per Statment of Profit & Loss		(5,596)	(79,051)
30.2 Applicable Indian Statutory Income Tax rate for Fiscal			
Year 2018 & 2017 is 25.75%.			
31 OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		21,522	(2,55,829)
Less: Tax expense on the above		(5,596)	79,051
		<u>27,118</u>	<u>(334,880)</u>
Total		<u>27,118</u>	<u>(334,880)</u>

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

32 Contingent Liabilities**32.1 Claims/Disputes/Demands not acknowledged as debts**

(Amount in Rs.)

Sl. No.	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a	Disallowance of Modvat Credit on input items Felts & etc from November, 1991 to May, 1992	3,20,192	3,20,192	3,20,192

32.2 Civil Cases Pending

Sl. No.	Party	Before the Court	Nature	Brief Description	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a	Rajlakshmi Chemical Industries	Learned Civil Judge (Sr Division)-Pune	Against Supply of Material	Suit claiming a decree with interest from the date of suit till completion	2,41,000	2,41,000	2,41,000

32.3 In respect of the matters in note no. 32.1 & 32.2, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibilities of any reimbursements to be made to the company from any third party.

33 Operating Leases

The Factory land at Bilaspur is obtained on operating lease. The lease terms are for 99 years and are renewable for further period either mutually or at the option of the Company. There are neither any restrictions imposed nor any escalation clause in lease arrangements. There are no subleases. The leases are cancellable.

Particulars	2017-18	2016-17	2015-16
Lease Payment made for the Year	10,462	10,462	10,462

The Minimum Rentals Payable under Operating Leases for non-cancellable arrangements are as follows:

Particulars	2017-18	2016-17	2015-16
Within One Year	10,462	10,462	10,462
After one Year but not more than Five Years	41,848	41,848	41,848
More than Five Years	6,27,720	6,38,182	6,48,644

34 The paper factory remains under shut down w.e.f. 6th October, 2010 to fulfil certain pollution control measures as laid down by Central Pollution Control Board. The management of the company is taking active steps to comply with the required norms to start the factory. The management is also actively considering to begin paper production through alternate means. As reported earlier, the new paper mill with an annual capacity of 18,000 MT is under installation and waiting for necessary clearance to commence production as mentioned above. The power plant also could not be started due to non operation of the paper mill and thus still kept under capital work in progress.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

35 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

35.1 Defined Contribution Plan :

The Company makes contribution towards provident fund and Employee's State Insurance Corporation (ESIC) to a defined contribution retirement benefit plan for qualifying employees. The Provident Fund plan and ESIC are operated by concerned Government agencies created for the purpose. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the Scheme to fund the benefits. The contribution payable to these plans by the company is at the rates specified in the rules of the scheme. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

(Amount in Rs.)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Provident Fund	69,931	78,947
Employee State Insurance Scheme	40,985	33,372

35.2 Defined Benefit Plan :

The following are the types of defined benefit plans :

a Gratuity Plan

15 days salary for every completed year of service. Vesting period is 5 years and payment is restricted to Rs. 10 lacs. The present value of defined obligation and related current cost are measured using the Projected Credit Method with actuarial valuation being carried out at each balance sheet date.

b Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest Rates Risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary Inflation Risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic Risks	This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of these decrement on the DBO depends upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.
Acturial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience : Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

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Notes to Financial Statements as on and for the year ended 31st March, 2018

	<p>Variability in mortality rates : If actual mortality rates are higher than assumed mortality rate than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates : If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.</p>
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa.

c Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components :

(Amount in Rs.)

Particulars	Gratuity	
	2017-18	2016-17
Balance at the beginning of the year	7,82,267	7,30,664
Current Service Cost	35,197	46,834
Interest Cost on Defined Benefit Obligation	50,248	41,139
Actuarial Gain and Losses arising from		
Changes in demographic assumptions	3,059	-
Changes in financial assumptions	(4,811)	17,818
Experience Adjustment	(19,770)	2,41,740
Benefits Paid	(1,89,762)	(2,95,928)
Balance at the end of the year	6,56,428	7,82,267

d Expenses recognized in the Statement of Profit & Loss

Particulars	Gratuity	
	2017-18	2016-17
Current Service Cost	35,197	46,834
Interest Cost	50,248	41,139
Expenses recognized in Statement of Profit & Loss	85,445	87,973

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Notes to Financial Statements as on and for the year ended 31st March, 2018

e Remeasurements recognized in other comprehensive income

(Amount in Rs.)

Particulars	Gratuity	
	2017-18	2016-17
Actuarial (gain)/ Loss on defined benefit obligation	(21,522)	2,59,558

f Asset-Liability Matching Strategy

The Company has not funded its gratuity liability as a very few of its employees are being continued for gratuity being accrued to them and moreover, the company's financial health is not permitting such funding. Hence, the scheme is unfunded and the company has planned out that the payment of gratuity to the employees will be made from the operating cash generated by the company.

g Actuarial Assumptions

Particulars	Gratuity	
	2017-18	2016-17
Financial Assumptions		
Discount Rate	7.31%	7%
Salary Escalation Rate	5%	5%
Demographic Assumptions		
Mortality Rate	(% of IALM 2006-08)	(% of IALM 2006-08)
Withdrawal Rate	5%	5%

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

i Maturity Profile of Defined Benefit Obligations

Expected benefits payment	As at 31st March, 2018	As at 31st March, 2017
Year 1	2,01,923	2,96,771
Year 2	1,82,762	13,301
Year 3	16,129	1,62,059
Year 4	15,051	8,480
Year 5	14,043	8,276
Above 5 years	2,26,520	2,93,380

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

j Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

(Amount in Rs.)

Particulars	Gratuity	
	2017-18	2016-17
Effect on DBO due to 1% increase in Discount Rate	6,38,156	7,54,876
Effect on DBO due to 1% decrease in Discount Rate	6,76,303	8,12,335
Effect on DBO due to 1% increase in Salary Escalation Rate	6,76,887	8,13,692
Effect on DBO due to 1% decrease in Salary Escalation Rate	6,37,272	7,53,128
Effect on DBO due to 1% increase in Attrition Rate	6,57,517	7,83,708
Effect on DBO due to 1% decrease in Attrition Rate	6,55,277	7,80,746

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

- 36** Certain trade receivables , loans & advances and creditors are subject to confirmation. In the opinion of the management, the value of trade receivables and loans & advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

37 Related Party Disclosures

37.1 Related parties with whom transactions have taken place during the year and previous year are :

Party having significant influence over the Company	Arrow Syntax Private Limited
Key Management Personnels	Ankit Jalan (Whole Time Director)

37.2 Related Party Transactions

(Amount in Rs.)

Particulars	2017-18		2016-17		1-Apr-16	
	Parties having significant influence over the Company	Key Management Personnel	Parties having significant influence over the Company	Key Management Personnel	Parties having significant influence over the Company	Key Management Personnel
Unsecured Loan taken during the year	-	-	23,50,000	-	-	7,50,000
Unsecured Loan repaid during the year	47,00,000	-	-	-	3,12,00,000	4,26,00,000

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Notes to Financial Statements as on and for the year ended 31st March, 2018

37.3 Balance Outstanding as at the balance sheet date

(Amount in Rs.)

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured Loan Payable		8,37,00,000	8,84,00,000	9,07,50,000

37.4 Terms and Conditions of transaction with Related Parties

The Company has taken loan from Enterprises owned/influenced by Key Management Personnel (KMP) or their relatives as well as from KMP's. The loan is unsecured, repayable on demand and interest free.

38 Transition to Ind AS

38.1 Basis for Preparation

For all period up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018 are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the date of transition). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

38.2 Exceptions and Exemptions Applied

IND AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet. In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

38.2.1 Optional Exemptions Availed

a Property Plant and Equipment

As permitted by para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

b Determining whether an arrangement contains a Lease

Para D9-D9AA of Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 "Leases" for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has applied the above transition provision and has assessed all the arrangements at the date of transition.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

38.2.2 Mandatory Exceptions

Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period. The Company's estimates under Ind AS are consistent with the above requirement.

38.3 Impact of Transition to Ind AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial periods previously reported under Indian GAAP following the date of transition to IND AS.

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Notes to Financial Statements as on and for the year ended 31st March, 2018

38.3.1 Reconciliation of Items of Balance Sheet as at 1st April, 2016 (transition date) and as at 31st March, 2017 (Amount in Rs.)

Particulars	Refer Note No.	Previous GAAP as at 31.03.2017	Effect of Ind IAS Transition	Ind AS Balance Sheet 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind IAS Transition	Ind AS Balance Sheet as at 01.04.2016
ASSETS							
NON-CURRENT ASSETS							
Property, Plant and Equipment	38.3.5.g	3,71,08,552	(39,701)	3,70,68,851	3,90,11,415	(40,302)	3,89,71,113
Capital Work-In-Progress		35,82,71,041	-	35,82,71,041	35,82,71,041	-	35,82,71,041
Financial Assets							
Trade Receivables		-	-	-	-	-	-
Loans		4,62,597	-	4,62,597	10,38,603	-	10,38,603
Other Financial Assets		2,85,080	-	2,85,080	2,67,324	-	2,67,324
Deferred Tax Assets (net)		59,06,409	-	59,06,409	59,06,409	-	59,06,409
Other Non-Current Assets		76,77,743	-	76,77,743	76,77,743	-	76,77,743
Total Non Current Asset		40,97,11,422	(39,701)	40,96,71,721	41,21,72,535	(40,302)	41,21,32,233
CURRENT ASSETS							
Inventories		98,53,965	-	98,53,965	1,31,38,465	-	1,31,38,465
Financial Assets							
Cash and Cash Equivalents		5,04,373	-	5,04,373	5,33,519	-	5,33,519
Bank balances other than Note 12		2,50,000	-	2,50,000	2,50,000	-	2,50,000
Other Financial Assets		35,000	-	35,000	35,000	-	35,000
Other Current Assets	38.3.5.g	64,22,767	39,701	64,62,468	64,90,322	40,302	65,30,624
Total Current Assets		1,70,66,105	39,701	1,71,05,806	2,04,47,306	40,302	2,04,87,608
Total Assets		42,67,77,527	-	42,67,77,527	43,26,19,841	-	43,26,19,841
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		16,12,73,500	-	16,12,73,500	16,12,73,500	-	16,12,73,500
Other Equity	38.3.3	(21,32,72,222)	21,85,67,306	52,95,084	(19,96,53,879)	12,46,62,606	(7,49,91,273)
Equity attributable to the owners		(5,19,98,722)	21,85,67,306	16,65,68,584	(3,83,80,379)	12,46,62,606	8,62,82,227
LIABILITIES							
NON-CURRENT LIABILITIES							
Financial Liabilities							
Borrowings	38.3.5.a	25,68,60,500	(21,85,67,306)	3,82,93,194	25,88,85,500	(12,46,62,606)	13,42,22,894
Other Financial Liabilities		17,00,268	-	17,00,268	17,84,268	-	17,84,268
Provisions		39,84,821	-	39,84,821	38,47,633	-	38,47,633
Non Current Liability		26,25,45,589	(21,85,67,306)	4,39,78,283	26,45,17,401	(12,46,62,606)	13,98,54,795
CURRENT LIABILITIES							
Financial Liabilities							
Borrowings		8,84,00,000	-	8,84,00,000	9,07,50,000	-	9,07,50,000
Trade Payables		3,768,884	-	3,768,884	58,60,055	-	58,60,055
Other Financial Liabilities		11,44,47,950	-	11,44,47,950	10,02,11,276	-	10,02,11,276
Provisions		2,96,771	-	2,96,771	3,82,356	-	3,82,356
Other Liabilities		34,33,569	-	3,433,569	3,391,278	-	3,391,278
Current Tax Liabilities (Net)		58,83,486	-	58,83,486	58,87,854	-	58,87,854
Current Liability		21,62,30,660	-	21,62,30,660	20,64,82,819	-	20,64,82,819
Total Equity and Liabilities		42,67,77,527	-	42,67,77,527	43,26,19,841	-	43,26,19,841

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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Notes to Financial Statements as on and for the year ended 31st March, 2018

38.3.2 Reconciliation of Statement of Profit & Loss for the year ended 31 March 2017

(Amount in Rs.)

Particulars	Refer Note No.	Previous GAAP*	Adjustment	Ind AS
INCOME				
Other Income		17,97,905	-	17,97,905
Total Income (A)		17,97,905	-	17,97,905
EXPENSES				
Employee Benefits Expense	38.3.5.b	22,71,694	(2,55,829)	20,15,865
Finance Costs	38.3.5.a	50,000	27,90,022	28,40,022
Depreciation and Amortisation Expense	38.3.5.g	19,42,863	(601)	19,42,262
Other Expenses	38.3.5.g	1,11,51,691	601	1,11,52,292
Total Expenses (B)		1,54,16,248	25,34,193	1,79,50,441
Profit before Exceptional Items and Tax (A-B)		(1,36,18,343)	(25,34,193)	(1,61,52,536)
Exceptional Items				
Profit before Tax		(1,36,18,343)	(25,34,193)	(1,61,52,536)
Tax Expense:				
Current Tax	-	-	-	-
Mat Credit Entitlement	-	-	-	-
Deferred Tax	38.3.5.e	-	79,051	79,051
Excess Provision made for earlier years		-	-	-
Profit for the year		(1,36,18,343)	(26,13,244)	(1,62,31,587)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss	38.3.5.b		(2,55,829)	(2,55,829)
Income tax relating to these items			79,051	79,051
Other Comprehensive Income for the Year (Net of Tax)		-	(1,76,778)	(1,76,778)
Total Comprehensive Income for the period		(1,36,18,343)	(27,90,022)	(1,64,08,365)

38.3.3 Reconciliation of Total Equity

(Amount in Rs.)

Particulars	Refer Note no.	As at 31st March, 2017	As at 1st April, 2016
Equity(Shareholder's Fund) under Previous GAAP		(5,19,98,722)	(3,83,80,379)
On account of application of Effective Interest Rate	38.3.5.a	21,85,67,306	12,46,62,606
On account of application of Expected Credit Loss Model		-	-
Impact of Tax		-	-
Total Adjustment to Equity		21,85,67,306	12,46,62,606
Total Equity Under Ind AS		16,65,68,584	8,62,82,227

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

38.3.4 Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March 2017 (Amount in Rs.)

Particulars	Notes	Previous GAAP*	Adjustment	Ind AS
Net cash flow from Operating Activities		(97,81,378)	-	(97,81,378)
Net cash flow from Investing Activities		(22,768)	-	(22,768)
Net cash flow from Financing Activities		97,75,000	-	97,75,000
Net increase/(decrease) in cash and cash equivalents		(29,146)	-	(29,146)
Cash and cash equivalents as at 1 April 2016		5,33,519	-	5,33,519
Cash and cash equivalents as at 31 March 2017		5,04,373	-	5,04,373

38.3.5 Notes to First Time Adoption

a Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Ind AS 32 requires to treat redeemable preference shares as borrowings which in turn shall be covered by Ind AS 109. Ind AS 109 requires to recognize all the financial liabilities at fair value on initial recognition.

Under previous GAAP, these transaction costs were charged off to Statement of Profit & Loss or capitalized with the qualifying asset as per the application of the corresponding Borrowings.

b Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

c Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

d Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments and debt instruments. The concept of other comprehensive income did not exist under previous GAAP.

e Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

f Re-classifications

The Company has done the following reclassifications as per the requirements of Ind-AS :

- I Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.
- II Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.
- III The Company has re-classified unpaid dividend balance from cash and cash equivalents to other bank balances.
- IV Excise duty on sales was earlier netted off with Sales, has now been presented separately.
- V The Company has re-classified leasehold land in Bilaspur from Property Plant & Equipment to prepayments

g Leases

Under Ind AS, where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, straight lining of lease is not required. The same was required under AS-19. Company has initially recognised security deposit paid to the lessor at fair value and subsequently at amortised cost as per Ind AS 109.

h Expected Credit Loss Model

Ind-AS 109 requires to recognize loss allowances on trade receivable and other financial assets of the Company, at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk.

39 Fair value of Financial Assets and Financial Liabilities

(Amount in Rs.)

Particulars	31st March 2018		31st March 2017		1st April 2016	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Non-Current Financial Assets						
Trade Receivables		-		-		-
Loans		4,76,915		4,62,597		10,38,603
Other Financial Assets		2,70,483		2,85,080		2,67,324
Current Financial Assets						
Trade Receivables		-		-	-	-
Cash and Cash Equivalents		29,83,381		5,04,373		5,33,519
Bank Balances other than above		13,50,000		2,50,000		2,50,000
Loans		-		-		-
Other Financial Assets		1,87,385		1,66,570		-
Total Financial Assets	-	45,20,766	-	9,20,943	-	7,83,519

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

Particulars	31st March 2018		31st March 2017		1st April 2016	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Non-Current Financial Liabilities						
Borrowings		5,14,71,403		3,82,93,194		13,42,22,894
Other Financial Liabilities		16,62,138		17,00,268		17,84,268
Current Financial Liabilities						
Borrowings		8,37,00,000		8,84,00,000		9,07,50,000
Trade Payables		31,27,008		37,68,884		58,60,055
Other Financial Liabilities		3,26,087		11,44,47,950		10,02,11,276
Total Financial Liabilities	-	14,02,86,636	-	24,66,10,296	-	33,28,28,493

Note:

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

40 Fair Values

40.1 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

41 Financial Risk Management

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The Company's financial assets include trade and other receivables, cash and cash equivalents and deposits.

The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

41.1 Credit Risk

Trade Receivables

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due
Gross carrying amount	-	-	-	-	29,83,320
Expected loss rate	-	-	-	-	100%
Expected credit losses (Loss allowance provision)	-	-	-	-	29,83,320
Carrying amount of trade receivables (net of impairment)	-	-	-	-	-

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

Reconciliation of loss allowance provision –	Trade Receivables	Loans and Deposits
Loss allowance on 1 April 2016	29,83,320	6,000
Changes in loss allowance	-	-
Loss allowance on 31 March 2017	29,83,320	6,000
Changes in loss allowance	-	-
Loss allowance on 31 March 2018	29,83,320	6,000

41.2 Liquidity Risk

a The following are the remaining contractual maturities of financial liabilities as at 31st March 2018

Particulars	On Demand	Less than 6 months	6 months to 1 year	1 years to 5 years	More than 5 years	Total
Trade payables	31,27,008					31,27,008
Borrowings						-
Preference Shares					5,14,71,403	5,14,71,403
Rupee Term Loan	-					-
Short Term Borrowings	8,37,00,000					8,37,00,000
Other financial liabilities	3,26,087			16,62,138		19,88,225
Total	8,71,53,095	-	-	16,62,138	5,14,71,403	14,02,86,636

b The following are the remaining contractual maturities of financial liabilities as at 31st March 2017

Non-derivative						
Trade payables	37,68,884					37,68,884
Borrowings						-
Preference Shares					3,82,93,194	3,82,93,194
Rupee Term Loan		5,70,00,000	5,70,00,000			11,40,00,000
Short Term Borrowings	8,84,00,000					8,84,00,000
Other financial liabilities	4,47,950			17,00,268		21,48,218
Total	9,26,16,834	5,70,00,000	5,70,00,000	17,00,268	3,82,93,194	24,66,10,296

c The following are the remaining contractual maturities of financial liabilities as at 1st April 2016

Non-derivative						
Trade payables	58,60,055					58,60,055
Borrowings						-
Preference Shares					2,02,22,894	2,02,22,894
Rupee Term Loan		4,99,00,000	4,99,00,000	11,40,00,000		21,38,00,000
Short Term Borrowings	9,07,50,000					9,07,50,000
Other financial liabilities	4,11,276			17,84,268		21,95,544
Total	9,70,21,331	4,99,00,000	4,99,00,000	11,57,84,268	2,02,22,894	33,28,28,493

AGIO PAPER & INDUSTRIES LIMITED
Notes to Financial Statements as on and for the year ended 31st March, 2018

(Amount in Rs.)

41.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, etc

41.3.1 Foreign Exchange Risk

The company does not have any exposure in foreign currency at the year end of 31st March 2018, 31st March 2017 and 1st April 2016. Hence the risk of foreign exchange fluctuation is nil.

41.3.2 Interest Rate Risk

The company does not have any exposure to Interest Rate risk as on 31st March 2018, 31st March 2017 and 1st April 2016.

42 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

43 Segment Reporting

The Company's business activities fall within a single primary reportable segment viz., Writing & Printing Paper. Accordingly, pursuant to Indian Accounting Standard-108 on Segment Reporting, Segmental Information is not given.

44 Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

The accompanying notes are an integral part of the Financial Statements

As per our Report annexed of even date

For JITEDNRA K AGARWAL & ASSOCIATES

Chartered Accountants

Firm Registration No. 318086E

Sd/-

ABHISHEK MOHTA

Partner

Membership No. 066653

Kolkata : 25th May, 2018

Sd/-
(R R DEBATA)
Chief Financial Officer

Sd/-
K K KHETAWAT
(Director)
DIN:00438830

Sd/-
ANKIT JALAN
(Executive Director/CEO)
DIN:02577501

For and on behalf of Board of Directors

Route map to the venue of the 33rd AGM of Agio Paper & Industries Ltd.



Bengal National Chamber of Commerce & Industry

Bengal National Chamber House

23, R.N. Mukherjee Road, Kolkata – 700001



AGIO PAPER & INDUSTRIES LTD.

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CIN : L21090WB1984PLC037968
Phone : (033) 66286654, Website : www.agiopaper.com
E-mail id : cs.agiopaper@gmail.com

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT.

I hereby record my presence at 33rd Annual General Meeting to be held on Friday the 28th September, 2018 at 10:00 A. M at Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23 R.N. Mukherjee Road, Kolkata- 700 001

Regd. Folio No. :	Name of the shareholder / Proxy (in block letters)	Signature
DP ID No.		
Client ID No.		



AGIO PAPER & INDUSTRIES LTD.

Regd. Office: 505 Diamond Prestige, 41A, A.J.C Bose Road, Kolkata - 700 017

CIN : L21090WB1984PLC037968

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PROXY FORM

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

Name of the member (s) : _____
 Registered address : _____
 E-mail 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 : _____ Signature : _____ or failing him
2. Name : _____ Address : _____
 E-mail ID : _____ Signature : _____ or failing him
3. Name : _____ Address : _____
 E-mail ID : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company to be held on Friday the 28th September, 2018 at 10:00 A. M at Auditorium of Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23, R.N. Mukherjee Road, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Proposed
	Ordinary Business
1	Adoption of Financial Statements, Reports of the Board of Directors and Auditors.
2	Re-appointment of Mr. Ankit Jalan as Director who retires by rotation
3	Ratification of the appointment of auditor
	Special Business
4	Regularization of Independent Director Neeraj Kichlu (DIN: 05156014)

Signed this.....day of.....2018.

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

Affix Revenue
Stamp

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. For the text of the Resolutions, Explanatory Statement & Notes, please refer to the Notice convening the 33rd Annual General Meeting dated 25th August, 2018.

